

Food Delivery Boy to Food Business Owner – Traffic Vada Pav

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Jayshree Siddhuria and Ranjan Jaykant Sabhaya

S. R. Luthra Institute of Management, Surat, Gujarat, India

For further information, please contact:

Dr. Jayshree Siddhuria: Jayshree.mandaviya@gmail.com

Abstract

The case describes the journey of Gaurav Lodhe, the owner of Traffic vada pav, a moveable and easy-access store launched in July 2019. It started with 50 packed boxes; each box contained tasty and healthy vada pav with a small water bottle and tissue paper in a paper box for Rs 20. Traffic vada pav- the main objective is to help & satisfy evening people's hunger while driving back home and that's why runs the business in the peak hour from 5 pm to 10 pm. at traffic signal points in Thane, Mumbai. By the end of 2 years, Gaurav's sales increase to 800 vada pavs in a month and started earning approximately Rs 2 lakhs per month. The journey was not easy for him, looking at the acceptability of the product in the mind of consumers, financial issues, risk of selling the product at the signal and many more. The inspirational journey of Gaurav from zero sales to a turnover of 2 lakhs a month with a team working to support him is worth exploring.

Key Words: *Traffic vada pav, Entrepreneurship, Business Opportunity, Challenges, Business Idea*

Introduction

Mumbai is a place where people never sleep and come up with many surprises because there is a vast opportunity in the market (McFarlane, 2008). Mumbai is famous for traffic and Street food (Date, 2006). This trend is common all over India, but Mumbai makes a batch mark because people from all economic classes eat roadside and felt that the taste of street food is much better than the restaurant in Mumbai (Ray, 2018).

In Mumbai city, many people are stuck in traffic that takes many hours to reach a particular destination. People always feel hungry whenever they return home in the evening (Edensor, 2011). Vada pav was seen as the snack of the working class because it was easy to make and convenient to eat. With the help of all factors, vada pav became the staple food for *Mumbains*.

Traffic vada pav is a pioneer firm in India that offers branded vada pav on traffic single, which started in mid – 2019. Gaurav Londhe, the founder of Traffic vada pav. Traffic vada pav is a movable and quickly accessible store. (India, 2021) The firm introduced with a specific vision, “Looking for a tasty meal delivered straight to your door? The Traffic vada pav is here to bring outstanding dishes– where and when you want them. Whenever you find yourself short on time to cook for yourself, or you haven't had the chance to swing by the shop, get in touch with us and

we'll deliver something outstanding to your home or workplace". The Traffic vada pav bootstrapped start-up with a team of 3 people, which includes one cook (his mother), one supporting member (his wife) and one person for sales and marketing (himself).

Background of Founder

In 2009, Gaurav, a resident of Thane, his journey started as a pizza delivery boy. He had just completed high school but could not be promoted to store manager. He started a pizza delivery job and started earning Rs. 30,000 per month. After 5 to 6 months, his Company elevated him to a manager position. He used to get paid Rs 32000 a month. He completed his shift work around 5:30 to 6 pm at Andheri and approximately took one hour to cover a distance of 24 km to reach home. Gaurav was responsible for his family, which comprised four family members, including a wife, mother and daughter.



Sources - (Singh, 2021)

Business Idea to Business Opportunities

Around July 2019, Gaurav was stuck in Mumbai traffic; he stated he was feeling hungry. He searched for a place where easy access to food packed could be consumed immediately, but it is very hard to buy nearby in between the traffic chaos. At the same time, a peanut vendor passed by and Gaurav bought peanuts. On that day Gaurav realized that Mumbai traffic is horrible but he satisfied his starvation by eating peanuts and making a feel better. He also found the other person feels hungry like he does and craves food. Moreover, the idea struck to supply food to people stuck in traffic and thereby make revenue come into his mind.



In traffic, he started thinking and came up with the new idea that he was selling vada pav at a traffic signal because vada pav is a favourite food for Mumbains. The first time he shared his idea with his mother and his wife was that he wanted to sell fresh, hygienic and neatly packed vada with a small water bottle and tissue paper in a box for R. 20. Mumbai peak hour of traffic from 9 am to 12 noon in morning and 5pm to 10 pm was the best circumstance for doing business. Finally, he decided to leave a stable job and start his food venture seemed more daunting to Gaurav's mother and wife.

Sources - (Singh, 2021)

Family members were initially unhappy and felt the business might fail to run successfully. Apart from this, they also felt that selling a vada pav on a busy road, in the middle of traffic and stuck traffic seemed a risky and unrealistic business. They also felt that customers have a habit of eating the snack fresh on a plate and not packed in a box; moreover, they preferred the fritters to be hot and crispy. They also tried to convince Gaurav to continue with the job because, within 5 to 6 months, he would get a manager promotion and increase his salary. His mother also wondered if many such businesses were already going on and why people would be ready to purchase his product.

Gaurav was adamant and thought selling vada pav in Mumbai would be like selling a pizza in Italy. Somehow Gaurav won over his mother and he leave his job and start his food venture. Gaurav's mother helped him for making vada pav and lent Rs. 1 lacs for investment. Somewhere his mother has fear that he lost her saving accumulated over the years. But at the same time, Gaurav promised to repay with double the invested amount from the business. In the initial stage, Gaurav purchased the kitchenware and other supportive equipment for business and some money to invest in packaging. Then after work distribution was done among the family members as the mother cooked, his wife packed the snack and Gaurav sell them at traffic junctions.

Challenges faced by Gaurav

Gaurav started the Traffic vada pav business full of energy and positivity. One box contained one tasty vada-pav, one water bottle and some paper napkins, and the cost of this box is Rs. 20. On the first day, he got cooked 50 vada pavs to sell, but none of them sold. On that day, to keep his family's spirits high, he lied, saying that he sold all vada pavs instead of being distributed free among the people due to no sale. The painful experience of the initial day could not resist the tears in his eyes, but he consoled himself by saying, "It was one bad day next day would be better". The same repeated events occurred continuously for the next five days. Gaurav did not give up and he tried again and eventually was able to sell a few vada pav by day end. On this day, he could not earn more than Rs. 200. He continued to move around in Mumbai under scorching heat and heavy rain for hours every day, trying to sell the boxes and took help from two of his friends to sell snacks at the junction. The following week gave him optimistic hope as the demand for vada pavs started increasing, and people bought in bulk even and sold over 100 vada pavs that day. During these days, he was parallel facing several losses. However, his mother was working and fetched Rs. 25,000 every month, which supported his family through the challenging times. The pressure was mounting, and he decided to put more effort and become a familiar face at traffic junctions.

Taste of Success

During the journey, Gaurav's wife and mother supported, motivated and built a confidence level. Everyone worked harder as a team member; within a month, per day sold 800 vada pav and start earning Rs. 2 lakhs per month. At approximately he started earning Rs. 80000 after discounting all

costs. The happiest movement happened in Gaurav's life when he returned double the amount to his mother because he borrowed from her. Then after he recruited eight boys, paying them Rs. 10,000 monthly. All staff members wear orange t-shirts as a uniform for a common identity. At Present, if the customers do not find the boys selling vada pav, they would call to inquire why the vendors are missing. Moreover, today, the journey of Traffic vada pav is limited to selling vada pav and offers many other snacks on its menu.

Questions for Discussion

1. Does the idea of Traffic vada pav have enough potential to be converted into a business opportunity? Give your opinion with supporting arguments.
2. Critically evaluate the business concept of Traffic vada pav.
3. Identify and briefly discuss the events that illustrate the qualities of an entrepreneur that have a profound impact on business.
4. Discuss the challenges Traffic vada pav could face initially.
5. Suggest some strategies for further business expansion in the above case.
6. What can an aspiring young entrepreneur learn from this case study?

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