Franchise: a superior business concept which enable peoples to become solid businessmen.

Oleh: Anang Sukandar



A franchise is a superior – and excellent business concept, which encourage the economy of the country, create employment opportunity, provide equal opportunity in businesses and support business peoples to become self supporting.



Franchise emerged in the 19th Century in the US as a challenge and solution provided by business peoples, to overcome problems in distribution and increasing the market share.

This is what people call Product distribution and trade name franchising, which was introduced at that time by Singer and later followed by the automotive – and soft drink industries. These are the first – and second generation of franchising.



Nowadays what we mean by franchising is the business format franchise, which is structured as a total comprehensive concept with the uniqueness and criteria's.



A franchise concept is more superior and comprehensive than a licensing -, mlm – and business opportunity concept, as franchise contain industrial - & intellectual property right besides know how and technique in doing business, shared by the franchisor from his/her experience to the franchisee.



Franchise start in the beginning as an SME and with the elapse of time and her/his entrepreneurship and through perseverance, become a successful business, expanded to other areas and countries, provide benefits for the franchisor and developer.



On the other hand investor or would be franchisee who undertake and operate a franchise which has been proven and successful will have the benefit of a good return for their investment.

To become a successful franchisee is a dream and wish for almost everybody and with that they will start as a good and skill full business owner.



The know how of a franchise concept with the fundamentals of franchising will open a new universe for you in doing business and will provide you the experience to be a good and solid professional manager. You will be able to manage the problem of speed, new technique and tips in developing your market share and reach your potential customers in other areas or countries.



Franchise has the capability to manage the business. Which has a uniqueness and not easy to imitate. This can be in the form of a unique product/service or in the system of operation and or in the production process or a secret recipe with special characteristic. In franchising there are elements of entrepreneurship, which consistently provide innovations continuously, which make the franchise business par excellent.



Franchises have been developed in various categories or product/services which cover more than 100 varieties. In Indonesia there are more than 75 categories which include F & B, education, Saloon, Laundry & Dry cleaning Services, Courier Business, and in retail businesses and many more.



Franchising must have the following criteria's:

- 1. Has been proven successful and provide profits
- 2. Must have a uniqueness
- 3. Has a model/prototype
- 4. Has been standardized
- 5. Simple and easy to transfer
- 6. Has an IP which is related to patent, invention, trade secrets and/or industrial design.



In the framework of AFI & ACFPT relationship we will cooperate:

- In the area of International Trade Exhibition and Conference, Training and Seminar and providing information and assistance to each other.
- jointly conduct the Certified Franchise Executive (CFE) Program where Taiwanese participants attending AFI's CFE courses and Indonesian attending ACFPT's CFE courses.
- Other forms of collaboration, related to the development of franchising of SME's and micro franchising.



As a result of this relation and cooperation we now see some Taiwanese brands & franchises in the Indonesian Market such as:

- Dante Coffee
- Mochi
- Pop Smile
- Vinegar
- Chat time
- Hot Star
- Georg Peck Café
- Share Tea

- Preso Tea
- Black Ball
- Come Buy
- Gong Cha
- My Warm Day Coffee & Brunch
- Din Tai Fung
- KOI Drinks

