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## Bright prospect seen for franchise business

By EDY SARIF

### Consultant: Slowdown has led people to seek more secure jobs

KUALA LUMPUR: Asiawide Franchise Consultants Ptd Ltd is optimistic that the franchise business will flourish during this economic slowdown as people seek secure jobs.

Chairman Albert Khong said the current job instability had led people to search for opportunities that offer a more certain future, including running their own businesses.

“The uniqueness of a franchise operation is that whoever wants to be an entrepreneur is not required to have a deep knowledge of that business, as there is an existing system on how to do it.

“The only things that you need are passion and commitment,” he told *StarBiz* after a media briefing.



Dr Jeffrey Goh Sim Ik (left) and Albert Khong at the media briefing

Asiawide is one of the most experienced franchise consulting companies in Asia with strategic partners in about 15 countries.

Citing McDonald's as an example, Khong said anyone wanting to be a franchisee needed only to adhere to its business system as the franchisor would take care of other aspects such as branding, research and development and training.

"Apart from that, the franchise business enjoys economies of scale as big players like McDonald's can get better pricing because of their strong brand and big volume of supply needed," he said.

However, Khong said, like other businesses, franchise too had its own risks.

"But based on our experience in handling the franchise business, there are more positive results compared with the bad ones," he said.

Kong said food and beverage franchise was popular in developing countries as people wanted to try new type of food, especially those that carry international brand.

"The changes can be seen once the countries are developed. For example, in the United States and Europe, people look for service type of franchise business such as education, healthcare and retail," he said.

MCA National Youth Economic Task Force chief coordinator Dr Jeffrey Goh Sim Ik said this was the best time to venture into franchise business as locations were more selectable, rental rates more negotiable and construction costs were lower.

"With support from the Government and banks, the franchise business is one of the opportunities for those who are unemployed or have been retrenched, not forgetting the youth who are eager to start their own businesses," he said.

Jeffrey urged those interested to attend a seminar on *Entrepreneurship Through Franchising During Economic Hard Times* on May 19.

The MCA National Youth Economic Task Force and Asiawide Franchise are co-organisers of the event, to be held at Wisma MCA in Jalan Ampang, Kuala Lumpur.

The speakers include Khong, Asiawide Franchise Sdn Bhd executive director Jamaluddin Ghani and Ho Yean from Action International.

About 17 Malaysian franchisors as well as representatives from Malaysia Franchise Association and banks have confirmed their attendance, some of whom will set up booths.

As admission is free, the organisers hope to attract 1,000 participants.

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