



Micro-franchisors from left to right: Matimba Masinga, Freda Makanete, Kenneth Mokgosi, Itumeleng Mpatlanyana & Happy Phiri

Photographs by Shawn Driman Photography

FUTURE FRANCHISORS IN THE MAKING

In 2016 the Department of Small Business Development (DSBD) launched The Micro Franchisor Development Programme which aims to identify and then prepare viable black-owned businesses to become franchise-ready.

NOT EVERY BUSINESS can be franchised and not every business owner can/wants to be a good franchisor. Tasked with heading up the Micro Franchisor Development Programme on behalf of the DSBD, SA Franchise Warehouse is proud to introduce the second intake of entrepreneurs who, after being assessed in terms of the predetermined criteria, were selected from an initial group of 25 applicants to participate in the programme. Over the last year these future micro franchisors have completed the formal educational component of the programme and they have now moved on to the documentation development phase which should be completed by March this year. Completing this phase will ensure that each business

is compliant in terms of the prescriptions of the Consumer Protection Act (CPA) and are, in effect, franchise-ready.

Despite the challenges encountered in the re-engineering and restructuring of these businesses into more formal trading entities, the programme has yielded positive results. In addition to optimising the operational aspects of each business, educating and inducting the business owners into the world of franchising is a key aspect of the process. These business owners, who until now have been heavily invested in the day-to-day operations of their businesses, needed to shift their focus from everyday operational issues to the recruitment, development and support of their future franchisees.

Ideally, every franchisor needs a legal

expert, a recruitment expert, a location procurement and lease negotiation expert, a training expert, an operations expert, a marketing expert, a communications expert, a systems expert, an accounting expert, and a project management expert. In order to ensure that these up-and-coming franchisors will be able to fulfil their support obligations to their future franchisees, SA Franchise Warehouse will continue to render certain support services.

We look forward to working with these micro franchisors and believe that the process can be replicated many times in order to create multiple independently-owned small enterprises that will certainly provide much-needed jobs within their communities. ►

**LOCATIONS:**Westgate Mall,
Roodepoort**STAFF COMPLEMENT:**

16 full-time, 10 part-time

the partners can be found in the salon, engaging with clients and staff, while ensuring that their standards are being upheld. During the week, however, they are exploring various strategic initiatives on the salon and training side as they work to expand their business.

What do you consider the three key elements for starting and running a successful business?

- ✓ *Be passionate* — if you are not passionate about your business, you won't succeed.
- ✓ *Expertise* — learn everything there is to know about your industry.
- ✓ *Creative thinking* — approach problems creatively. You will be constantly bombarded with problems that don't have obvious solutions; it is up to you to figure it out.

Hair-raising challenges & successes

Ensuring that their service offering is aligned with popular market trends is an ongoing challenge. On the upside, their trading density — revenues per square meter — has consistently outperformed the sector average.

Big hair & big plans

It is their hope that over the next decade Royal Hairstyles will become known throughout Africa, with locations across the continent. ►

MICRO-FRANCHISOR: *Kenneth Mokgosi*

ROYAL HAIRSTYLES

With the vision of formalising the Afro-hairdressing industry through high quality training and services, partners Kenneth Mokgosi and Sean Walker opened a SETA-accredited training academy in February 2012, followed by their first salon in November 2014. The key differentiating factor that sets Royal Hairstyles apart is their ability to consistently provide high quality services from well-trained stylists.

Happy hair, happy life

Royal Hairstyles provides hairdressing services and products, aimed primarily at the middle-class black African consumer. They rely primarily on social media marketing — Facebook, Twitter and Instagram, but Facebook adverts have been their most successful marketing channel.

Eat, sleep, DO HAIR, repeat

Every day is unique. Over weekends, when salons are typically at their busiest,

MICRO-FRANCHISOR: *Happy Phiri*

HAPPY'S CANDLE MAKING

Happy Phiri is an ex-convict who turned his life around. Realising that his criminal record would make it very difficult for him to secure a job upon his release, Happy took up the art of candlemaking. Upon his release he approached NICRO, an NGO that specialises in social crime prevention and offender reintegration, who assisted him by purchasing the machinery required to start producing candles and also provided access to premises at the NICRO Soweto Centre. Happy was also fortunate to receive support from the Townships Project Canada who also invested in machinery and provided funding.

Candle craft

Happy's Candle Making manufactures and sells basic commodity candles that are

available in a variety of colours. Selling his product to spaza shops, traditional healers and churches, Happy personally delivers his candles within a 10-kilometre radius.

Happy's Candles' happy customers

While no official marketing has been done, through word-of-mouth Happy's many happy customers have spread the word that Happy's candles are the best — best candles, best price — and the customer service is second to none; if one of his candles were to break, he would gladly replace it with a smile.

Keep on keeping on

The fact that his customers keep coming back for more is what keeps him motivated. At 05h00 every morning Happy can be found in his workshop getting a



LOCATION: Soweto



STAFF COMPLEMENT:
3 full-time employees

head start on the day's production. By the time his employees report for duty at 08h00, production is well underway and soon Happy is loading his vehicle to tend to deliveries and scout for new customers. Keeping a close eye on his clientele, Happy has developed a knack for delivering stock before his customers even had a chance to place an order, and most days his stock of 3,000 candles is sold out by the time he returns to his workshop.

Happy's three key elements for starting and running a successful business:

- ✓ Ensure there is an opportunity in the market.
- ✓ Have the management skills and self-discipline to manage your business.
- ✓ Work to change the world for the better — create employment and decrease poverty.

The ups & downs

Acquiring effective equipment that would allow them to keep up with demand as well as inadequate transport, are some of the challenges they've had to overcome. On the other hand, receiving the *Gauteng Entrepreneurs Award* from SANZAF (South African National Zakah Fund) in 2014, was definitely one of the highlights.

A bright future

It is Happy's wish that over the next ten years his candles will become internationally known, that everyone will be able to buy Happy's candles from their favourite supermarket and that all this will allow him to create at least 600 employment opportunities. ▶

MICRO-FRANCHISOR: *Freda Mkanete*

UBUNTU HEALTH CARE CLINIC

Ubuntu Health Care Clinic is a private clinic founded by Sister Freda Girls Mkanete. Established in 2013, the clinic initially operated only on a part-time basis until June 2016 when the first fully-fledged clinic was opened in Pimville, Soweto. The clinic recently relocated to bigger and better premises in Cosmo City. While the Ubuntu clinic receives support from government, Sister Freda has also cultivated relationships with other suppliers to ensure the continued smooth running of the clinic, should there be hold-ups on the part of government's stock suppliers.

The greatest wealth is health

Their target market is low- to middle-class

women who can't afford medical aid, but are in need of ante- and post-natal care, mothers with new-borns, and women who are generally concerned for their health. Ubuntu Health Care Clinic offers pregnancy tests, reproductive health services, pap smears, ante-natal and post-natal care, 4D and normal scans as well as HIV testing and counselling, flu vaccinations, glucose and cholesterol tests, and BMI and general health services for women and children.

Attracting attention

While Facebook and word-of-mouth referrals have been their most effective marketing tools, their website also draws attention when women start googling pre-natal care practices.



LOCATION:

Cosmo City Shopping Centre



STAFF COMPLEMENT:

2 full-time, 1 part-time nurse & 2 students

Doing what matters

From the moment Sister Freda walks in the door it's all systems go as she sees on average 20 patients a day, back-to-back, for all manner of consultations. It is her passion for her work that drove her to establish this business and it's what inspires her to keep going.

Sister Freda's advice for starting and running a successful business

Research the business so you know what you are getting yourself into. Follow this up with good planning to lay the foundation for your success and lastly, familiarise yourself with the figures to be sure that your venture will be profitable. On a personal level, patience, commitment, perseverance and discipline are key.

The ups & downs

As a midwife with no business experience, Sister Freda's biggest challenge was teaching herself how to be a successful business owner and to then maintain a balance between being a business owner and a health care professional. Her greatest success is simply to have achieved her dream; to, against all odds, be a midwife and a successful business owner.

Where to from here?

Ten years from now Sister Freda would like to be a successful franchisor with multiple franchisees – other midwives/nurses who share her passion for health care. ►

MICRO-FRANCHISOR: *Matimba Masinga*

BLOMPLEK

For siblings Matimba, Rhulani and Ngeti Masinga, Blomplek is the realisation of a dream. Blomplek was inspired by their desire to establish a premium eatery in the township that could hold its own against popular restaurants in trendy locations. Catering to the ever-increasing black middle- and upper class, these patrons would no longer have to travel to the northern suburbs (of Johannesburg) for the opportunity to enjoy a great meal in a pleasing setting surrounded by beautiful people. This is also meant that instead of supporting other communities, their hard-earned money would circulate in their own community.

What's cooking?

With class, quality and togetherness as

their core values, Blomplek is not just about serving food — it's about the experience. Customers can enjoy a great meal and first-class service with menu items starting from as little as R20.

Liking it

"Our target market is people we call 'likers,'" says Matimba. "They have no brand loyalty, but are loyal to the experience." Customers range from 25 to 45 years of age with a net income of R15K and while most hail from the local community, patrons have been known to travel from all over Gauteng.

Spreading the word

While social media has proven to be their most successful marketing channel, they also use flyers and pamphlets, and



LOCATIONS:

Soweto & Maboneng Precinct



TOP SELLERS:

Mogodu Monday featuring traditional African food and Afro platters



STAFF COMPLEMENT:

24 full-time, 12 part-time

word-of-mouth has brought its share of customers. Most recently they have expanded their marketing repertoire to include billboards.

A day in the life

A typical day is long and busy. Staff members clock in at 07h00 and the doors open at 08h00. During weekdays the restaurant closes at 21h00 and at around midnight on weekends. "Every morning starts off with stock take and during the day I interact extensively with various stakeholders and suppliers, pursuing opportunities that can add value and grow the business," says Matimba.

Challenges & successes

In a business where marketing is key, staying within the budget can be tricky and access to funding to grow the business is another challenge. Matimba's three key elements for starting and running a successful business are perseverance, planning and great communication skills.

What does the future hold?

We are Afro-bias, we understand the black middle-class experience and want to establish ourselves as the best black premium lifestyle food experience. Over the next five years we aim to grow our national footprint by opening at least two new stores every year. ▶

Nkukhu-Box
Grilled Kasi Flavour

**LOCATIONS:**

Gauteng: 9 outlets
Mpumalanga: 1 outlet
North West: 1 outlet

**STAFF COMPLEMENT:**

12 Head office, 20 central kitchen & 140 store employees

What motivates you and what do you consider the key elements for starting and running a successful business?

“I never wanted to work for someone, and have always been taken with the idea of being my own boss and being financially free. If you want to succeed as an entrepreneur, a desire to turn a profit is not enough; you must have confidence, be driven to succeed and have enthusiasm for your product. Then you must work hard to develop your administrative and entrepreneurial skills,” says Itumeleng.

Winging it — challenges & successes

Speaking as an entrepreneur who has experienced the highs and (very) lows of business, Itumeleng remarked that being a young black entrepreneur has immense challenges in the private sector. Having taken the lessons from his previous ventures to heart he realised that he would have to develop a business model that does not rely on too many external sources and so the Nkukhu Box model was designed to mitigate the rent and other overhead costs that is the downfall of so many businesses.

The courage to fly

Nkukhu Box aims to change the current blueprint of township fast food and to become a household name in every Kasi. Looking further afield, Itumeleng has his eye on Africa and hopes to establish a footprint in Zambia, Namibia, Lesotho and Swaziland. □

MICRO-FRANCHISOR: *Itumeleng Mpatlanyana*

NKUKHU BOX

Inspired by his passion for good food, Itumeleng Mpatlanyana founded South Africa's first strictly-kasi franchise in 2015. Nkukhu Box is a true African township brand that embraces the authentic e'kasi culture and flavours. From their first location in Mamelodi, Nkukhu Box now boasts eleven locations across Gauteng, Mpumalanga and the North West Province with more stores opening soon.

The home of grilled chicken

As a strictly-kasi franchise, Nkukhu Box serves the township market and their menu reflects their understanding of

African flavours and preferences and the 'township palate'. The perception that a market makes buying decisions purely on price is wrong; product quality has also become a major factor.

Keep calm and cluck on

Working with advertising agencies who understand their target market, Nkukhu Box has a creative marketing strategy that is relevant, dynamic and market-related, and that speaks to the township market. As evidence of their commitment to the success of their franchisees, the franchisor contributes significantly to their marketing activities.