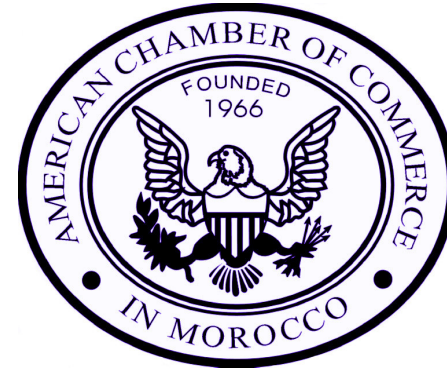


# MOROCCAN AMERICAN BRIDGES 2007



**MAY 2007 - CASABLANCA**

## *Franchising in Morocco*

Moroccan American Bridges 2007 by AMPA & AMCHAM & AIESEC,  
Casablanca, Morocco | 15<sup>th</sup> May 2007



# *Moroccan* Franchising Trends and Prospects For *American Brands*

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### *Some Quick Facts On Franchising in Morocco...*

- High Growth: From **42** franchise networks in **1997** (**200** points of sale) to **308** franchise networks in **2006** (**1900** points of sale)
- International Brands dominate: **80%** of franchise networks (France: **50%**; USA: **10%**)
- Home Grown Franchisors
- Job creation: On average **13** direct jobs and **20** indirect jobs

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## *Current Franchise Sectors...*

- Product concepts = **60%** of the concepts
- Services concepts = **40%** of the concepts
- The garment sector (**29%**) is the most predominant sector
- Apparel, food / Restaurants, cosmetics, furniture in kits and chocolate / Candy are the top five sub-sectors represented in Morocco

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## Franchise *Successes* in *Morocco*



marwa



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### Franchise *Failures* in *Morocco*



KOOKAI



lollipops



# Why Franchising in *Morocco?*



- *30 million people*
- An increasing purchasing power
- A good business climate
- A predictable legal and regulatory framework
- An efficient banking system
- A high level of urbanization of the country
- A strong local franchise federation (FMF)
- Good knowledge on benefits of franchising
- Informal sector more and more weak

# Franchising in Morocco: A Three Level *Approach*



***Morocco Has to be considered as a long term high volume market***

**A three level Approach**

- 1. Market research and feasibility study**
- 2. Planning the mode of entry to the Moroccan market**
- 3. Looking for and finding the right partner**



# Market Research and Feasibility study



- **Evaluate the size of the opportunity**
- **Customize your products and services**
- **Establish the right pricing**
- **Review competition and define your competitive advantage**

# Mode of Entry to the Moroccan Market

## 4 formats:

- **Master/ regional franchise:** *customized franchise format (Zara, La Senza, L'Occitane, Pizza Hut..)*
- **Direct franchising:** *more partners per country (New Man..)*
- **Licensing:** *expertise and system preferred over brand (Lee Cooper, Pepe Jeans...)*
- **Joint Venture:** *direct equity participation (Mc Donald's..)*

# Looking for and finding the right partner



- **Investment is not the only criteria**
- **AMCHAM, FMF can help you find the right partner**
- **Easy access to web sites specialized in franchising in Morocco:**  
**[www.observatoiredefranchise.ma](http://www.observatoiredefranchise.ma)**
- **Franchise Fair once a year**
- **Experts**

# *Opportunities*



- Automotive sector
- IT sector
- Tourism & Hotels management sector
- Education & training
- Food retail
- Flowers
- Leisure industry
- ....

***Welcome to Morocco  
the opportunity awaits...***



***Thank You***

***Presenter***

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