

Store: Princess Crossing
Owner: Tilla and Coenie Kloppe

Case Study: Cash Crusaders – Princess Crossing

Situated North of Roodepoort in the suburb of Helderkrui is Princess Crossing Shopping Centre. With anchor tenant Pick n Pay and the position of the store at one of the areas major arterials, Ontdekkers Road. The centre attracts a wide demographic of consumers.

Our Multi-Store Franchisees Tilla & Coenie Kloppe had the following to say about their latest store opening.

"We wanted to run a business with a sound brand name, and that is what attracted us to Cash Crusaders years ago. One of the biggest challenges in the first year of a new store is staff; it can be difficult to run a good store with brand new staff. The training offered by the Franchisor, partly overcomes this challenge. Princess Crossing was very successful in the first year. We took experienced staff from our other stores, which helped to get the new store up and running.

We opened our Princess Crossing store in November 2013, and reached our break-even target in our 4th month of trade. The store achieved a trading total growth of 70% in month 12 and traded with an average trading total of R611 614 in year one. By 30 November 2015 the store traded with an average trading total of R789 089.

Being located in a small mall, we needed to get feet into our store. We want customers to talk about bargains they found and to spread the word about our business, within the local community. We worked hard at getting customers into our store and most of our initial customers were from our buyshop first. We always give good prices for their goods, and they eventually became our retail customers. We were concerned in the beginning as the Mall was very quiet and we tried thinking every night, how could we get customers into our store. Advertising was the answer, and we started with posters on street poles.

We value our 2nd hand side of the business and our customers. When opening a new store customers come browsing for bargains on second hand goods. My favourite part of being a Cash Crusaders franchise owner, is when customers walk out happy with the service from our staff, and they feel that they have purchased a bargain. As a Franchisee you feel a great amount of pride being a part of this. Through our second hand chain we attract customers to also buy new goods. New goods also provide the shop with a special flavour.

We expect to grow our business and go from strength to strength every year. You can only do this with good and friendly staff, together with well priced stock. Most of all, you need to be 100% committed to living the life and culture of the Cash Crusaders brand. If a franchisee thinks it is just a job, they will never be successful. Treat your staff like gold, because without them, you don't have a business."

~ Tilla and Coenie Kloppe





Case Study: Cash Crusaders – Atlantis

What got you interested in owning a Cash Crusaders Franchise?

After being retrenched from the corporate environment I realised it was time to fulfil my lifelong ambition of operating my own business, for a few reasons.

- Personally gain from the fruits of my labour
- Work until I decide not to.
- Establish a solid financial position for the present and into retirement.

Franchising was always the only option for me, for all the well documented reasons of proven business model, operational support, existing brand awareness, value proposition and acceptable returns on investment.

Coming from the furniture/appliance / high tech industry I wanted to get involved in a business I could relate to and after researching every franchise opportunity in the country, particularly those in the new/2nd hand retail sector and after extensive research of all opportunities, settled on the Cash Crusaders concept.

From the 1st interaction with CC franchise division I was satisfied that the franchise pricing model, team corporate environment, strict operating parameters and trading cushion of a dynamic and sought after range of new goods was a real option to pursue.

What challenges were you faced with during the opening of Atlantis?

The major hurdle in prepping for Set Up was sourcing of an experienced, passionate staff team, in an environment that does not offer a substantial work force base who met the above criteria. Fortunately after trading corporately in the area for a number of years, staff members of companies I had worked for previously were quick in responding.

The training of myself as well as my entire staff compliment in a centralised Training Store was generally handled extremely well. Whilst it is acknowledged that only so much can be training/experienced, in a six week period, I felt a level of ill-preparedness with regards to system and risk management functions; this has now been built into the training module specifically for Managers and Franchisees. Initial issues were overcome in a relatively short time span due to assistance and guidance by fellow Franchisees and Operational support.

Actual set up was assisted greatly by Operational Management who was involved from the get- go, from lease negotiation to build out costings and contractor sourcing. Final build out was marginally frustrated by missed time lines by shop fitters however the final quality of workmanship was exceptional.

Have your expectations been met?

Top line revenue earnings as well as buy shop forecasts have been met and exceeded from month one and reception to the model by the community has been exceptional. Due to a combination of focussed passionate staff compliment, generally vibrant trading environment and lack of retail competitors, almost every Division has performed above forecast.

The deep and wide range of new goods has provided a stock cushion to the Franchise whilst 2nd hand stock levels rise, at the same time as offering the local community a range of quality goods at affordable prices, not previously available in the area.

The ethos of buyshops being the “heart of the business” has proven itself beyond measure. Buyers and I focus on a number of key drivers to enhance customer’s experience, that of efficient quick processes, treating each customer, no matter what their back-ground with respect and dignity, and trying to lighten the atmosphere by having fun. Operational support has been at an acceptable level, and all team players remain acutely aware of the need to develop a “business partnership” between Franchisee and Franchisor.

As a first time own business owner, cash flow management has proven to be somewhat of a challenge with the Franchisor aware of the need to give ongoing advise, support and guidance in this regard. System functionality is excellent and has allowed for great business oversight and identification of problems/opportunities.

What do you enjoy most about being part of the Cash Crusaders Family?

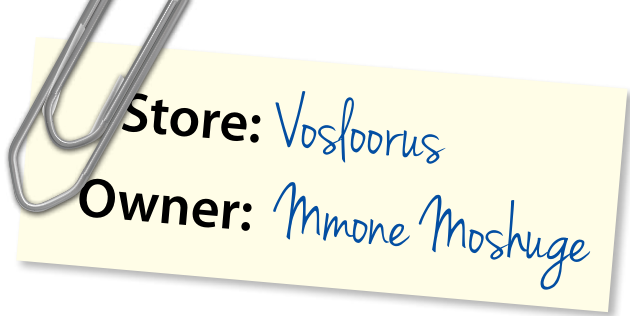
Being fortunate enough to have a dedicated staff team has certainly made the extreme 7 day a week work schedule tolerable, together with a generally solid and amusing community of shoppers. The daily vibrancy and variance in work functions ensures a high level of energy requirement but provides daily fulfilment and enjoyment in the business. Interaction with sellers in the buy shop is a daily “high” and we look for any opportunity to lighten the atmosphere and shopper impatience by ensuring acceptable levels of customer centric behaviours and “fun”. Every customer interaction provides the opportunity to add value to the business.

Having worked for most of my career in a dynamic corporate “team” environment , I value above and beyond all else, the opportunity of being part of a business who fully intends to remain a market leader and is both prepared and comfortable, in adopting an inclusive and “participative” stance toward achieving that goal.

What are your future plans as a Cash Crusaders Franchisee?

My personal vision is to open a minimum of another two Franchises over the next 5 years whilst developing staff in each business to achieve their absolute maximum potential.





Case Study: Cash Crusaders – Vosloorus

What got you interested in owning a Cash Crusaders Franchise?

Honestly I did not know much about Cash Crusaders, I retired at the end of July 2014 and was looking for a small business to keep myself and my mind active post retirement. As a member of National Small Business Association I attended a seminar in Port Elizabeth in August 2014. There were a couple of stands at the show, including Cash Crusaders. The participants explained their business models and distributed pamphlets.

At the Airport, on my way back, I met one of the employees of Cash Crusaders. He came from Durban and we discussed the business model in detail. I was interested in the concept, particularly the loans (SSB), second hand goods and potential profits to be derived from the model.

To say the least, Cash Crusaders buyshop model was the driving force to my interest in the Franchise. I never expected it to be such a good retail business model as is now.

What challenges were you faced with during the opening of Vosloorus and how did you overcome them?

I met with Danie in September 2014, to discuss a potential outlet to purchase, Cash Crusaders Carletonville was on the market at the time, however, the owner changed her mind. A site in Vosloorus Plaza then became available so I took that as a challenge to enter the 'township' market. Most of Cash Crusaders outlets are opened in the suburban, and traditionally developed market. The road towards the opening of Vosloorus was stressful. Timelines were extremely tight, and when we finally opened on 1 December 2014, we hit the ground running/flying, weathered the storm and learned faster from each situation.

Have your expectations been met as yet?

My expectations were as follows:

- Small business to keep myself active post retirement from The Coca Cola Company – expectation met and exceeded. The Cash Crusaders model needs hands on daily running by the Franchisee, particularly during the initial stage of the business. I was spending seven days a week and more than 8 hours a day in the store. Up to today I have never felt like a 'retiree', I enjoy being in my store and merchandising stock.
- Create job opportunities – expectation met and exceeded. I employ 10 people of which 6 were unemployed when I brought them on board, 80% are locals and understand local culture and complexities.
- Profit and Cash Flow - my expectation is to let my business run for 18 -24 months and I am positive of a bright picture.
- Legacy for my Children - in progress
- Wealth Creation - long term

What are your future plans as a Cash Crusaders Franchisee?

As a Franchise Owner, I want to own more outlets. I plan to open more Cash Crusaders stores in 2016 and 2018 respectively.

Franchise Testament

What a radical change after 30 years of experience in Producing and Wholesaling FMCG (Carbonated Soft Drinks) to Retail in its entirety. I have truly accumulated diverse experience over 12 months of our operation in Vosloorus. I have learned and am still learning the ropes, therefore I believe that I have made a right decision post my retirement from The Coca Cola Industry.



Store: Cosmo Mall
Owner: Christo Burger

Case Study: Cash Crusaders – Cosmo Mall

Cosmo Mall is a contemporary shopping mall, situated at the intersection of Malibongwe and South Africa Roads in Randburg, Johannesburg. The mall attracts consumers from the thriving suburb of Cosmo City and surrounds.

Cash Crusaders Cosmo Mall is a 149sqm store that was opened in November 2014. Christo Burger, Franchisee, is an entrepreneur having owned businesses in the food industry prior to investing in Cash Crusaders.

Cash Crusaders Cosmo Mall reached their break-even target in their 6th month of trade, in spite of trading for an extended period without the Pick 'n Pay and Builders Warehouse anchor tenants, the store still achieved a trading growth of 180,40% in month 12. The store traded in year one with an average trading total of R364 462.

Has your Cash Crusaders franchise met your expectations?

Christo: Yes, I expected a stable business with growth potential and do certainly have it. I would like to open more Cash Crusaders stores in the future.

What is your favourite part of being a Cash Crusaders Franchise owner?

Christo: To make money and to experience customers' gratitude when we help them financially. I really like the culture of our honest and fair trade with customers as well as valuing the customer by buying customers and not the goods because it really pays off in the long run.

What are your plans for the future of your business?

Christo: To maintain and grow our current customer base to realize a turnover to R1 million per month. The growing and nurturing of a stable and happy staff compliment that works well together, share our common goals and visions and takes responsibility and ownership for their part in the overall performance of our store. To open a second store in future.

