BOOK REVIEW
“FRANCHISING IN EASTERN EUROPE - YESTERDAY, TODAY, TOMORROW”

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Franchising in Eastern Europe - yesterday, today, tomorrow, edited by Aleksandar Erceg, Ph.D., gathers the work of authors whose main research area is franchising. The authors have given an overview of franchising in different countries, such as Croatia, Poland, Hungary, Slovenia, Serbia and Macedonia. Undoubtedly, franchising is an important topic, due to its rising significance for economies and possibilities to further develop franchising markets in Eastern Europe. Therefore, research in this area, provided in the reviewed book, certainly can help in the better understanding of the most relevant issues that franchised businesses face in the aforementioned countries.

The first chapter Franchising, written by Mirela Alpeza, Ph.D., provides the theoretical framework of the franchising concept. After defining franchising, the author discusses the advantages and challenges of franchising, for both franchisors and franchisees. Also, the author defines the types of franchise, with the main focus on two basic models: product distribution franchise and business format franchise. In the end, the author does not neglect to mention one of the most relevant issues in franchising research - the connection between franchising and entrepreneurial behavior of individuals and organizations.

Ljiljana Kukec, M.Sc., gave her contribution by writing the chapter about the Complex nature of franchising and new challenges for development. The paper starts with debating the reasons why people choose the franchising business model, looking into the connection between franchising and the success rate and the meaning of franchising as a business sector. The author presents the most current challenges for the franchise sector in Europe and the influence of the global changes. The last part of this chapter highlights important information about the European Franchise Federation, whose members are franchisors, and since recently, it has been open for indirect franchisee representation. Also, the chapter discusses the need for creating a stronger self-regulation mechanism and revision of the European Code of Ethics.

The third chapter written by Aleksandar Erceg, Ph.D., titled Franchising in Croatia - yesterday, today and tomorrow, illustrates the situation in Croatia, looking back at the beginning of franchising in Croatia in the late 60s, going through the recent years of franchising, but also discussing future steps needed for the expansion of franchising.
in Croatia. The author emphasizes the importance of the Croatian Franchising Association, financial institutions and the role of government for future development of franchising in Croatia. This chapter provides an overview of relevant research on franchising in Croatia, which mainly focuses on examining the legal issues of franchising. However, in the last years, researchers have started to analyze the economic aspects and influence of franchising, along with the opportunities for new investments and challenges in franchising.

The next chapter Franchising in Poland - past, present, future, whose author is Marta Ziolkowska, Ph.D., explains the beginning and development of franchising in Poland. The author examines the growing trend of franchise since the appearance of this business model in Poland. This chapter provides concrete evidence about the structure of the franchise market in Poland, by entity and by industry. Additionally, the trade sector and service sector are analyzed to determine the popularity of specific industries. The author gives a thorough overview of legal regulations for franchising in Poland, as well as important trends that will shape the Polish market in forthcoming years.

The chapter Franchising in Hungary - the beginning, the present and the future gives an overview of the franchising development in Hungary from its beginnings in the ‘90s. The author Katalin Mandel presents the legal environment for franchise as well as the Hungarian Franchise Association (HFA) as an important actor in promoting franchising through its activities. Hungary has the largest number of franchising systems and franchisees in the region and some of them are presented in the chapter through short cases. In the end of the chapter the author gives the prediction of future franchising development in Hungary.

In the chapter Franchising in Slovenia - ieri, oggi & domani, Igor Pavlin gives an overview of franchising in Slovenia from its beginnings in the 1980s to the current situation. The author follows the timeline of franchise development from initiatives for the establishment of the Franchise Association in Slovenia and the beginnings of education and training on franchising till establishment of the national franchising association. The chapter gives a special overview of success and failure of franchise systems as well as attributes of franchising in Slovenia.

The chapter Development of Franchising in Serbia, co-authored by Marica Vidanović and Tamara Kerković Milenković, Ph.D. explains how franchising started in Serbia and gives an overview of its growth through the years and its present status. The authors emphasize the role of the Center for Franchising at the Serbian Chamber of Commerce that plays an important role in the development of franchising in Serbia. Furthermore, the authors give special attention to the legal regulation of franchising and conclude the chapter with an overview of the obstacles to further development of franchising in Serbia.

In the chapter Franchising business model in the Macedonian Economy, Jovanka Damoska Sekuloska, Ph.D. analyses and reflects on the perspective of implementing the franchising business model in a small-sized economy such as the Macedonian. The author illustrates the legal regulation of the franchising business model in Macedonia as well as the attributes of the franchising environment of the Macedonian economy. Furthermore, the author examines the Macedonian market as the incoming market for franchising and the use of franchise as a mode of internationalization in the Macedonian economy.


The book Franchising in Eastern Europe gives an important and long needed overview of franchising development and its potential in the region. The quality of the book is the result of the experience of the authors in studying and working on franchising in their countries. As one of the first books that deals with the topic of the franchise business in Eastern Europe, this book represents a significant contribution to understanding and increasing awareness of the importance of franchised businesses for the economic development of the region.