

Analysis of Factors Affecting the Success of a Digital Business Franchise Is (Case Study: Warung Pintar in Salatiga City)

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Abstract

This study was conducted with the aim of knowing the description of the smart shop franchise and the factors that influence the success of MSME actors in running a smart shop franchise business in the city of Salatiga, Central Java. The research method used is a qualitative method using descriptive analysis. The technique used in data collection is in -depth interviews. After the data was obtained, it was analyzed using descriptive analysis techniques using a qualitative approach. From the results of the study, the findings show that the smart shop is a MSME business platform to digitize the growth of traders and consumers in Indonesia. By digitizing the distribution system, Warung Pintar is able to create information transparency for all stakeholders and the requirements to build a smart shop franchise such as having a shop, a strategic location and being able to use a smartphone. Service quality factors, motivation, commitment and a strategic location can support the success of a smart shop franchise business. Meanwhile, the benefits of owning a smart shop franchise are: cost-effective, time-efficient, guaranteed stock availability and promotions.

Keywords

franchise; business; success; warung pintar



I. Introduction

Countries can be said to be developed, one of which can be seen from the number of entrepreneurs in the country. According to Magnadi & Pamungkas (2014), entrepreneurs in Indonesia are still lacking in obtaining, accepting and knowing about economic theory, and in fact economic theory is very important to make business and the entrepreneurial spirit (entrepreneur) more advanced and developed. The default is in a country so that it can develop and promote entrepreneurship, if there is an entrepreneur at least 2% of the total population in a country. Based on the ratio of Indonesian entrepreneurs at the Central Bureau of Statistics (BPS), the number of entrepreneurs increased to 3.10%. From the previous percentage, it was 1.67% with a population of 225 million (Walter, 2017). Although the results from the percentage have increased, there are still far fewer entrepreneurs in Indonesia compared to neighboring countries. Therefore, the Indonesian state must encourage the younger generation to become entrepreneurs in order to realize the desire of the Indonesian people to become a developed country in entrepreneurship.

To boost the business sector, new entrepreneurs are needed to start a business, with the hope that the business can develop and have a positive impact. In the business sector, besides that, it can also have an impact on increasing new jobs, so that it can reduce the unemployment rate. Then it can increase people's income which has implications for the economy in Indonesia. One form of business that many Indonesians are involved in is a franchise business.

Based on PP No. 42 of 2007 and Regulation of the Minister of Trade EI No. 12/M-DAG/PER/3/2006, a franchise is an agreement in which one party is given the right to run a business by utilizing and using intellectual property rights/innovations/characteristics owned by another party in exchange for a fee based on requirements set with a number of obligations of various ongoing operational consulting support (Tarigan, 2013). The higher the company's leverage, the company tends to generate less cash, this is likely to affect the occurrence of earning management. Companies with high debt or leverage ratios tend to hold their profits and prioritize the fulfillment of debt obligations first. According to Brigham and Ehrhardt (2013), the greater the leverage of the company, it tends to pay lower dividends in order to reduce dependence on external funding. So that the greater the proportion of debt used for the capital structure of a company, the greater the number of liabilities that are likely to affect shareholder wealth because it affects the size of the dividends to be distributed. (Yanizzar, et al. 2020)

Indonesia's current economic growth, franchise business or franchise business is expected to encourage business and consumption to support national growth which is currently experiencing the current slowdown in the global economy. In the opening of the Franchise & License Expo Indonesia Karyanto Suprih on Mnews.co.id, said "that currently consumption is one of the new targets, which refers to Indonesia's mainstay exports, which are experiencing difficulties to increase. This is because exports, which have been the pillar of the Indonesian economy, are no longer reliable so that the domestic consumption business becomes a new variable that can be relied on to support the economy. The franchise business is one of the factors that can encourage consumption in the country (Rasti, 2019).

"Warung Pintar" is one of the digital-based business franchises that utilizes technological advances in the current era. Since 2017 Warung Pintar Group has grown throughout Indonesia. Digital business at Warung Pintar, a place where they provide all the needs and solutions according to consumer desires, with thousands of stocks at competitive prices, lots of discounts and promos, delivery of goods to the franchise or destination with free shipping, and the best thing is that goods are delivered 1x24 hours. In this digital business application, Warung Pintar has various tools or sources, namely from the nearest wholesale store, from Warung Pintar distributors who have spread across various regions. Warung Pintar experienced a growth of 45% in 2020, with the current phenomenon, Warung Pintar launched a smart wholesaler, through this service they aim to provide access for wholesalers to reach a wider market (Jati, 2020).

One way to become an entrepreneur is to buy or set up a business in the form of a franchise or franchise. Tumanggor & Wiyanto (2021), argue that in the selection of a franchise business, especially in the current era technology is increasingly advanced and increasingly sophisticated, such as that applied to the Warung Pintar franchise business, applying the "Warung Smart" application system which is run in the owner's stall and store business. retailers who are able and able to realize and develop a business or can be called by innovating in business.

The existence of traditional stalls can be said to be fading so that many stalls are out of business, one of the triggers for business failure is that traditional stalls are unable to compete with modern retail networks such as minimarkets. Warung Pintar comes with modernization that applies technology to successfully maintain its existence as well as develop its business. From only two warung outlets in 2018, Warung Pintar now has more than 2000 business partners.

Based on the explanation above, the success of the franchise business achieved by Warung Pintar has grown rapidly throughout Indonesia. For this reason, researchers are

interested in conducting research with the object of research on franchise businesses at Warung Pintar. From the problems above, it is interesting to conduct research entitled "Analysis of Factors Affecting the Success of a Digital Business Franchise Business case study on: Warung Pintar in Salatiga City".

The theoretical benefit of this research is to contribute and develop knowledge about analyzing and also the factors that influence the success of a franchise business with the existence of a digital business system to advance the SME business. With this research, it is useful and useful for entrepreneurs (entrepreneurs) by reading the results of the proposals that I wrote, they can increase their knowledge of how an entrepreneur starts a business that will be established with a digital business-based franchise. The practical benefit of research for franchisors is to provide input to understand the factors that must be considered in purchasing a franchise and can influence franchise business owners to follow the requirements and techniques that have been applied to the Warung Pintar system. As for franchise business owners, this study provides an overview so that franchise business owners can find out several factors that can make the business they founded successful. For further research, this research can be used as an additional source of knowledge and insight related to analyzing the factors that influence the success of franchising on business digital strategies.

II. Research Method

In researching the application of successful digital business franchises at Warung Pintar, researchers used descriptive research methods with a qualitative approach. Sources of data used are primary data obtained directly through interviews. Researchers obtain information about objects from various sources, documents and other sources related to research.

The data collection technique used is in-depth interviews, in which the authors ask questions to informants related to the problem under study. While the number of informants taken consisted of: Owners, employees and consumers. Therefore, the researcher prepared questions to be asked related to the success factors of the Warung Pintar Salatiga franchise business with the interview technique that the researcher used was in writing, namely by preparing several questions that would be submitted to the informants. This observation aims to determine the success factors of a digital business franchise business at Warung Pintar Salatiga. Documentation techniques are carried out by collecting data in the form of photos, pictures, materials or information that support research and which are useful as complementary materials for the required data. Documents can be in the form of writing, pictures, or monumental works of someone. In this study to see documents about the Warung Pintar Salatiga franchise business. This research method is used to obtain evidence of joint business practices and so on.

III. Result and Discussion

3.1 Resource Person Profile

Table 1. Resource Person Profile

Interviewees	Name	Type Sex	Education	Store Name	Business Address	Date Interview
WP1	Erwin Awaludin	Man	Bachelor Economy	Atlantis Trader	Street. Imam Bonjol No. 871, Singomangkoro RT 10/ RW 08, Kel. Sidorejo Lor, Kec. Sidorejo , Salatiga City	27 February 2022
WP2	treasure	Man	Bachelor of Education SENIOR HIGH SCHOOL	Family Store	Jl. Ki Penjawi Salatiga City	27 February 2022
WP3	Nur	Woman	Bachelor Economy	Wholesaler Mrs. Nur	Jl. Salatiga City Park	February 28 , 2022
WP4	Ayu	Woman	Bachelor Economy	Mr. Wholesaler	Jl. Canden RT 03 / RW 03 Salatiga City	February 29 , 2022

Based on the results of interviews with the resource persons, the average education of the informants is bachelor and only one interviewees which school medium on. Looking at the educational background of the business owner who is a graduate and from the economics study program, it is clear that the informants know more or less about entrepreneurial activities. According to sources, entrepreneurship is the activity of selling or producing goods for the needs of others. Entrepreneurship is a business activity or an independent business in which every resource and activity is borne by business actors or entrepreneurs, especially in terms of making new products, determining new production methods, as well as compiling a business operation and product marketing as well as managing business capital. Entrepreneurs are also responsible for their own business, meaning entrepreneurs work for themselves. The purpose of entrepreneurship is to make a profit. This is as stated by the informant.

"Business activities in the form of selling an item that is traded to consumers with the aim of developing a business that was established so that I can make a profit." (Results of interview with Mr. Erwin, 27 February 2022)

"Entrepreneurship is the activity of making or selling goods or services to consumers. I control its business activities, starting from determining how to method production , nor compile something operation business and product marketing as well as arrange capital business. The main thing is entrepreneurship that we no the cooperation of others, we are responsible for our efforts alone." (Results of interview with Ayu's mother, 29 February 2022)

The motivation of business people to enter the world of entrepreneurship is based on several reasons. There are sources who mention that the reason for entrepreneurship because that n tutan fulfillment need, background behind high school education will be

difficult to work in company, if possible, income received is small. Another source said that motivation entrepreneurship, income from business can't be said to be small either, will but very profitable. This is because there are so many basic necessities needed by society or could said need inelastic. Service which given is also very good, products with good quality can also be make convenient consumer and return again for buy. Thing Thing the too which create motivation and enthusiasm in entrepreneurship. As quoted from Interview.

"Motivation I with existence business this "groceries" which normal in call it MSME, and can also be said to be small but income not necessarily small. You can even say quite profitable and secure, due to basic necessities which are needed in daily life, or which searching for- search on all people for fulfil need his life. Especially i give service which PRIMA, product which we stock quality and guaranteed, it really makes the spirit also in entrepreneurship, so that convenient consumer, will return again for buy, and which certain goods which needed the consumer is in the shop's stock." (Results of interview with Khasanah, 27 February 2022)

"Motivation I Becomes Entrepreneur because demands miss, I only High school is difficult to work with people in the company. Even if you work together High school education does n't pay much. So, from that I want to be an entrepreneur/entrepreneur just". (Results of interview with Mrs. Nur, 28 February 2022)

"I used to selling from moment studying before, after Graduated yes I just continue my business and develop other business ventures . When asked about motivation, the most important thing is money, or income that. (Results of interview with Mr. Erwin Awaludin, 27 February 2022)

3.2 The Description of Warung Pintar's Business as a Franchise Digital Based Business

Roadside stall Clever Group is company technology origin Indonesia which serves stalls to develop their business. The company was founded in 2017 by Agung Bezharie Hadinegoro, Harya Putra, Sofian Hadiwijaya, Christian Winata, and Willson Weather. Warung Pintar offers solutions to problems faced by micro-enterprises that have been the foundation of the Indonesian economy. The product development that is happening within the Warung Pintar Group is currently claimed to be the result of understanding deep.

Warung Pintar is also active in establishing strategic partnerships with *startups* and companies' technology. Wrong the only one is with developer application micro entrepreneur cash flow manager Book The shop in 2020. Each *startup* that is *Portfolio _ East Ventures* want accommodate need especially for SMEs in Indonesia, such as food stalls small.

In 2020, Warung Pintar also inaugurated a collaboration with Grab in order to make it easier for Grab consumers to shop for their daily needs through the stall owned by the Warung Pintar owner (as the stall owner is called) in the GrabMart option. This collaboration has been in place since the end of June 2020. It is targeted that by the end of 2020, we can add at least 400 stalls to GrabMart, which are located in Greater Jakarta, Bandung and Surabaya. During the pandemic, Grab has digitized more than 185,000 SMEs and 32,000 traditional merchants in hundreds of cities in Indonesia into its digital ecosystem.

Until August 2021, Warung Pintar has embraced 500,000 registered warung entrepreneurs, 500+ distributors and suppliers, 600+ wholesalers and retailers. 50+

warehouse and depot which reach 200+ city and district in Indonesia. In the same year Warung Pintar officially changed its name to Warung Pintar Group by increasing its commitment to providing inclusive solutions and complete for all actors in the warung business ecosystem in Indonesia, such as shop owners or grocery stores, wholesalers, distributors and brands.

There are 4 core products offered by Warung Pintar: 1) The Warung Pintar application which is intended for shop owners or grocery stores to fulfill their needs. need stock roadside stall. 2) Application Wholesaler Clever for Shop Wholesaler to connect with shop owners within a radius of 5-10 kilometers. 2) Warung Pintar Distribution provides warehouse management systems and inventory solutions. Now, there are about 50 warehouses and depots spread throughout Indonesia. 3) *Bizzy Connect* the latest products from the Warung Pintar Group that look at brands and distributors for reach para owner roadside stall. 4) System distribution integrated system supported by applications for salesman management and goods distribution systems effective.

3.3 Requirements for Establishing a Franchise Business Smart Shop

Information about Warung Pintar was obtained by sources through friends and sales promotion from Warung Pintar. Friends can also be defined as a *word promotion of mouth*. Word of mouth promotion Word of mouth has proven to be effective in disseminating information to the public. The resource person knows Warung Pintar through a friend who also opens a regular warung business, then through *sales promotion* resource persons obtain additional information regarding the benefits, mechanism requirements and other important matters. The easy requirements and the benefits that will be obtained make the resource persons interested in making their stalls as Warung Pintar. As excerpts from interviews with resource persons.

"Friends, my friend used to open a regular shop and then a sales person came and was offered it and it turned out to be very profitable when he joined the company. Roadside stall smart , and very easy for sign up what again no need bother to stock up on goods , just click the order to be delivered directly without any transportation costs , so friend I play to the place I recommended for join and I finally joined until then this." (Results of interview with Mr. Erwin Awaludin, 27 February 2022)

"I know that from your friend, my friend is registering for Warung Pintar , it 's also recommended to register. Yes, because the conditions are easy and there is no fee, I just signed up ". (Results of interview with Ayu's mother, 29 February 2022)

"I was visited by a salesperson who was offered to join as Warung Pintar , I was not interested at first but after explaining it was beneficial because there is no fee for registering". (Results of interview with Mrs. Nur, 28 February 2022)

Reason interviewees interested join Becomes W whitewater Pint a r because very profitable, no hassle in the process of stocking goods. The restock process is also classified as easy Live contact via Whatsap so goods order will delivered to a shop or shop. The benefits obtained are very many both in terms of time, transportation and costs. Becoming a partner of Warung Pintar also makes it easier to obtain goods or products that are sometimes purchased market is not available. Joining Warung Pintar also makes the shop or shop more famous. As quoted by wa wa ncara together interviewees.

“Because yes, it was very profitable, without the hassle when you want to stock up on goods, just order via cellphone and my shop is much more famous. And my own friend has succeeded in making me interested in it.”

“It is more efficient when stocking goods in terms of time and transportation, and it is easier to get goods as if the market is sometimes empty.” (Results of interview with Mr. Erwin Awaludin, 27 February 2022)

reason is because it's easier, sis, especially if you want to order goods, just whatsapp After all, the goods will be delivered immediately, right if it's usually a hassle, Ms. has to go to the market or go alone. Now it's more fuel efficient, time is also more efficient. (Results of interview with Nur's mother, 28 February 2022)

Because seeing how good my friend looks like, so I want it too, it turns out that it's really good, saves time, energy if you want to shop for shop stock. At that time, I did n't have to pay anything to register, so I just signed up. (Results of interview with Ayu's mother, 29 February 2022)

3.3 Factors for Successfully Running a Franchise Business Smart Shop

According to the informant, the key factors for the success of running a Warung Pintar business lie in talent, commitment to business, focus on goals, and patience. Service also is factor key in success. Business wholesaler It has many competitors with similar types of goods sold. Therefore, providing good service is one of the attractions so that consumers want to come back to shop. Besides that, the factor of paying attention to stock is also very important so that the quality of the goods is guaranteed, so that there are no complaints of damaged goods, *expired* and the number of availability of goods. The strategic location is also one of the success factors in running business Roadside stall Clever, location which strategic and easy reachable can more consumers come to buy. As quoted from the interview together interviewees.

"Just be more diligent in doing business, committed in business, focus on goals, and pay more attention to the stock of the most important items where consumers when buying the goods, they need are already available at the shop for purchase". (Results of interview with Mr. Erwin Awaludin, 27 February 2022)

"Yes, it's important to be patient, diligent, focus and patient, that's all. If the location is yes, I think it has an effect because I am on the side of the road with car access close to residential areas." (Results of interview with Mrs. Nur, 28 February 2022)

"The factor is because I have previous experience in the business world, commitment, patience with service are also very important, Ms. Even if we sell goods with good quality but when serving jutek, I do n't think consumers are comfortable and will definitely look for other stalls". (Results of interview with Khasanah, 27 February 2022)

The implementation of the marketing strategy carried out provides a cheaper selling price following the wholesale price. In addition, promotions carried out using online media include WhatsApp, grub, whatsapp *story*, Facebook. wedding Roadside stall Clever also provide media promotion as banner and *banners*. So far, the strategy that has been carried out is only that. According to the informant, the most important thing is good service. Because with good service, consumers will recommend stalls or shops to people other.

"In the marketing system that I apply, it maintains the quality of the products to be sold (such as the packaging, don't record it, it doesn't leak on liquid-based products) always check the goods on the EXP date , our prices are always wholesale prices, I personally think the prices in my shop cheaper, I also do online promotions on Whatsapp (groups) and Facebook, the place or address I occupy is also strategic, the most important thing is the service that must be provided to consumers as best as possible in service ". (Results of interview with Mr. Erwin Awaludin, 27 February 2022)

"There is no strategy, sis, I only do promotions via WhatsApp or Facebook. I put more emphasis on service and quality of goods. If the service is good, the customers will come." (Results of interview with ayu, 29 February 2022)

Table 2. Recapitulation of Respondents' Answers About Warung Pintar

Respondent Name	Respondent's Answer			
	Entrepreneur	Motivation	WP Information	Interested Reason
Erwin	Sale of goods	Earning Potential	Friend's Recommendation	Efficiency and Profit
Ayu	Sale of goods	-	Friend's Recommendation	Seeing Friends
Nur	-	Educational Demands and Needs	Sales Visit	Conveniences Offered
treasure	-	Earning Potential	-	-

Table 3. Recapitulation of Respondents' Answers Regarding Strategies and Constraints

Respondent Name	Respondent's Answer			
	Success Factor	Marketing Strategy	Strategy During Covid	Obstacles
Erwin	-	Quality, Price, Online Promotion, and Service	Online Sales	No Obstacle
Ayu	-	Online Services and Promotion	-	No Obstacle
Nur	Painstaking, Commitment, and Focus	-	-	-
treasure	Service, experience, and Commitment	-	Sale Online and Service Provision Between	-

3.4 Discussion

Warung Pintar is a MSME business platform to digitize the growth of traders and consumers in Indonesia. Warung Pintar offers solutions to problems faced by micro-enterprises that have been the foundation of the Indonesian economy. Product development that takes place inside Roadside stall Clever moment this claimed is results understanding deep to answer problem which faced. Vision from Roadside stall Clever there is _ Becomes Indonesia's leading digital supply chain.

The biggest challenge for the traditional distribution system, where Warung is the center of activity for Indonesia's 270 million population. Meanwhile, warung as a traditional distribution channel, is still very asymmetrical and fragmented, limiting all elements in the warung business ecosystem, from producers, distributors, wholesalers to retailers. By digitizing the distribution system, Warung Pintar is able to create information transparency for all stakeholders . Currently, Warung Pintar is the only complete and reliable player as a solution from upstream to downstream in the warung business ecosystem.

Until August 2021, Warung Pintar has embraced 500,000 registered warung entrepreneurs, 500+ distributors and suppliers , 600+ wholesalers and 50+ warehouses and depots spanning 200+ cities and regencies in Indonesia. In the same year, Warung Pintar officially changed its name to Warung Pintar Group by increasing its commitment to provide inclusive and complete solutions for all actors in the warung business ecosystem in Indonesia, such as skipper stalls or grocery stores, skipper wholesalers, distributors and brands.



Figure 1. Warung Pintar service applications and solutions

The Warung Pintar application provides a complete solution for shop owners in managing their business, including: 1) Filter the most complete categories of goods from various *suppliers* . 2) Promotional packages. 3) Digital products that allow shop owners to sell daily necessities. 4) Alternative financial records 5) Programs that involve owner roadside stall for men n raise marketing product. So the impact and benefit which given Roadside stall Clever for owner roadside stall Among others : 1) Increase income. 2) Time efficiency 3) Cost efficiency .

Educational background as a bachelor of economics who has a *basic* in business and fulfilling needs is one of the factors that makes someone interested in becoming an entrepreneur. The development of digitization that is increasingly fast and penetrates in various aspects, including stalls or shops, have turned digital-based. Warung Pintar is here

to answer the problems faced by shop owners. With various advantages and conveniences , many ordinary stalls in Salatiga have now become Smart Warungs , which are digital-based wholesale stalls .

Business owners are interested in joining Warung Pintar because of the various benefits they get, including the availability of goods and stocks that are plentiful, efficient, cheaper and free of charge for delivering stock to the shop. Not only that, Warung Pintar with its program also helps in the promotion process so as to create a *franchise* Roadside stall Clever become more known to many people. Requirements to open a *franchise* Warung Pintar is also not difficult, the shop owner only needs to register through the Warung Pintar application which is available on the *Play Store* and *App Store* . What is needed by the shop owner to register for Warung Pintar is that the shop owner must already have a shop or shop, then the submission files are only photos of ID cards, photos of stalls and photos of locations.

Table 4. Condition Before and After Join Roadside stall Clever

Interviewees	Before joining Warung Pintar	After joining Warung Pintar
WP1, WP2, WP3, WP4	Stocking goods must come out first, it is difficult to find items that consumers need when shopping out there are no items and have to look from one distributor to another.	It's easier when you want to stock up on goods, just order as many goods as you want without being complicated, without leaving the house, and without spending on shipping costs, with a <i>cellphone</i> through the Warung Pintar application according to your needs, prices are guaranteed to be cheap and delivery can be said to be fast.
WP1, WP2, WP4	The quality of goods that do not match when the goods come to the packaging on a product is lacking <i>quality control</i> when shipping goods, the profit received is not maximized because the price is always different from the market.	The quality of the goods received by the shop owner is in good condition, worthy of sale and of course the packaging of each product is safe. The profit we get is greater because the price offered is cheaper.
WP3	Bookkeeping is still manual and there are frequent errors in expenses and income.	After joining Warung Pintar, the bookkeeping is easier to read and analyze from a financial perspective.
WP3, WP4	Less efficient in checking what items are still in the shop and which ones should be in stock at the shop.	It's easier to check goods and what to order again.

Based on the results of the interview, there are no obstacles or obstacles in running Warung Pintar, because in general Warung Pintar is the same as normal stalls, however, the supply chain method has been carried out digitally. The only thing that hinders the

delivery of goods is that they have to wait with the tonnage system (waiting for the truck from ordering another before the goods can be sent). The initial capital required to join or become a Warung Pintar is also very cheap and there are no registration and administration fees. However, in the process of purchasing products or goods at least 3 million rupiah.

Several key factors in the success of running a Warung Pintar business in Salatiga include: Customer service and satisfaction, Excellent service is an important aspect of determining commercial success, especially for organizations engaged in the sale of products and services. Excellent service is the spearhead in capturing opportunities and understanding consumers or clients who will use or buy the products and services offered. Respondents in research also mention that factor main in running a business is good and excellent service . Commitment and motivation factors are also determinants of the success of running a *franchise business* Smart Shop. Consistent, firm and fair are the hallmarks of a committed entrepreneur. Consistency is what can and can't be expected. *Fair* and firm is to increase the respect and charisma of entrepreneurs. Suri Tauladan Entrepreneurs who have charisma, not only lead and check or give instructions from afar, but practice what is discussed and conveyed by setting an example of attendance, never late, always consistent to the decision, wise and firm, have a willingness to accept suggestions or criticism from their subordinates. Concentration on people An entrepreneur must focus on people, taking into account the problems, desires and development of his subordinates. Thus, employees will be passionate and happy to get the smallest task and always try to complete the task.

Another factor found in its influence on the success of running a Warung Pintar business is the strategic location of the place of business. According to Kotler (2009) *place* is anything that shows various business activities to make products easy to obtain by customer and always available for customer. If is at In a business condition where competition is fierce, the location selection factor becomes an important main component so that the business being run can also compete globally effective, so need existence location business which strategic and easy accessible to consumers. The accuracy of location selection is one of the factors that determine the success of a business. Entrepreneurs always have careful consideration of the location before opening their business. It is possible that even service businesses must also have a location close to customers in order to provide excellent service to customers so that relationships with customers can be maintained properly. good.

These findings are in line with the opinion expressed by Steinhoff & Burgess , (1993) & Un Steinhoff , John F. Burgess . (1993). The achievement of business success is influenced by several factors, including : 1) Business strategy factors. 2) Knowledge factor and business insight 3) Commitment factor 4) Experience factor 5) Financial factor 6) Motivation factor 7) Service quality factor 8) Location factor.

The financial management factor is still not prominent in its influence on business success, this is evident from the results of research which found that most of the Warung Pintar business actors have not used financial management in accordance with SME accounting standards, but the business they run can still grow and develop. while the business strategy and or experience factors have not been seen to affect the success of running the Warung Pintar franchise , it can be seen from the lack of these factors mentioned by the interviewees.

IV. Conclusion

The conclusions of this research are first, this study has known the description of the Warung Pintar business as a digital-based business franchise, knows the requirements to buy or establish a Warung Pintar franchise business and analyze the key factors for the success of running a Warung Pintar franchise business. Based on this research theoretically produces an overview of Warung Pintar as a MSME business platform to digitize the growth of traders and consumers in Indonesia. By digitizing the distribution system, Warung Pintar is able to create transparency of information for all stakeholders and the requirements to build a Warung Pintar franchise such as having a stall, a strategic location and being able to use a smartphone .

The second conclusion, the ease of using the application and the potential profits generated are the main attractions for the informants to open a digital-based stall business. Service quality factors, motivation, commitment and strategic location can support the success of the Warung Pintar franchise business. Meanwhile, the benefits of having a Warung Pintar franchise are cost-effective, time-efficient, guaranteed stock availability and the promotional media provided.

The third conclusion, based on information obtained from informants related to obstacles or obstacles in the implementation of Warung Pintar, so far, the stall owners agree that there are no obstacles or obstacles that interfere with the performance and operations of the stalls. Thus, the implementation of Warung Pintar is proven to increase the effectiveness and efficiency of the shop owners in managing their business.

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