

Students' Perception Towards Coaching Franchises in Coimbatore District



Commerce

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ABSTRACT

Franchising is one of the methods of promoting the business. When a business grows in size and there is a potential to spread its wings to other places also, it can expand the operations through franchising. The term 'franchising' refers to the licensing to use the brand name and method of doing the business. In the education sector also, franchising is adopted in different lines of activities including kids' school, computer training and professional coaching for competitive examinations. These Coaching institutions provide training for entrance exams and other competitive exams. In this line of activity, the franchisor appoints franchisees in different places according to the potential areas. The franchisees are given instructions regarding the method of coaching and the franchisor supports them by providing standard study materials. It enables the students to understand the concepts and techniques used. In this paper, an attempt has been made to analyze the students' perception towards coaching franchises in Coimbatore District.

INTRODUCTION

Franchising is generally viewed as an industry or as a method for distribution of goods or services. It also includes different forms of business relationships and marketing techniques in providing / delivering a vast plethora of products and services to the end consumer. A franchise may be a fast-food restaurant, it may be an accounting service, and it may be a domestic cleaning business or any education training centers. The franchise provides the opportunity for the franchisee to take a successful business practice and develop it in a new location.

Franchising may be defined simply as: a business opportunity in which the owner (franchisor) of a service or trademark product grants rights to an individual for local distribution and/or sale of the service or products and in return, receives a payment or royalty in conformance to quality standards.

The International Franchise Association (IFA) defines franchising as a "continuing relationship in which the franchisor provides licensed privilege to do business, plus assistance in organizing, training, merchandising and management in return for a consideration from the franchisee". A franchise is a business arrangement wherein the owner (the franchisor) of a business permits the other (the franchisee) the licensed right to own and operate businesses based on the former's business concept, using its trademark.

Large and small companies in a variety of industries, such as automotive products and services, education and training, hospitals, book stores, clothing, shoe stores, construction convenience stores, fast food restaurants, hair salons home furnishings, hotels and motels, optical aids and services, travel agencies, and even telecommunications services have developed and adopted the franchising method for doing business. Franchising involves the proper utilization of management techniques and functions, marketing, distribution, promotion, financial, accounting, and legal systems.

REVIEW OF LITERATURE

Today as never before, franchising has become an accepted means by which the owner and developer (the franchisor) of a product or service enters into a private, contractual agreement with another party (the franchisee) giving that franchisee the right to use the franchisor's trademarks or other recognized forms of business goodwill to enhance the franchisee's business for a fixed period of time (Sherry, 1996).

The boom in franchising as a business strategy led to incredible success for some, but failure for others as they either made poor business decisions or were conned by unethical franchisors. There was abuse of the system with the victimization of many by fly-by night, unethical, inept and often criminal operators (Kaufmann, 1990a).

A franchise is probably best defined as comprising a contractual relationship between a franchisee (usually taking the form of a small business) and a franchisor (usually a larger business) in which the former agrees to produce or market a product or service in accordance with an overall 'blueprint' devised by the franchisor. The relationship is a continuing one with the franchisor providing general advice and support, research and development and help with marketing and advertising. In return, the franchisee usually pays an initial franchise fee and also an ongoing royalty or management service fee, normally based on the level of turnover and/ or a mark-up on supplies purchased from the franchisor. The franchisee provides the capital for the outlet and is a legally separate entity to the franchisor (Curran & Stan worth, 1983).

When one considers, that the current trend in franchising allows for multi unit, mini-chains ownership by single individuals (Bodipo - Memba & Lee, 1997; and, Kaufman, 1992) then the full spectrum of possible owners can be identified.

STATEMENT OF THE PROBLEM

Franchising has tremendous opportunities, but has certain misconceptions and misunderstandings attached to it. Franchising is a suitable method of expansion for many businesses. However, it is a costly, complicated, and risky method of expansion and should be undertaken only by those who have the desire, perseverance, and willingness to learn and to develop and accept an entirely new method of business organization. There always exist a gap between the expectation of franchisee on the franchisor and the reality. Once the franchisee is not satisfied with the franchisor it will ultimately result in the quality of service delivered to the customer (students).

Thus, the perception of students towards coaching franchises in Coimbatore District has been selected as the problem of the study.

SCOPE OF THE STUDY

Franchising is one of the fastest growing methods of doing business in the world today. Franchising is widely known, although it is not well understood, method for business expansion. While the public may be watchful of the great business success stories of McDonald's, Marry Brown, Pizza Hut and Spencers, there are many would-be franchisors who have failed in the early stages of development.

This study is designed with a view to understand the perception and expectation of students towards coaching franchises in Coimbatore District.

OBJECTIVES OF THE STUDY

The objectives to the study are:

1. To analyze the perception of students towards service qual-

- ity of coaching franchises in Coimbatore District.
- To examine the problems of the students in availing the services rendered by coaching franchises in Coimbatore District and
 - To offer suggestions to the franchisees to bridge the gap between expectation and satisfaction which will ultimately result in customer satisfaction?

RESEARCH DESIGN

Exploratory research seeks to discover new relationship between variables. Explanatory research is required to find the most likely explanations, when the perceived problem is much less general. Exploratory research is characterized by flexibility and ingenuity. This study is basically an attempt to analyze the deviation between the expectations and the perception of benefits and to discuss the detriments involved in franchising system. This research design is found more suitable considering the nature of the study and hence adopted.

Data collection by the researcher is purely based on primary data from the sample of 150 students. A questionnaire was designed to collect the primary data. Convenient sampling method was used for the collection of data from the students and systematic random sampling was applied for the data collection from customers (learners).

TOOLS FOR ANALYSIS

The statistical tools like Simple Percentage analysis, Chi-square test, Analysis of Variance (ANOVA) and Garrett Ranking are used for the analysis of the data

LIMITATIONS TO THE STUDY

- The Study is confined only to coaching franchisees and the learners of the respective institutions in Coimbatore district
- The opinion of the students in may vary from time to time and place to place.

FINDINGS AND SUGGESTIONS

- Most of the respondents belonged to the age group of 20 to 30 years.

- The majority of the students of coaching franchises users are males rather than the females.
- Married individuals constitute the major part of the students of coaching franchises.
- It is observed that the majority of the students are employed.
- The analysis shows that most of the students of coaching franchises earn a monthly income of Rs.4000 to Rs.8000 on the average.
- The students of coaching franchises users are satisfied with the various factors like fee charged, installments of fee, coaching methods, quality of staff members and study materials, time management and duration of the courses
- Most of the students suffer from non availability of study materials and low quality of these materials.
- The level of satisfaction has no significant relationship with the gender, marital status and educational level.

SUGGESTIONS

- Separate classes may be conducted for male and female students.
- Week end batches and evening batches may be conducted for employee-students.
- Fee structure shall be modified according to the area of the franchisee and the course module.
- The quality of study materials should be scrutinized for distribution of them to the students.

CONCLUSION

Franchising is a way of doing business and a marketing concept. It can be used in a number of different ways and mean different to different people. Coaching franchises in Coimbatore District offer professional coaching for various entrance examinations and competitive examinations. The fee charged by the coaching institutions and installments permitted for remittance of fee have been found to be less satisfactory while quality of faculty members and facilities provided by these coaching institutions have been exemplary. Co-educational class has been the major problem for coaching institutions and it is suggested that separate batches shall be conducted men and women.

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