

ABS0302 – Franchising Management

Course Title	Franchising Management			
Course Code	ABS0302			
Course Type	Elective			
Level	BA (Level 1)			
Year / Semester	4 th			
Teacher's Name	Nina Gorovaia-Zeniou			
ECTS	6	Lectures / week	3	Laboratories/week
Course Purpose	<p>Franchising is a replication strategy because it is a way to obtain money from a business you created by letting others copy (replicate) it.</p> <p>The purpose of the course is to introduce you to franchising and open your minds to the possibilities of growing your business without considerable direct investment in physical and human capital. There is also a possibility to join an existing franchise chain and enjoy the benefits of the networking community, franchisor's support and training, while independently running an outlet with an established brand name.</p> <p>The course presents the material you need to understand whether franchising is a feasible alternative for your business venture, launch and manage an outlet successfully in a competitive environment. The course will provide you with plenty of practical tools and techniques to make your franchise experience successful.</p>			
Learning Outcomes	<p>By the end of the lesson, the student will be able to:</p> <ol style="list-style-type: none"> 1. Describe how businesses can use franchising and licensing to profit from their brands 2. Explain how can a business be franchised: standardization vs adaptation strategies. 3. Describe the main theories of franchising and explain in which areas they complement each other and in which areas they contradict each other 4. Explain how to evaluate a franchise opportunity 5. Describe benefits and drawbacks of running a franchise establishment 6. Analyze a franchise contract and franchise disclosure documents. 7. Identify investment required to start a franchised outlet. 8. Identify organizational forms and a variety of franchise contracts in international franchising 			

	<p>9. Understand the challenges of a franchisor-franchise relationship, trust and compliance issues.</p> <p>10. Explain why efficient knowledge transfer is a key to successful performance of a franchise company.</p> <p>11. Understand the internationalization strategies of franchising and risks associated with emerging markets.</p> <p>12. Identify e-commerce opportunities and challenges for franchise chains</p> <p>13. Explain what is social franchising</p>		
Prerequisites	None.	Co-requisites	None.
Course Content	<ul style="list-style-type: none"> • Franchising as an entrepreneurial strategy • Theoretical background of franchising: <ul style="list-style-type: none"> ○ Agency theory ○ Transaction costs economics ○ Resource-based theory ○ Property rights theory ○ Real options theory ○ Signaling • Knowledge transfer in franchise systems • Franchise contracts: the main variables of the franchise contracts and franchise disclosure documents. • Governance of franchise systems: ownership and decision rights • Management of franchisor-franchisee relationship <ul style="list-style-type: none"> ○ Selection of franchisees ○ The role of trust in a franchise relationship ○ Management of conflict in a franchise relationship • Strategies for implementation and launch of a franchise business • Legal aspects of franchising: franchise regulation and franchise contracts • Performance of franchise systems • Internationalization strategies and emerging markets • Social franchising 		
Teaching Methodology	<p>The course material is delivered to the students by means of lectures, conducted with the help of power point presentations and short videos. Case studies of international and local franchise companies are analysed and discussed in class.</p> <p>Power point presentations used in class, lecture notes, some of the case studies are available to the students on the e-learning platform.</p>		
Bibliography	<p><u>Textbooks:</u></p> <p>Handbook of Research on Franchising (2017), Eds. Hoy, F., Perrigot, R., Terry, A. Edward Elgar.</p>		

	<p><u>References:</u></p> <p>Shane S. (2010) From ice cream to the internet. Using franchising to drive the growth and profits of your company. Pearson.</p> <p>Alon I. (2012) Global franchising operations management. Cases in international and emerging markets operations. Pearson.</p>
<p>Assessment</p>	<p><u>(a) Methods:</u> Students will be assessed with coursework that involves two midterm tests and a final exam.</p> <p><u>(b) Criteria:</u> The assessment criteria are assignment-specific and range from testing problem solving skills, knowledge of the material, and originality of the business ideas.</p> <p><u>(c) Weights:</u></p> <ul style="list-style-type: none"> • Mid-term test 20% • Assignment 20% • Final exam 60%
<p>Language</p>	<p>English.</p>