

**B.Sc. FASHION MERCHANDISING AND  
RETAIL MANAGEMENT (BSCFMRM)**

00107 **Term-End Examination**

**June, 2014**

**BFW-030 : FRANCHISING**

*Time : 3 hours*

*Maximum Marks : 70*

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*Note : Attempt any **seven** questions. All questions carry equal marks.*

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1. Is franchising a means of revenue and profits or a means of growth ? If it is a means of growth, then why should a franchisor charge an initial franchise fee to the potential franchisee ? Justify. 10
2. Describe the various types of support that a franchisor is supposed to offer to the franchisee. 10
3. In franchising system, how would you differentiate between product and trademark ? 10
4. Describe in detail the advantages and disadvantages of Franchisee and Franchisor. 10
5. Enumerate certain broad considerations that help in shortlisting the available franchisee opportunities. 10

6. Evaluate franchising as a strategic option available to the large retailers. What are the advantages and disadvantages of that ? 10
  7. Why should a franchisor provide exit strategy while developing a franchise system ? Describe how franchisee fees are determined. 10
  8. Identify several queries pertaining to the general management, financial and legal aspects of a franchisee that a potential franchisee may ask the franchisor. Explain with reasons. 10
  9. Describe the method for carrying out valuation of a franchisee business. 10
  10. What are the different types of documents needed for the franchisee business ? Describe all of them. 10
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