



## **A DETAILED STUDY OF FOOD FRANCHISE IN COIMBATORE CITY**

**GUIDE: Mrs. M.SNEHA, M.COM CA.,**

**AUTHOR: K.SRINIDI Student at Sri Krishna**

**Adithya College of Arts and Science**

**(B.Com CA)**

### **ABSTRACT**

This study aims to explore the growth, operations, consumer behaviour, and market potential of food franchises in Coimbatore, one of the fastest-growing tier-2 cities in Tamil Nadu, India. With the rise of urbanization, increased disposable income, and changing lifestyles, Coimbatore has witnessed a significant expansion in the food and beverage sector—particularly through the franchise model. The research investigates both national and international food franchises operating in the city, ranging from quick service restaurants (QSRs) like McDonald’s and KFC to regional brands such as Sree Annapoorna and Junior Kuppanna. The study also evaluates franchisee investment models, location strategies, customer preferences, and the influence of local culture on menu adaptations. Primary data was collected through surveys and interviews with franchise owners and customers, while secondary data was sourced from industry reports and government publications. Key findings indicate that brand trust, affordability, and accessibility are major drivers of franchise success in the city. Furthermore, the study identifies challenges such as high real estate costs, competition from independent eateries, and staffing



issues. Overall, this research offers valuable insights into the dynamics of the food franchise ecosystem in Coimbatore and serves as a strategic resource for entrepreneurs, investors, and policymakers aiming to understand or enter this market.

## **1. INTRODUCTION**

The word Franchise comes from the Norman French word "Franchise" which was derived from the French word "frank" free man, free to work something. The English word "Franchise" originally was used to describe liberation from any prohibition, permission, or privilege by which a company is allowed to do or not to do something for which it would normally not have rights. A Franchise is a type of license that grants a Franchisee access to a franchisor's proprietary business knowledge, processes, and trademarks, thus allowing the Franchisee to sell a product or service under the franchisor's business name. In exchange for acquiring a Franchise, the Franchisee usually pays the franchisor an initial start-up fee and annual licensing fees. A food Franchise is a business model in which an individual or group the Franchisee is granted the rights to operate a restaurant or food-related business using the branding, products, and business systems of an established company the franchisor. In exchange, the Franchisee pays the franchisor an initial fee and ongoing royalties, typically a percentage of the business's revenue.

## **2. LITERATURE OF MAIN CONTENTS**

### **2.1 OBJECTIVES OF STUDY**

- To study various facets of the franchising business.
- To explore the performance evaluation of national & international food Franchises present in the study area.



- To conduct comparative analysis of various franchising models in India & world and check their feasibility or scope in the study area.

## **2.2 SCOPE OF STUDY**

The scope of this study involves a comprehensive analysis of the food Franchise industry in Coimbatore District, focusing on the current trends, market dynamics, and key players in the sector. This study aims to examine the growth patterns, consumer preferences, and challenges faced by food Franchises in the region.

## **2.3 STATEMENT OF PROBLEM**

Conducting market research to understand local preferences and adapting the menu accordingly  
Implementing robust supply chain management systems to ensure timely and efficient delivery of ingredients

## **2.4 RESEARCH AND METHODOLOGY**

Research methodology is a way to systematically solve the research problem and is the backbone of the study and is primarily based on the primarily based on primary data collected through questionnaire from the peoples.

## **2.5 COLLECTION OF DATA**

The data was collected through questionnaire.

- The sample size was 100.
- The area of study was Coimbatore.
- Data's used in this study was both primary and secondary data's.



### 3. ANALYSIS AND DISCUSSION

**TABLE: 3.1**

TABLE OF CONSISTENCY OF FOOD IN MCDONALD

SNO	CONSISTENCY OF FOOD	FREQUENCY	PERCENTAGE
1.	1	16	16%
2.	2	14	14%
3.	3	35	35%
4.	5	35	35%
	<b>Total</b>	<b>100</b>	<b>100%</b>

**SOURCE :** Primary data

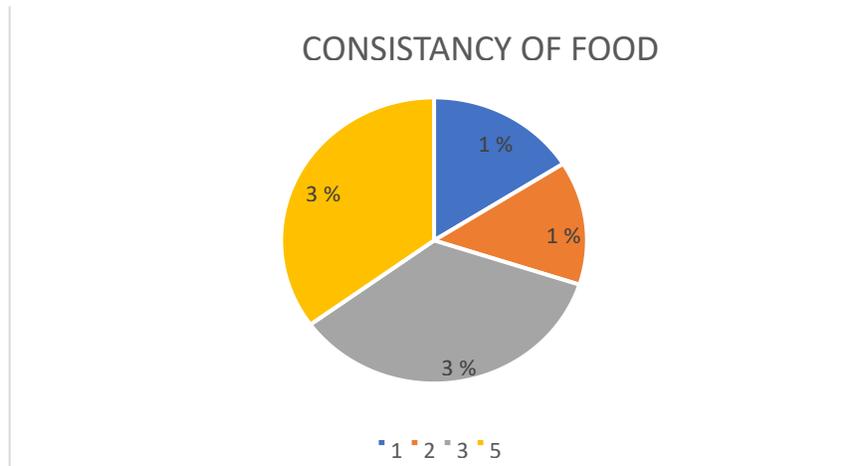
**INTERPRETATION:** In this above analysis 16% selected 1 that is poor consistency and 14% is 2 and finally 35% for both 3 and 5 that it was in consistency

**INFERENCE:** Majority is 35% for 3 and 5 of consistency

**CHART NO 3.1**



CHART OF OVERALL CONSISTANCY IN MCDONALD



**TABLE: 3.2**

TABLE OF PROMOTION AND DEALS IN MCDONALD

SNO	PROMOTION AND DEALS	FREQUENCY	PERCENTAGE
1.	YES	63	63%
2.	NO	18	18%
3.	NO OFFFER	13	13%
4	NOT AVAILABLE	6	6%
	<b>TOTAL</b>	<b>100</b>	<b>100%</b>

**SOURCE:** Primary data

**INTERPRETATION:** From this analysis 63% says yes and 18% says no and 13% says no offer and 6% is not available

**INFERENCE :** Majority is 63% have selected yes for promotion and deals



**CHART NO: 3.2**

CHART FOR PROMOTION AND DEALS IN MCDONALD



**CHI – SQUARE ANALYSIS**

**TABLE SHOWING THE RELATIONSHIP BETWEEN GENDER**

**AND TEMPERATURE OF THE FOOD IN MC DONALD**

**HYPOTHESIS:**

- H0 There is no significant relationship between Gender and temperature of food in MC Donald.
- H1 There is significant relationship between Gender and temperature of food in MC Donald.



GENDER	TEMPERATURE OF THE FOOD				TOTAL
	HOT	WARM	COLD	MODERATE	
MALE	11	15	7	3	36
FEMALE	26	27	4	7	64
<b>TOTAL</b>	37	42	11	10	<b>100</b>

O	E	(O-E)	(O-E) ^2	(O-E) ^2 / E
4	7.06	-3.04	9.2416	1.312727273
7	3.96	3.04	9.2416	2.333737374
26	23.68	2.32	5.3824	0.227297297
11	13.32	-2.32	5.3824	0.404084084
7	6.4	0.6	0.36	0.05625
3	3.6	-0.6	0.36	0.1
27	26.88	0.12	0.0144	0.00053571
15	15.12	-0.12	0.0144	0.00095238
<b>TOTAL</b>	<b>100</b>			<b>0.218108508</b>

Chi – Square Value  $\chi^2 = \sum(O-E)^2/E$

= 0.218108508

Degree of Freedom = (row – 1) (column – 1)

= (2-1) \* (4-1)



$$= (1) * (3)$$

$$= 3$$

Significance level = 0.05

Table Value = 0.218108508

### **INTERPRETATION:**

In the above analysis the calculated value (0.218108508 ) is the higher than table value (0.218108508 ) at the level of 0.05 significance. Hence there is significant relationship between Gender and temperature of food in MC Donald.

### **LIKERT SCALE**

5=SATISFIED

4=VERY SATISFIED

3=NEUTRAL

2=DISSATISFIED

1=VERY DISSATISFIED

### **FORMULA:**

**LIKERT SCALE** =  $\sum(fx) / \text{Total number of respondents}$

f = Number of respondents x

= Likert scale value

$\sum(fx)$  = Total score

### **MID VALUE:**



Mid value indicates the middle most value of the likert scale.

TABLE SHOWING THE VARIETY OF MENU IN MC DONALD OF THE RESPONDENTS

S.NO	FACTORS	NUMBER OF RESPONDENT S(f)	LIKERT SCALE VALUE(X)	TOTAL SCORE $\sum (fx)$
1	SATISFIED	21	5	105
2	VERY SATISFIED	30	4	120
3	NEUTRAL	40	3	120
4	DISSATISFIED	6	2	12
5	VERY DISSATISFIED	3	1	3
	<b>TOTAL</b>	100		360

SOURCE : Primary data

$$\begin{aligned} \text{LIKERT SCALE} &= \sum (fx) / \text{Total number of respondents} \\ &= 360 / 100 \\ &= 3.6 \end{aligned}$$

**INTERPRETATION:**

The Likert scale value is 3.6 which is greater than the mid value (3) which shows that the customer are agree with the recommend other towards MC DONALD



#### 4. CONCLUSION

In conclusion, the study of MC DONALD's Franchise operations in Coimbatore district reveals several key insights into its success and challenges in the region. The brand has made significant inroads in the city, offering a mix of international appeal combined with localized offerings to cater to the tastes and preferences of the local population.

Here are the main takeaways:

##### 1. Strong Brand Presence and Recognition

MC DONALD's enjoys a robust global brand presence, which has played a key role in its success in Coimbatore. The Franchise leverages its international reputation for quality, consistency, and customer service, making it a go-to choice for fast food lovers in the district. The familiarity of the brand, along with the global standards of food quality and hygiene, attracts a wide customer base.

#### 5. REFERENCE

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  - Offers insights on strategic management applicable to the food Franchise industry, focusing on expansion strategies and market positioning.



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