Serv Bus (2011) 5:47–67
DOI 10.1007/s11628-011-0101-2

Criteria used in the selection of franchisees: an application in the service industry

José M. Ramírez-Hurtado · Flor M. Guerrero-Casas · Francisco J. Rondán-Cataluña

Received: 13 April 2010 / Accepted: 9 February 2011 / Published online: 19 February 2011

Abstract The service industry is one of the greatest driving forces behind the growth of franchising in many countries. The aims of this study are to identify the characteristics of the franchisee profile preferred by franchisors in the service industry and to show how the simulation of franchisees with conjoint analysis constitutes a powerful tool for the correct selection of franchisees by franchisors. Criteria that franchisors in the service industry look for in franchisee candidates are ranked by importance using conjoint analysis; a decomposition methodology that is rarely used in this field. The value of the paper is significant as it provides a practical framework for franchisors for the selection process of franchisees when choosing from a group of potential franchisees.

Keywords Franchising · Selection · Criteria · Conjoint analysis · Simulation · Service industry

1 Introduction

The franchising system is present in a large variety of both daily and sporadic activities in many countries. It has been one of the most popular means of engaging in business in recent years (Minguela-Rata et al. 2009; Peretiatko et al. 2009). The

J. M. Ramírez-Hurtado (✉) · F. M. Guerrero-Casas
Department of Economy, Quantitative Methods and Economic History, Pablo de Olavide University, Ctra. de Utrera, km. 1, 41013 Seville, Spain
e-mail: jmramhur@upo.es

F. M. Guerrero-Casas
e-mail: fguecas@upo.es

F. J. Rondán-Cataluña
Department of Marketing, University of Seville, Avda. Ramón y Cajal, 1, 41018 Seville, Spain
e-mail: rondan@us.es

service industry is one of the great driving forces behind the growth of franchising in many countries. For example, in the USA in 2005, there were 158,625 franchisees in the service industries in the restaurant sector, business services and personal services (IFA 2010). These franchisees provided 4,145,613 jobs. The output of these franchisees was $209.4 billion. In recent years in Mexico, more than 25% of the total brands were in the service industry (Mexican Franchise Association 2010). In Spain, according to data published by the consulting company Tormo & Associates from 2005, there were 313 brands in the service industry, representing 39% of the total brands. Regarding the number of franchised establishments, the service industry had 30,418 establishments, representing 53% of the total number of franchised establishments. Finally, the turnover in the service industry was €4,550 million, representing 28% of the total franchising turnover in Spain. All of these statistics show the importance of this sector within the whole franchise system.

In franchising, the partners enter into a dyadic relationship, whereby franchisors select potential partners (Rahatullah and Raeside 2009). Selecting the right partner is vital for the success of relationships. In this sense, the decision to incorporate a franchisee cannot be based on a feeling towards the candidate, but must be objectively based on the personal suitability of the franchisee candidate (Ramirez 2007).

An inappropriate selection of franchisees can generate conflicts between the partners. To avoid relationship conflicts, franchisors should select franchisees with compatible characteristics (Hoy and Shane 1998). For this purpose, franchisors must seek an ideal profile of franchisee. The ideal franchisee profile combines a series of personal and business characteristics that largely mark the success or failure of the franchisee's activity and, consequently, the success or failure of the franchise chain. Although it is difficult to establish a generic franchisee profile due to the diversity of franchises, it is possible to obtain basic criteria that are common to all franchise systems. Within these common basic criteria, it is possible to emphasize, among other qualities, the entrepreneurial capacity (Knight 1986; Jambulingam and Nevin 1999; Tormo & Associates 2004), professional experience (Tatham et al. 1972; Edens et al. 1976; Knight 1986; Hing 1995; Fenwick and Strombom 1998; Clarkin and Swavely 2006), motivation (Kasselmann et al. 2002), financial capacity (Tatham et al. 1972; Edens et al. 1976; Knight 1986; Hing 1995; Jambulingam and Nevin 1999; Clarkin and Swavely 2006), personality (Edens et al. 1976; Forward and Fulop 1993), extroversion (Kahn 1994), communication capacity (Edens et al. 1976) and desire for success (Knight 1986; Withane 1991; Hing 1995; Berni 2002).[1]

The aims of this study are to identify the characteristics of franchisees preferred by franchisors that operate in the Spanish market and to show how the simulation of franchisees with conjoint analysis constitutes a powerful tool for the appropriate selection of franchisees. Various simulations were carried out in this study to select individuals in the service industry.

This research differs essentially from the majority of previous studies in three different aspects. Firstly, in the study of the franchisee profile, an exploratory analysis of a specific set of defined a priori variables is not carried out, but variables defined a posteriori by a set of experts are analysed. Secondly, the franchisee profile

[1] This list shows some important criteria about franchisee profile but it does not claim to be exhaustive.

was obtained using a methodology that is rarely employed in this field: conjoint analysis. Thirdly, previous studies have focused on the analysis of data from various industries without taking into account the potential variability that may arise from doing so. In this study, we use data only from the service industry.

The first part of this paper analyses the importance of the correct selection of franchisees. The second section identifies the existing franchisee profile characteristics in the literature analysed by different researchers, followed by a description of the methodology. Conjoint analysis is later applied to sector data, and the different simulation models in this methodology are shown. We go on to apply the models with different profiles from possible franchisees, from which we obtain various important conclusions. We finally indicate certain business implications, along with the most important conclusions and limitations of the study.

2 Franchisee selection and its business implications

Franchising is seen as an important organizational activity in the service management literature. In spite of its importance, literature on franchising continues to be vague and incomplete (Altinay and Wang 2006).

Franchising is a particular type of partner selection (Jambulingam and Nevin 1999; Altinay 2006; Clarkin and Swavely 2006). A direct relationship exists between effective partner selection and cooperation between franchisors and franchisees (Wang and Altinay 2008). Franchisors must select partners to ensure their expansion by opening new franchise outlets. This indicates that franchisor success relies on the capability to balance the 'quality' and the 'quantity' of franchise partners (Wang and Altinay 2008).

In this sense, the franchise system supposes the existence of a marketing relationship between two agents, the franchisor and the franchisee. For franchisors, the selection of franchisees is perceived as the most important operational mission. The appropriate selection of franchisees can bring remarkable results, whereas poor selection can cause problems in the franchise system (Castrogivoanni and Justis 2007; Justis and Judd 1989) that arise from conflicts between the franchisor and the franchisee (resulting in different agency costs, per the agency theory). According to agency theory, these conflicts bring about high costs for the franchisor, highlighting monitoring or control costs (Brickley and Dark 1987; Eisenhardt 1989; Jambulingam and Nevin 1999; Shane 1998). Another cost is associated with the transaction cost theory. Within this theory, it is necessary to emphasize opportunism (acting in one's own interest) at the cost of harming others, which requires that more complete and expensive contracts be designed in franchising (Moro 2002). In this sense, a good selection of franchisees allows for the reduction of opportunistic conduct of the franchisees and of the costs derived from such conduct.

The future success of a franchisor depends, largely, on the use of a systematic investigation process to carefully ensure the selection of good potential franchisees (Olm et al. 1988). The franchise system can be more appropriate for some franchisees than for others. Some enter the franchise system and make greater contributions to

the success of their brand and system and some fail in their tasks (Jambulingam and Nevin 1999).

Howe (2003) considers that the franchisees form the spine of the franchise system, being an appreciable source for the development of the business. Sturgis (1993) also believes that the backbone of a franchise is its network of franchisees. A consistent, focused and well-trained network of franchisees can become a powerful sales and distribution element in the success of the franchisor company. In fact, the capacity to train franchisees is perceived as a very important capacity that only some companies arrange, according to the limited resource theory. Therefore, an examination of the characteristics of potential franchisees can prevent the selection of franchisees who are looking for opportunistic conduct, which is harmful to the rest of the franchisees of the network, as indicated in the transaction cost theory.

Schultz (1999) considers that successful relationships in a franchise are based on confidence, mutual respect and a desire to share a common goal. In the same sense, Sanders (2002) also holds that the synergic relationship between the franchisor and the franchisee is a key element of the system's success.

A recent study by Jambulingam and Nevin (1999) focuses on the franchisee selection process. The authors found that the use of several selection criteria had a positive effect on the levels of cooperation between franchisors and their franchisees. In fact, the ability to select franchisees correctly represents a competitive advantage for companies, as described in the limited resource theory. According to this theory, the franchisor must have the ability to identify and select a franchisee with high and different capabilities (Diez and Rondan 2004; Lopez and Veciana 2004).

Therefore, the potential growth of franchises will be influenced by the relationships that are developed within them and by the establishment of lasting bonds between parties (Garcia et al. 2004); for both of these factors, the correct selection of franchisees is required.

The degree to which a franchise system penetrates a market is often influenced by the proportion of franchisees that expand (De Castro et al. 2009; Grünhagen and Dorsch 2003). The decision of franchisees to expand depends on the perception of value desired from the franchisor in exchange for a series of payments. Furthermore, the experience of franchisees with their franchisor can strengthen or weaken their perceptions of value regarding their franchisor. Therefore, the franchisee is a key element in the determination of the success in the franchisor–franchisee relationship; this is proven by the fact that franchisees can leave the system if they are not given adequate attention. In order for the franchise system to work well, it is very important for franchisors to pay close attention to the type of people they select as franchisees, as it is the people in the system (rather than the system itself) that truly define the success of a franchise (Berni 2002). In fact, the leading franchises have a series of tangible and intangible qualities that many other franchisors wish to follow. Among these qualities is the fact that these companies work hard to select and consolidate future franchisees, which is a positive force that permits differentiation between franchise leaders and followers (Carroll and Bassuk 2002).

The Franchising Task Force (1991) identified the main causes of failure of the franchise system in Australia. These causes include low economic levels, inadequate market selection, poor selection of franchisees, avarice of franchisors resulting in

excessive fees and various other economic and competitive factors. Among these main problems, the poor selection of franchisees is indicated.

In relation to selection of franchisees, Clarkin and Swavely (2006) indicate that little is known about how franchisors evaluate characteristics in franchisees. Furthermore, according to these authors, the importance that the franchisors give to the different criteria used in the selection process has not been sufficiently examined.

Thus, there is general agreement that the suitable selection of franchisees is of great importance to the success of the franchisor–franchisee relationship. Therefore, determination of the personal and business characteristics of franchisees is a key aspect in the development of a franchise system, as the establishing these characteristics will provide a franchisee profile that assures a higher level of success in the franchisor–franchisee relationship.

3 Literature on the characteristics of the franchisee profile

The identification and study of the characteristics that franchisees must possess is a fundamental aspect for franchisors. The study of such characteristics can allow franchisors to develop strategies using knowledge of the characteristics that affect the success or failure of franchisees (Falbe and Welsh 1998). These characteristics also permit the differentiation of franchisees in such a way that the business results generated among them can differ to a large degree.

In Spain, Bordonaba (2003) examines the reasons why a franchisor would not renew the contract with some of his or her franchisees. From a sample of 107 franchisors 12.8% of them would not renew a contract because of the poor suitability of the franchisee profile (Table 1). This sheds light on the importance of defining and finding a suitable franchisee profile.

Table 2 shows the main scientific studies that exist on the characteristics of the franchisee profile.

Two aspects that analyse the existing literature on the characteristics that franchisees must have can be highlighted (Ramirez 2007):

Table 1 Renewal of franchise contracts

Reasons for which the franchisor would not renew contracts with some of the franchisees	% Response
Not following the operational directives	21.5
Little interest and dedication of the franchisee	14.9
Poor suitability of franchisee profile	**12.8**
Not respecting the image of the head office	12.4
Lack of payment of quotas or fees	10.7
Low economic yield	9.9
Not respecting the exclusive feature of the product	8.3
Location poorly suited to the establishment	8.3
Not respecting the area of exclusivity	1.2

Source Bordonaba (2003)

Table 2 Main investigations on franchisee profiles

Author/s	Primary objective
Tatham et al. (1972)	Specify several criteria used in the profile, listed in order of importance
Edens et al. (1976)	Determine which biographical, past and personality characteristics are most important
Knight (1986)	Detect which personal characteristics of the franchisees are required to achieve success
Olm et al. (1988)	Identify the selection criteria, which are classified into five broad categories
Withane (1991)	Determine which personal and business characteristics of the franchisees are necessary for the success of the franchise
Castrogiovanni et al. (1993)	Identify the characteristics of the more qualified franchisees
DeCeglie (1993)	Identify the ideal franchisee profile
Forward and Fulop (1993)	Determine which characteristics the franchisors consider most important in franchisees
Kahn (1994)	Identify the ideal franchisee profile
Hing (1995)	Determine which characteristics of the franchisee can contribute to their satisfaction
Kaufmann and Stanworth (1995)	Determine various characteristics of individuals interested in becoming franchisees
Shubart and Bennett (1997)	Determine the average franchisee profile by means of a descriptive study
Falbe and Welsh (1998)	Perceptions of the franchisees about the characteristics associated with their success and failure
Fenwick and Strombom (1998)	Verify whether several characteristics of the past of the franchisees are determinants for the operation of the franchise
Jambulingam and Nevin (1999)	Relate the criteria used in the selection of franchisees to the results desired by the franchisors
Berni (2002)	Determine the basic values that are common to all franchisees
Kasselmann et al. (2002)	Identify the personality characteristics of franchisees successful in the fast food sector
Clarkin and Swavely (2006)	Measure the importance of six criteria used in the franchisee selection process
Ramirez (2007)	Franchisors' preferences about franchisee profiles

Source Own elaboration. This list does not claim to be exhaustive

a. Although franchising is a system that has undergone important worldwide growth in recent years, academic studies that analyse the franchisee profile are scarce. Therefore, the advance of research on franchisee profiles has not paralleled real-world franchising trends.
b. The majority of the existing studies of the franchisee profile are descriptive, which does not allow for its generalisation. In this sense, the existing literature has followed the positive scientific approach (what it is). Usually, past studies have not used the normative scientific approach (what it should be), which in this case would be identifying the characteristics that franchisees should have.

Elango and Fried (1997) suggest that studies should be more prescriptive. Empirical research has demonstrated a clear bias towards descriptive research over prescriptive research. These studies leave a glaring gap in determining how franchisors should select franchisees. Analysis of the studies shows that there is apparently little consensus among franchisors about the ideal franchisee (DeCeglie 1993). Many franchisors prefer candidates experienced in businesses or management, whereas others do not place much importance on this aspect. Many franchisors will select franchisees that have no previous experience in the industry (McCosker and Frazer 1998; Mendelsohn 1993), and some even actively recruit inexperienced franchisees because they feel that it will be easier to indoctrinate these franchisees into the system (Frazer 2001).

Therefore, the study of the personal and business characteristics of a franchisee is of vital importance for the success of the franchisor–franchisee relationship and, consequently, for the development of the franchise system.

The franchisee profile characteristics that have been analysed can be obtained from a review of the studies mentioned above. The main characteristics are shown in Table 3.

An exploratory study on franchise networks, carried out by Clarkin and Swavely (2006), revealed that some franchisors openly reveal their franchisee selection criteria. These authors conclude that criteria other than financial capacity are important in the franchisee selection process. Similarly, some franchisors require experience in a specific sector. Others insist that individuals accept the formulas and rules of the franchisor. In short, there does not appear to be a consensus regarding the ideal franchisee. We thus attempt to contrast the following hypotheses in this study:

H In the service industry, the lack of consensus on franchisee profiles in the literature indicates that there is a specific franchisee profile preferred by franchisors in this industry with regard to the whole system of franchising.

Previous studies have analysed the personal and business characteristics that franchisors look for in franchisees on an individual basis. However, the profile of a franchisee has multiple attributes. A franchisee's profile is not one in which only a few attributes arouse interest or lend significance to the exclusion of all other attributes, but is rather one that is formed by a large number of attributes that must all be taken into account. Hence, answers may become biased if focus is placed on only a few attributes of the interviewee. In this paper, we propose a study of the characteristics that franchisors seek in a franchisee using a decompositional character technique, as is found in conjoint analysis. All this justifies the use of conjoint analysis in this study. Conjoint analysis improves the validity of the findings because interviewers do not only focus on a few attributes and interviewers carry out comprehensive evaluations of profiles.

4 Methodology for the study of the franchisee profile

In this study, preferences of franchisors concerning profile franchisee are analysed by mean of the use of conjoint analysis. Conjoint analysis is a method in which the

Table 3 Franchisee profile characteristics analysed, according to the literature review

Shrewdness
Self-esteem
Management ability
Human relations ability
Entrepreneurial character
Ethical behaviour
Creativity
Need for achievement
Willingness to work hard
Communication
Age
Emotional stability
Marital status
Previous experience operating any business
Previous experience operating a related business
Ability to adapt to change
Faithfulness to franchisor
Intelligence and practical skills
Open-mindedness
Education level
Financial status
Perseverance
Personality
Personal relations
Support from family

Source Own elaboration

researcher describes products or services through a set of attributes with the goal of measuring the preferences of the respondents (Green and Rao 1971; Luce and Tukey 1964).

The basic measurement in conjoint analysis gives the global utility, that is, the total satisfaction that an individual reports regarding a commodity. The global utility is obtained from a set of partial values or utilities (*part-worths*) that relate the levels of different attributes to consumer preferences, assuming some rule of composition (Azpiazu 1996; Green and Krieger 1993). Normally, this method supposes that the preference of an alternative is an additive function of the partial values or utility assigned to the levels of the attributes that make up that alternative (Gil 1990).

4.1 Sample and data collection

In order to apply the conjoint analysis, it was necessary to identify the attributes that would form a part of the study. This was done by conducting a survey of Spanish experts group in the franchise system. This group of experts was selected by directed non-random sampling conducted among members of franchise

Table 4 Identification of attributes and establishment of levels

Attributes	Levels
Managerial capability	Senior manager
	Junior manager
	No managerial capability
Capacity for human relations	Extrovert
	Introvert
Entrepreneurship	Entrepreneur
	Non-entrepreneur
Desire for success	High desire for success
	Low desire for success
Willingness to work hard	Full time
	Part time
	Other people do the work
Previous experience operating a related business	Previous experience operating a related business
	No previous experience operating a related business
Loyalty to franchisor	Very loyal
	Loyal to some extent
	Not loyal
Financial level	Over required investment
	Only required investment
Perseverance	With perseverance
	Without perseverance

associations, university professors researching franchises, directors of consultancies specialising in franchises, directors of magazines on franchising, directors of Internet portals on franchising, and representatives of the franchising departments of financial organizations that specialize in franchises. In this selection of experts, actual franchisors and franchisees were not considered in order to avoid bias caused by personal experiences. A questionnaire was sent to each of the selected experts, asking them to select the seven characteristics or attributes (from those listed in Table 3) that they considered most important for a franchisee.[2] The sample included 73 experts. The research was carried out between December 2007 and January 2008 by means of questionnaires sent via e-mail to addresses obtained from Internet searches. Some e-mails were rejected, and 39 questionnaires were returned (a response rate of 53.4%). The obtained lists of attributes are shown in Table 4.

Once the attributes were identified, the next process was the establishment of levels. These were defined by looking for similarity with reality in order to increase the validity of those preferences. The levels that were established appear in Table 4,

[2] The attributes presented to the respondents were those obtained from the existing literature on franchisee characteristics. The respondents could not contribute any other attribute, as the study did not attempt to find all of the attributes that might form a part of the franchisee profile but only those that are real determinants for the selection of franchisees by the franchisor, which is a key aspect in the correct application of conjoint analysis (Hair et al. 2005).

Table 5 Card to be evaluated

Junior management
Entrepreneur
Introvert
Full time
Very loyalty to franchisor
High desire for success
With previous experience operating a related business
Without perseverance
Financial level over required investment
Low preference ↔ High preference
1 – 2 – 3 – 4 – 5 – 6 – 7

next to their corresponding attributes. It should be noted that conjoint analysis is a multivariate technique in which the number of theoretical assumptions required is smaller than in other techniques; nevertheless, the practical assumptions are more numerous in this case (Hair et al. 2005).

Once the attributes and levels were identified, a questionnaire was designed from an orthogonal fractional factorial design using the ORTHOPLAN procedure of SPSS v15.0. Our orthogonal design consisted of 18 cards, 16 of which were used to evaluate the parameters of the model and 2 of which were used to validate the results.[3] We endeavoured to make the profiles as realistic as possible, despite the diversity of opinions and interpretations of each interviewee's stated attributes.

Once the orthogonal design[4] was defined, the 18 cards or combinations were set in a complete profile design (Table 5) and were sent to the respondents, who were asked to evaluate each profile on a scale of 1 (least favourite) to 7 (most favourite). A metric scale was used, which provides the most trustworthy results among the different scale possibilities for the dependent variable (Ramirez and Rondan 2004).

The questionnaire was sent via e-mail and post during April, May and June 2008 to 313 franchisors operating in the Spanish service industry. A stratified sampling was used with post-stratification weighting. 88 valid responses were obtained, representing a response rate of 28.12%.

4.2 Data analysis

Data analysis was carried out using SPSS v15.0. From the results obtained by conjoint analysis, some simulations of franchisees were made. The simulation of

[3] In the majority of studies in which conjoint analysis is applied, the main effects tend to be estimated by assuming that interaction effects do not exist or are insignificant. Therefore, any interaction effects can be dispensed with, and a fractional factorial design can be used instead of a full factorial design. This allows a reduced number of evaluations of the interviewees, thereby improving the quality of responses.

[4] Authors have tried to avoid incongruity among profiles. For example, a potential franchisee can possess managerial capacity at the professional level and have no previous experience operating a related business. Managerial capacity at the professional level comes from learning on the job, but a manager can obtain managerial capacity in any other business.

franchisees with conjoint analysis is a powerful tool for correct selection by the franchisors. It consists of simulating new combinations of franchisee profiles with the purpose of determining which would have greater acceptance. These probabilistic models determine which profile will be chosen among several. The justification for the use of the simulation in this investigation is rooted in the fact that there may sometimes be several candidates with different characteristics that make up profiles that are not ideal, and a franchisor must decide which and how many of these candidates to select.

There are three classic simulation models in conjoint analysis[5] (Pedret et al. 2000; Levy and Varela 2003): the *Maximum Utility* model, the *BTL* model and the *Logit* model.

a. The *Maximum Utility* model holds that an individual chooses the combination that gives them greater utility. Therefore, it assigns a maximum probability of 1 to the combination that provides the greatest utility and a probability of 0 to the remaining combinations. For example, if a simulation is made with three combinations, it is possible to determine the percentage of individuals preferring the first, second and third combinations.

$$p_i = \begin{cases} 1 & \text{if } \hat{r}_i = \max(\hat{r}_i) \\ 0 & \text{in other case} \end{cases}$$

The main disadvantage of this model is that the respondent tends to overestimate the proportions of their favourite combination. The results will be more extreme than the true values. Although the two combinations have very similar utility, the application of this model will cause the respondent to always choose the one that provides greater utility (Pedret et al. 2000).

b. The *BTL* Model holds that the probability of choosing a combination is given by the quotient of the utility given to this combination and the sum of the utilities given to all combinations of the simulation:

$$p_i = \frac{\hat{r}_i}{\sum_{j=1}^{T} \hat{r}_j}$$

where T is the total number of simulated stimuli.

The greater the utility given for a combination with respect to other simulated combinations, the greater its probability of being chosen with respect to other combinations. However, the more similar the utilities given by the simulated combinations, the more similar their probabilities of being chosen will be. Therefore, this model is considered more realistic than the Maximum Utility model (Pedret et al. 2000).

c. The *Logit* model supposes that an individual has a non-linear probability of choice. Therefore, this model calculates the probability of choice by means of a logit transformation:

[5] SPSS also gives the simulation models of *Maximum Utility*, *BTL* and *Logit*.

$$p_i = \frac{e^{\hat{r}_i}}{\sum_{j=1}^{T} e^{\hat{r}_j}}$$

The disadvantage of this model is that it overvalues preferences in the case of combinations with similar utilities.

Finally, it is necessary to comment that no rule exists that indicates which of the three simulation models is better. Everything depends on the intuition and knowledge that the investigator possesses on the considered problem.

In this study, a simulation was made using four illustrative but not real profiles:

(1) Profile A → levels: 1, 1, 2, 1, 1, 1, 2, 1, 2.
(2) Profile B → levels: 3, 1, 1, 3, 1, 1, 1, 1, 1.
(3) Profile C → levels: 1, 1, 1, 2, 1, 1, 2, 1, 1.
(4) Profile D → levels: 3, 1, 1, 2, 1, 1, 1, 1, 1.

The profile A corresponds to a potential franchisee with the following attributes: managerial capacity at the professional level, entrepreneurial character, an introverted personality, full-time dedication to the franchised unit, faithful adherence to the franchisor's indications, desire for success, no previous experience operating a related business, perseverance and financial capacity limited to the required initial investment. This profile might correspond to a young person who has studied management, has the desire to prevail and sees franchising as an opportunity for self-employment. Profile B differs basically from A in that profile B represents an individual with a higher economic status, with experience in businesses, and who sees franchising as more of an investment than a self-employment strategy; which is why they will delegate all the work of the franchised unit to others. Profile C also corresponds to an individual who is investing, has financial capacity greater than those required for the initial investment and has less experience than that of an individual represented by profile B but possesses managerial capacity at the professional level. Profile D is very similar to profile C, with the exception that individuals represented by profile D have previous experience operating a related business but no managerial capacity.

5 Results and discussion

Once the conjoint analysis was applied, the relative importance of each attribute and the partial utility of the levels were obtained (Table 6).

The attribute most valued by franchisors in the service sector was loyalty to the franchisor, with a relative importance of 17.10%, followed by managerial capacity (17.04%) and a willingness to work hard (13.96%). Conversely, the three attributes that were least valued were previous experience operating a related business (5.91%), financial capacity (8.42%) and an entrepreneurial character (8.60%). The importance of the remaining attributes falls between the importance of the two previously indicated groups.

Table 6 Relative importance of attributes and part-worth

Attributes	Levels	Relative importance of attributes (ranking)	Part-worth
Managerial capability	Senior manager	17.04% (2°)	0.5208
	Junior manager		0.0393
	No managerial capability		−0.5601
Entrepreneurship	Entrepreneur	8.60% (7°)	0.2486
	Non-entrepreneur		−0.2486
Capacity for human relations	Extrovert	9.91% (5°)	0.3338
	Introvert		−0.3338
Willingness to work hard	Full time	13.96% (3°)	0.3087
	Part time		0.0374
	Other people do the work		−0.3461
Loyalty to franchisor	Very loyal	17.10% (1°)	0.5795
	Loyal to some extent		−0.0653
	Not loyal		−0.5142
Desire for success	High desire for success	8.69% (6°)	0.2884
	Low desire for success		−0.2884
Previous experience operating a related business	Previous experience operating a related business	5.91% (9°)	0.1364
	No previous experience operating a related business		−0.1364
Perseverance	With perseverance	10.35% (4°)	0.3665
	Without perseverance		−0.3665
Financial level	Above required investment	8.42% (8°)	0.2429
	Only required investment		−0.2429
Constant			2.9261
Pearson ρ coefficient			0.972
Kendall τ coefficient			0.946
Kendall τ coefficient for two holdouts			1.000

Loyalty to the franchisor is understood as the fulfilment of agreements established between the parties. Loyalty to the franchisor is linked to commitment to business, trust in the franchisor, cooperation and communication. In order to avoid the problem of multi-collinearity in the conjoint analysis, a "super-attribute" was created, denoted as loyalty to the franchisor. Franchising is a system in which the capacity of the franchisee to make decisions regarding their own business is greatly limited, which is why any innovation, modification or peculiarity that they might consider applying is rejected in this commercial system. Faced with this reality, a potential franchisee must consider whether their personality is suited to such limitations of their autonomy. This does not mean that the franchisee is a person devoid of initiative and personality, but rather that any initiatives must be raised according to channels established by the franchisor instead of being implemented independently (Diez et al. 2005). Commitment to the business in the franchising system is similar to commitment to a

relationship (Jambulingam and Nevin 1999). Personal commitment to a business, which is akin to loyalty to the franchisor, leads to improved performance (Withane 1991). This finding corroborates the view of Morgan and Hunt (1994), who consider that a successful relationship depends on commitment and trust. Furthermore, this result is consistent with other studies that have found that commitment, trust, cooperation and communication are very important for the success of franchisor–franchisee relationships (Edens et al. 1976; Allen 1994; Falbe and Welsh 1998; Schultz 1999; Chiou et al. 2004; Clarkin and Swavely 2006; Doherty and Alexander 2006). Previous research has demonstrated that loyalty to the franchisor is seen as an important attribute, but this study yields a ranking of all attributes, thereby showing that fidelity to the franchisor is the attribute with the greatest relative importance.

Managerial capacity refers to the knowledge and command of the management tools necessary for the development of the business. This is a highly valued capacity in the service industry, especially since it is often necessary to manage complex businesses in this sector. Earlier literature shows that management capacity is an important attribute of franchisees sought by franchisors, as shown in the studies by Knight (1986), Olm et al. (1988), Tatham et al. (1972) and Tormo & Associates (2004). However, as with the first attribute, none of the previous research showed that management capacity was the second most important attribute sought by franchisors within the service industry. On the contrary, Chow and Frazer (2003) reported that management experience is not considered an important selection criterion for most franchisors because the training renders such experience unnecessary.

Willingness to work hard is also highly valued in the service industry; in other words, the franchisee must have a strong spirit and the desire to work and to assume the responsibilities necessary to confront daily business tasks pertaining to the organization and management of the franchise. The study by Knight (1986) showed that the willingness to work hard is the most important attribute that franchisors look for in franchisees. In our study, we have found that this attribute ranks third in order of importance. This difference may be due to the different methodology used. We performed comprehensive evaluations of profiles. Furthermore, we focused on the service sector, while the work of Knight (1986) used data from several sectors.

The least valued attributes are previous experience operating a related business and financial capacity. Some studies have concluded that previous experience is seen as an important characteristic (Chow and Frazer 2003; Kaufmann and Stanworth 1995), whereas in other studies, it is not (Edens et al. 1976; Knight 1986; Forward and Fulop 1993; Hing 1995; Fenwick and Strombom 1998). In some cases, experience is a good characteristic for undertaking the work of a franchisee; conversely, in other cases, previous experience is seen as an obstacle, as the franchisees must change or modify habits acquired during many years of professional activity (Diez et al. 2005). The literature shows that financial capacity is one of the qualities that franchisors look for in franchisees (Tatham et al. 1972; Edens et al. 1976; Knight 1986; DeCeglie 1993; Hing 1995; Bordonaba 2003; Tormo & Associates 2004). However, this study did not find that financial capacity is an important attribute. This may be because it is assumed that the franchisee meets the minimum financial capabilities after potential incorporation into the

franchise system, either because they have their own economic resources or because they have economic resources through bank loans.

The results also showed the partworths or partial utilities. Partial utility is interpreted as the level of satisfaction that the analysed commodity provides to the respondent. In this case, it can be said that the franchisee profile preferred by franchisors in the service industry is formed by those levels of each attribute with a higher partial utility. Therefore, the preferred franchisee profile would be a person with managerial capacity at professional level, an entrepreneurial character and an extroverted personality who will be dedicated full-time to the franchised unit and who faithfully follows all of the indications of the franchisor. The franchisee will also have a very marked desire for success, previous experience operating a related business, perseverance and a financial capacity greater than the required initial investment. The total utility of this profile is given by the sum of the partial utilities of each level plus the constant estimated by the program. In this case, the total utility would be as follows:

$$u_1 = 0.5208 + 0.2486 + 0.3338 + 0.3087 + 0.5795 + 0.2884 + 0.1364 + 0.3665 + 0.2429 + 2.9261 = 5.9517$$

The total utility of any other profile is calculated by adding the partial utilities of the corresponding levels to the constant. The total utility of any other profile will have a value of less than 5.9517, which is the total utility corresponding to the preferred profile.

All these results and comments allow us to accept the research hypotheses of this study because there is a specific franchisee profile preferred by franchisors in the service industry with regard to the whole system of franchising, shown in previous literature.

The results also showed a simulation of franchisees. Simulation is a tool that allows the determination of how many and which franchisees should be selected in the recruitment process. The results of a simulation done with three of the profiles (A, B and C) defined in the previous section appear in Table 7.

The total utility of each attribute appears in parentheses, but it must be noted that total utility is an absolute value that does not permit comparisons between profiles. In order to conduct a comparative study, it is necessary to use some of the simulation models. The values obtained, shown in Table 7, refer to the probability that an individual with a particular profile is selected based on the simulation model used. If a franchisor were to use the maximum utility model, they would have to select the individual with profile C, since the probability of choosing profile C is

Table 7 Probabilities obtained from the simulation

Profile (total part-worth)	Maximum utility (%)	BTL (%)	Logit (%)
A (4.526)	15.3	24.4	22.3
B (4.216)	8.3	22.4	15.3
C (5.408)	66.3	28.8	41.5
D (4.599)	10.0	24.4	21.0

66.3%. Using this model, if a franchisor has to select more than one franchisee, the most suitable action would be to look for other potential franchisees and execute the simulation again, since the probability of choosing one of the remaining candidates is very low compared to 66.3%. If a franchisor uses the BTL model, they would have to select the individual with profile C first and then select the individual with either profile A or profile D second. However, if a franchisor uses the Logit model, they would have to select the individual with profile C; then they would consider whether to select the individual with profile A, as the probability of choosing C is nearly double that of A. As discussed, no rule exists that indicates which of the three simulation models is better. Everything depends on the intuition and knowledge possessed by the investigator regarding a considered problem. What is certain is that simulation offers a probabilistic measure in the selection of a potential franchisee.

6 Conclusions

This study examines franchisee selection criteria in the service industry. These criteria have been criticised in previous literature for being outdated, unreliable and narrowly focused (Axerald and Rudnick 1987). In particular, the role of individual dispositional characteristics has been largely ignored, despite being described as important determinants of relationship quality in asymmetric exchange relationships (Peterson and Dant 1990).

Our work has used the domestic franchising perspective instead of the international perspective, since the bulk of franchising chains in most countries are national, and therefore we have avoided the variability that the results can yield if an international perspective is incorporated.

Data from the service industry have been used in this study. Most of the previous studies have focused on the analysis of data from various sectors without taking into account the potential variability that may arise from doing so. Franchising occurs in different sectors, where the structure varies greatly across sectors in the type of business, investment, size of premises, training and length of contract. To avoid variability of responses, we focused our study on the service sector, unlike previous studies.

Another important aspect of this paper is that the data were obtained from a market (the Spanish market) that is fully developed in the franchise area. In this sense, experienced franchisors are better suited to identify qualified franchisees (Castrogiovanni et al. 1993). In fact, many franchisors, when selecting franchisees, change the characteristics required of potential franchisees owing to the experience that they have gained over time (Forward and Fulop 1993). Therefore, using data from franchisors who operate in a consolidated market yield greater reliability and accuracy of results.

From the previous comments and considering that domestic franchising research has focused primarily on the manufacturing sector, paying little attention to the special characteristics of service franchising (Altinay 2006), an important contribution of this study is the use of the following combination for the study of franchisor preferences with respect to franchisee profile: domestic franchise + service industry + developed market context.

In contrast to previous studies, another important contribution is the use of conjoint analysis, a methodology that has not been used previously in this context. The franchisee profile has a multi-attribute character. This is not a profile in which only one or two attributes arouse interest or lend significance to the franchisee, but rather a profile determined by a large number of attributes. In this way, the problem of evaluating an attribute without accounting for other attributes is avoided.

The results showed that franchisors operating in the service industry look for a candidate with the following characteristics: managerial capability at a professional level, an extroverted personality, an entrepreneurial character, a very accentuated desire for success, full-time dedication at the franchisee unit, prior experience in any business, faithful adherence to the franchisor's requirements, financial capacity exceeding the required initial investment and perseverance. In addition, the ranking of criteria by importance is as follows: (1) loyalty to franchisor; (2) managerial capability; (3) willingness to work hard; (4) perseverance; (5) capacity for human relations; (6) desire for success; (7) entrepreneurship; (8) financial capacity and (9) previous experience operating a related business.

Loyalty to the franchisor is the most important attribute all franchisees must have. This result leads us to believe that a potentially large number of franchisees are not loyal to their franchises; that is, they do not follow the necessary guidelines for the relationship to succeed. The absence of loyalty is a sign of a franchisee's lack of commitment and trust towards the franchisor, which translates into a weakening of the relationship that may ultimately cause the closure of the establishment. Thus, when selecting a franchisee, the franchisor must find a person with a high level of loyalty. However, prior to the commencement of the activity of the franchisee, it is very difficult to accurately determine the degree of loyalty. In our opinion, the selection process should include a psychological test in order to determine the degree of loyalty of the candidates.

This study has provided a ranking of those characteristics that franchisors look for in potential franchisees when making a selection. In practice, it is essential to measure the degree to which each characteristic is present in any candidate. This study tells us about the required characteristics, but not how to measure the degree to which these characteristics are present in a candidate.

This methodology has also generated various simulations based on hypothetical candidates. If the profiles of potential franchisees matched the ideal profile identified in the results, selection would not be a problem as all of the candidates would be ideal. The problem lies in the fact that, when franchisors come to make a franchisee selection, they often encounter very different profiles, thus hindering the selection process. Simulation solves the previous problem, as it can determine how many and which candidates should be selected in a franchisee selection process. In practice, it would be difficult for a franchisor to conduct a simulation himself/herself in a selection process. To use the simulation, the franchisor would need data from this study, as well as suitable software. In our opinion, it is necessary for large franchise chains to improve the franchisee selection process by incorporating these simulation techniques. Similarly, we believe that consultants involved in franchising should specialize in franchisee selection in order to improve their selection processes with the incorporation of all these aspects.

In relation to the practical and theoretical contributions, this paper contributes to franchisee selection criteria that appears in franchise literature. It supplements the franchise partner selection from the point of view of the franchisor, giving a ranking of criteria that franchisors must seek on potential franchisees. Practitioners and academics could benefit from this research as they can identify the franchisee profile franchisors prefer in the service industry. In particular, these criteria can help practitioners to make the right selection of franchisees.

An important limitation of the work is that the franchisee profile is obtained from the opinions of only the franchisors in this particular sector. It might be appropriate to study the franchisee profile from the point of view of other agents (such as the franchisees) to see whether differences exist between the profiles. In addition to the above, application of conjoint analysis also poses an important limitation to simulation, as it is necessary to determine the ideal franchisee profile by creating and administering a survey, which has temporal and economic costs. Another important limitation is that respondent preferences can change over time, so it is necessary to repeat the conjoint analysis to obtain relevant simulation values.

In this paper, franchisee profiles were analysed from the perspective of domestic franchisees. Further research would be required in order to incorporate an international perspective. In this work, data were obtained from the Spanish market, which has a fully developed series of franchises. A study of franchisor preferences in emerging markets would be of great value, as would a study on whether differences exist between these types of markets.

Acknowledgments The authors would like to acknowledge the two reviewers for their relevant comments that have contributed to significantly improve the paper.

Appendix

A wide variety of models exists, which assume that consumers have a multi-attribute utility function. Generally, a multi-attribute choice alternative x can be represented by means of the following vector annotation (Green and Krieger 1993):

$$x = (x_1, x_2, \ldots, x_M)$$

where $x_1, x_2, \ldots, x_j, \ldots, x_M$ refers to the level of jth attribute that forms part of stimulus x. If an attribute is categorical, its codification will be made by means of $p - 1$ *dummy* variables if the number of attribute levels is p.

It is assumed that the decider does not give the same value to all attribute levels but values some more than others. This can be shown by the following utility function:

$$U(x_1, x_2, \ldots, x_M) = f[u_1(x_1), u_2(x_2), \ldots, u_M(x_M)]$$

where u_j is a function of the partial utility defined on all considered levels of the jth attribute and $f[\cdot]$ is a function that sums the partial utilities of all the attributes.

If we considered another alternative x' that differs from x, then it can be assumed that:

$$U(x) \leq U(x') \Leftrightarrow x \leq_0 x'$$

where $\leq_0$ denotes that 'is not preferred to'.

The additive model that has been frequently used in multi-attribute utility theory is defined as:

$$U(x_1, x_2, \ldots, x_M) = \sum_{j=1}^{M} w_j u_j(x_j)$$

where w_j and $u_j(\cdot)$ are obtained in two stages by means of a self-explanatory model.

In this study, we used SPSS v12.0. Syntax analysis was applied to the data through the CATEGORIES module of SPSS v12.0. Due to the categorical nature of the attributes, a partial utility function model was considered, which yielded a faithful reflection of the possible real structure of franchisor preferences (Azpiazu 1994). The obtained results provide information on the relative importance of the attributes in the study and on the levels that form the franchisee profile. The relative importance of the attributes was obtained from the part-worths of each level forming part of the attribute. An attribute will be more important when there is a greater difference between the highest and lowest part-worths. The importance of attribute i is given by the following equation:

$$\text{IMP}_i = \frac{\text{Rank}_i}{\sum_{j=1}^{p} \text{Rank}_j} \cdot 100$$

where Rank_i is defined by the following equation:

$$\text{Rank}_i = |\max(u_{ik}) - \min(u_{ik})| \quad \forall i = 1, \ldots, p, \ \forall k$$

References

Allen RL (1994) Franchisor-franchisee: communication maintains the marriage. Nation's Restaur News 28(12):27–31

Altinay L (2006) Selecting partners in an international franchise organisation. Int J Hosp Manag 25(1):108–128

Altinay L, Wang C (2006) The role of prior knowledge in international franchise partner recruitment. Int J Serv Ind Manag 12(5):430–443

Axerald ND, Rudnick LG (1987) Franchising: a planning and sales compliance guide. Commerce Clearing House Inc, Chicago, IL

Azpiazu J (1994) La selección del modelo de preferencia en el análisis conjunto (in Spanish). VI Encuentro de Profesores Universitarios de Marketing, San Sebastián

Azpiazu J (1996) Selección de metodologías en el análisis conjunto: un enfoque de fiabilidad y de validez. Doctoral Thesis (in Spanish), Dpto. de Financiación e Investigación Comercial, Universidad Autónoma de Madrid, Spain

Berni F (2002) Corel values: keys to finding successful franchisees. Franch World 34(4):15–17

Bordonaba MV (2003) Determinantes del éxito de las relaciones comerciales a largo plazo entre empresas: análisis empírico en el sistema de franquicia. Doctoral Thesis (in Spanish), University of Zaragoza, Spain

Brickley JA, Dark FH (1987) The choice of organizational form: the case of franchising. J Financ Econ 18(2):401–420

Carroll C, Bassuk H (2002) The characteristics of great franchise leaders. Franch World 34(1):10–11

Castrogiovanni GJ, Justis RT, Julian SD (1993) Franchise failure rates: an assessment of magnitude and influencing factors. J Small Bus Manag 31(2):105–114
Castrogivoanni GJ, Justis RT (2007) Franchise failure: a reassessment of Bates (1995) results. Serv Bus 1(3):247–256
Chiou JS, Hsieh CH, Yang CH (2004) The effect of franchisors' communication, service assistance, and competitive advantage on franchisees' intentions to remain in the franchise system. J Small Bus Manage 42(1):19–36
Chow L, Frazer L (2003) Servicing customers directly. Mobile franchising arrangements in Australia. Eur J Market 3(4):594–613
Clarkin JE, Swavely SM (2006) The importance of personal characteristics in franchisee selection. J Retail Cons Serv 13(2):133–142
De Castro LM, Mota J, Marnoto S (2009) Toward a relational perspective of franchise chains. Serv Bus 3(1):15–30
DeCeglie P (1993) What franchisors look for. Nation's Bus 81(7):58–59
Diez EC, Rondan FJ (2004) La investigación sobre franquicia. Investigaciones Europeas de Dirección y Economía de la Empresa 10(3):71–96
Diez EC, Navarro A, Rondan FJ (2005) El sistema de franquicia. Fundamentos teóricos y prácticos (in Spanish). Pirámide, Madrid
Doherty AM, Alexander N (2006) Power and control in international retail franchising. Eur J Market 11(12):1292–1316
Edens FN, Self DR, Grider DT (1976) Franchisors describe the ideal franchisee. J Small Bus Manag 14(3):39–47
Eisenhardt K (1989) Agency theory: an assessment and review. Acad Manag Rev 14(1):57–74
Elango B, Fried VH (1997) Franchising research: a literature review and synthesis. J Small Bus Manag 35(3):68–81
Falbe CM, Welsh DHB (1998) NAFTA and franchising: a comparison of franchisor perceptions of characteristics associated with franchisee success and failure in Canada, Mexico and the United States. J Bus Ventur 13(2):151–171
Fenwick GD, Strombom M (1998) The determinants of franchisee performance: an empirical investigation. Int Small Bus J 16(4):28–45
Forward J, Fulop C (1993) Elements of a franchise: the experiences of established firms. Serv Ind J 13(4):159–178
Franchising Task Force (FTF) (1991) Final report of the franchising task force. Better Printing Service, Queanbeyan, Australia
Frazer L (2001) Causes of disruption to franchise operations. J Bus Res 54(3):227–234
Garcia N, Sanzo MJ, Trespalacios JA (2004) Condicionantes de la satisfacción en las relaciones en franquicias de servicios. Revista Europea de Dirección y Economía de la Empresa 13(1):101–114
Gil C (1990) Una aplicación del análisis conjunto a la segmentación de mercados: la segmentación componencial. Revista de Investigación y Marketing 34:65–69
Green PE, Krieger AM (1993) Conjoint analysis with product-positioning applications. In: Eliashberg J, Lilien GL (eds) Handbooks in OR&MS, vol 5. Elsevier Science Publishers, Amsterdam, pp 467–513
Green PE, Rao VR (1971) Conjoint measurement for quantifying judgmental data. J Market Res VIII:355–363
Grünhagen M, Dorsch MJ (2003) Does the franchisor provide value to franchisees? Past, current and future value assessments of two franchisee types. J Small Bus Manag 41(4):366–384
Hair JF, Anderson RE, Tatham RL, Black WC (2005) Multivariate data analysis. Prentice Hall, Upper Saddle River, NJ
Hing N (1995) Franchisee satisfaction: contributors and consequences. J Small Bus Manag 33(2):12–25
Howe MC (2003) Keys to a successful franchisor-franchisee relationship. Franch World September:13–14
Hoy F, Shane S (1998) Franchising as an entrepreneurial venture form. J Bus Ventur 13(2):91–94
IFA (2010) International franchise association. www.franchise.org
Jambulingam T, Nevin JR (1999) Influence of franchisee selection criteria on outcomes desired by the franchisor. J Bus Ventur 14(4):363–395
Justis R, Judd R (1989) Franchising. South-Western Publishing Company, Cincinnati, OH
Kahn M (1994) Franchise et partenariat. Dalloz, Paris, pp 30–31
Kasselmann B, De Beer JJ, Vermeulen LP (2002) Personality attributes of successful franchisees in the fast foods sector in South Africa. S Afr J Econ Manag S 5(1):154–179

Kaufmann PJ, Stanworth J (1995) The decision to purchase a franchise: a study of prospective franchisees. J Small Bus Manag 33(4):22–32
Knight RM (1986) Franchising from the franchisor and franchisee points of view. J Small Bus Manag 24(3):8–15
Levy JP, Varela J (2003) Análisis Multivariable para las Ciencias Sociales (in Spanish). Pearson Educación, Madrid
Lopez F, Veciana JM (2004) Enfoque estructural vs recursos y capacidades: un estudio empírico de los factores claves de éxito de las agencias de viaje. Revista Europea de Dirección y Economía de la Empresa 13(1):25–44
Luce RD, Tukey JW (1964) Simultaneous conjoint measurement: a new type of fundamental measurement. J Math Psychol 1:1–27
McCosker C, Frazer L (1998) Franchising Australia 1998: a survey of franchising practices and performance. USQ, Toowoomba
Mendelsohn M (1993) The guide to franchising, 5th edn. Cassell, London
Mexican Franchise Association (2010) www.franquiciasdemexico.org
Minguela-Rata B, López-Sánchez JI, Rodríguez-Benavides MC (2009) The effect of knowledge complexity on the performance of franchise systems in the service industries: an empirical study. Serv Bus 3(1):101–115
Morgan RM, Hunt SD (1994) The commitment-trust theory of relationship marketing. J Market 58(3):20–38
Moro MA (2002) Teorías que justifican el uso de la franquicia: contraste empírico. Revista de Economía y de Empresa 46:97–122
Olm KW, Eddy GG, Adaniya AR (1988) Selecting franchisee prospects. Society of franchising proceedings II. Society of Franchising, San Francisco, CA
Pedret R, Sagnier L, Camp F (2000) Herramientas para segmentar mercados y posicionar productos (in Spanish). Deusto, Bilbao
Peretiatko R, Humeniuk A, Humeniuk M, D'Souza C, Gilmore A (2009) Franchising in Ukraine. Eur J Market 43(1/2):21–30
Peterson A, Dant RP (1990) Perceived advantages of the franchise option from the franchisee perspective: empirical insights from a service franchise. J Small Bus Manag 28(3):46–61
Rahatullah MK, Raeside R (2009) The dynamism of partner selection criteria in franchising. SAM Adv Manag J 74(4):36–46
Ramirez JM (2007) Determinación y estudio del perfil de franquiciado mediante la aplicación de análisis conjunto (in Spanish). Doctoral Thesis, Department of Economy, Quantitative Methods and Economic History, Pablo de Olavide University, Seville
Ramirez JM, Rondan FJ (2004) Evaluación de los procedimientos de medición de la variable respuesta en el Análisis Conjunto bajo distintas alternativas de estimación. XVIII Reunión Anual ASEPELT, León
Sanders L (2002) Franchisee-franchisor relationships in the future. Franch World 34(6):23–24
Schultz R (1999) Franchisor, franchisees must work together to flourish. Hotel Motel Manag 214(19):42–43
Shane S (1998) Explaining the distribution of franchised and company-owned outlets in franchise systems. J Manag 24(6):717–739
Shubart E, Bennett J (1997) 75% franchisees satisfied, doing fine. Franch Times 3(7):3–4
Sturgis I (1993) Keys to successful franchise ownership. Black Enterp 23:77–81
Tatham RL, Douglas R, Bush RF (1972) An analysis of decision criteria in franchisor/franchisee selection processes. J Retail 48(1):16–22
Tormo & Associates (2004) Guía de franquicias y oportunidades de negocio 2004, Madrid, www.tormo.com
Wang CL, Altinay L (2008) International franchise partner selection and chain performance through the lens of organisational learning. Serv Ind J 2:225–238
Withane S (1991) Franchising and franchisee behaviour: an examination of opinions, personal characteristics and motives of Canadian franchisee entrepreneurs. J Small Bus Manag 29(1):22–29