

To Be or Not to Be a Franchisee? Explaining Individuals' Intentions to Join Franchise Networks

Abstract

Recruiting franchisees is a crucial and challenging task for franchisors. Nevertheless, this issue has received relatively little research attention. This paper focuses on the franchisee's perspective and adopts and extends the theory of planned behavior (TPB) to develop and test a theoretical framework explaining individuals' intentions to join franchise networks. Building on TPB, we hypothesize that an individual's attitude, subjective norms and perceived behavioral control regarding franchising affects its intention to join a franchise network. Moreover, we extend TPB by positing that the relationships between these three main TPB constructs, on the one hand, and intentions to join a network, on the other hand, are moderated by individuals' entrepreneurial motivations. We conducted a survey among 880 individuals to test our theoretical framework. Our results confirm the applicability of TPB in this specific entrepreneurial context: we found significant positive effects of individuals' attitudes towards franchising, subjective norms and perceived behavioral control on their intentions to join franchise networks. Moreover, we extend TPB by confirming that entrepreneurial motivations (i.e. need for competitive achievement and risk-taking propensity) moderate some of these relationships. Our results have several practical implications for franchisors regarding franchisee recruitment.

Key words: Theory of planned behavior (TPB); Intention to join a franchise network; Entrepreneurial motivations