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Strategic Interactions in Franchise Relationships

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
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Strategic Interactions in Franchise Relationships

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RIJKSUNIVERSITEIT GRONINGEN

**Strategic Interactions
in Franchise Relationships**

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Preface and acknowledgements

In recent years, franchising has become a popular way of conducting business in various parts of the world. From both the franchisor's and the franchisee's perspectives this is understandable because both parties can offer one another complementary resources. To the franchisor, the franchisee is a provider of financial, managerial and entrepreneurial resources, while the franchisee considers the franchisor's business format as most important resource, enabling the franchisee to convey a particular identity toward customers and offering a certain degree of back office support. Ideally, franchise systems are based on a tested, more or less standardized business format so that customers know what to expect when visiting a unit of a particular system. However, a standardized and uniform identity may seem paradoxical in view of the current dynamic environment and different local circumstances to which a business format might need to be adapted. This is even more complicated in a franchise system because franchise partners are legally independent partners who might not agree with each other on certain changes in the business format. As a result, conflicts in the relationship may arise, which might lead to destructive responses by both parties. Given the current dynamic environment, it is therefore surprising that the strategic interactions between franchise partners have not yet been studied in more detail. This study aims to grasp the strategic interactions between franchisors and franchisees.

This research project would not have been possible without the help of a considerable number of people. First of all, I am very grateful to my supervisors Dany Jacobs, Liesbeth Kneppers-Heijnert, and Maryse Brand. I have learned a great deal from all of you and you have made my PhD-project a valuable and pleasant process. Dany, your guidance has been essential in this project, and your ideas were an important source of inspiration. Moreover, you have helped me a lot by emphasizing the importance of spare time and relaxation in the process of writing a dissertation. Liesbeth, you have taught me so much about franchising and I have benefited a lot from your network. Maryse, I could (and still can) always come by for advice, not only advice about research matters but also more general advice about how to deal with other issues in (professional) life.

I am also indebted to the people from the franchisor's organizations and the business owners ('franchisees') whom I interviewed in the early phases of this study. In the later phases I decided to choose the Dutch drugstore industry as empirical setting, and the franchisors in this industry have all been very cooperative. I owe special thanks to the people (CEO's, managers and secretaries) from the franchisor's organizations in the four systems that I studied in detail: Dynadro BV, representing the DA and STIP systems, ETOS BV, representing the ETOS system, and Brocacef BV, representing the Uw Eigen Drogist system. In particular, I would like to thank the following people, because as (former) managers of these organizations they gave me the opportunity to conduct several interviews and they made sure that I was provided with all the detailed information about their franchise system(s): Koos Hopster (about DA and STIP), Bert Bargboer (about ETOS) and Harry Gloudemans (about Uw Eigen Drogist).

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Evelien Croonen,
November 2005

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