



Correspondência para/
Correspondencia para/
Correspondence to
Rua Viuvinha, n. 69;
Conjunto Centauro,
Arapongas - PR
86709-349
Fone: 43-3275-1666
e-mail:
valter23@yahoo.com

Artigo
Recebido: 23/08/2006
Aprovado: 20/11/2006

MARKETING DE RELACIONAMENTO ENTRE FRANQUEADOR E FRANQUEADO: PROPOSTA DE DOIS MODELOS

MARKETING DE LA RELACION ENTRE FRANQUICIADOR Y FRANQUICIADO: PROPUESTA DE DOS MODELOS

RELATIONSHIP MARKETING BETWEEN FRANCHISER AND FRANCHISEE: TWO PROPOSED MODELS

Valter Afonso Vieira
UFRGS-RS
Valter23@yahoo.com

Luiz Antonio Slongo
PPGA-EA-UFRGS
laslongo@ea.ufrgs.br

Palavras-chave:
Varejo;
Satisfação;
Franquia;
Relações nos Canais.

Palabras-clave:
Minorista,
Satisfacción;
Franquicia;
Relaciones en los
canales.

Key-words:
Retail;
Satisfaction;
Franchise;
Relations in
Channels.

RESUMO: No decorrer das décadas, relações entre produtores e varejistas no canal de distribuição têm se tornado tema de fundamental relevância na pesquisa de marketing. Entretanto, estudar os antecedentes que explicam a satisfação das franquias permanece tópico a ser considerado em pesquisas. Baseado nesse contexto e procurando preencher essa lacuna, este artigo especificamente (1) apresenta proposições de pesquisa nas quais, teoricamente, auxiliam na explicação da satisfação das franquias, (2) oferece as definições conceituais dos construtos que envolvem o contexto da satisfação, e (3) discute os métodos utilizados por outros autores para mensurar esses construtos, apresentando uma lista para futuras pesquisas desenvolverem o tópico. A principal conclusão é que "como" medir satisfação ainda permanece um dilema não resolvido, embora o tópico per si já se encontra em estado maduro. Além do mais, as dimensões de satisfação propostas aqui necessitam ficar límpidas, caso elas existam ou não. Conseqüentemente, se essas dimensões de satisfação representam o construto da satisfação em canais de distribuição, ainda permanecem obscuras.

RESUMEN: Con el pasar de las décadas, las relaciones entre productores y minoristas, en el canal de distribución, se tornaron tema de fundamental relevancia en la investigación de marketing. Además, estudiar los antecedentes que explican la satisfacción de las franquias permanece un tópico para ser considerado en la investigación. Basado sobre ese contexto, e intentando llenar ese vacío, este artículo especificamente: (1) presenta proposiciones de investigación en las cuales, teóricamente, sirven de auxilio en la explicación de la satisfacción de las franquias. (2) ofrecer las definiciones conceptuales de los contenidos que envuelven el contexto de la satisfacción, y (3) discute los métodos utilizados por otros autores para medir los contenidos, presentando un listado para futuras investigaciones que versen sobre el tema. La principal conclusión es "cómo" medir la satisfacción, que todavía permanece en un dilema no resuelto, si bien el tópico por sí solo ya se encuentra en estado maduración. Además, las dimensiones de satisfacción propuestas aquí necesitan ser transparentes, en el caso que existan o no. Consecuentemente, si esas dimensiones de satisfacción representan el contenido de la satisfacción en canales de distribución, todavía permanecen oscuras.

ABSTRACT: In recent decades, relations between producers and retailers in the distribution channel have become an important issue in market research. However, studying the precursors which explain franchisee satisfaction remains a topic which requires further study. Based on this context, and seeking to fill this gap, this article (1) presents research proposals which, theoretically, help to explain

franchisee satisfaction, (2) presents conceptual definitions of the constructs involved in the context of satisfaction, and (3) discusses the methods used by other authors to measure these constructs, giving a list for further studies on the subject. The main conclusion drawn is that "how" to measure satisfaction remains an unresolved dilemma, despite the fact that the subject per se is a mature one. Above all, it needs to become clear whether or not the dimensions of satisfaction proposed here exist. As a result, it still remains obscure whether these dimensions of satisfaction in distribution channels represent the satisfaction construct in distribution channels.

1 INTRODUCTION

Ruekert and Churchill (1984, p.226) comment that "recent research in channels of distribution has emphasized the importance of the behavioral dimensions of channel interaction". In fact, one of the most important dimensions of channel interaction is the satisfaction among the organizations involved. Satisfaction plays a central role among channel members and its importance is noted not only by managers, but also by the academic literature.

In a relationship between buyer and seller, satisfaction has been investigated continuously (HING, 1995, MORRISON, 1996), and because of that, franchisee system emerge as one of the most relevant kinds of buyer-seller relationships. According to Gauzente (2003, p. 508), the franchisee's satisfaction "is considered to be a central variable for the intention to remain and hence for the franchise network's long-term survival". Despite the franchising global growth, many fundamental questions remain virtually unexplored (TUUNANEN and HYRSKY 2001).

One of those questions is to study the antecedents that explain franchisee's satisfaction. Based on this context and looking for fulfilling this gap, this article specifically (1) presents some propositions which, theoretically, contribute to explain franchisee's satisfaction, presenting two theoretical models, (2) presents the conceptual definitions of the constructs involved in the satisfaction context, and (3) discusses the methods used by other authors for measuring these constructs, presenting a list for future researchers develop better the topic.

Therefore, this paper is organized as follows: it begins with a theoretical section in which the authors present the definition of satisfaction in an organizational buyer-seller relationship. Next, two franchisee satisfaction conceptual models are proposed, presenting the theoretical support for each casual link. Consequently, it is discussed the concepts, the scales and the methods used for measuring the constructs suggested. Then, the article ends with a conclusion about the topic and suggestions for future research.

2 BACKGROUND

2.1 SATISFACTION IN PERSONAL OR ORGANIZATIONAL LEVEL: DO THEY DIFFER?

Satisfaction definition has many variations and many ways to be measured. This part attempts to present some definitions that give foundation to satisfaction construct. Firstly, Gauzente (2003) comments that some satisfaction definitions are used wrongly in channel research. This is because some authors (a) mixed satisfaction from consumer perception (individual level) and/or from organizational perception (organizational level). Or, on the other side, satisfaction definition is (b) more used at individual level (GAUZENTE, 2003, OLIVER 1980, 1993), rather than at organizational level. Being more specific, Gauzente (2003, p.510) comments that "purchasing a franchise cannot be treated in the same way as buying a product, not without care and serious reservations." It makes sense, because for measuring buyer-seller is not the same of measuring seller-consumer relationship, since the nature of the relationship and the object involved are different. Consequently, any study researching channel satisfaction should consider this warning. Therefore, our suggestion is that any research uses a specific satisfaction definition and splits it at either organizational or individual level.

Trying to be more specifically, Gauzente (2003, p.509-510) presents three fields of study in measuring satisfaction, which all categories are in channel member relationship. 1) Franchisee's satisfaction as a purchaser means measure the customer satisfaction in organizational level, after the owner had brought the franchise system. In other words it is a relationship pos-purchase between franchisor and franchisees. 2) Franchisee's satisfaction as channel member is seen as the working of the channel, the relationships, and, particularly in the context of franchising institutions. This definition presents more a stage where the satisfaction dimension is along the time (longitudinal) instead of in a specific moment. 3) Franchisee's job satisfaction means the perceived gap between what the individual earns and what he/she thinks he/she ought to earn, in other words, employees satisfied or not with their jobs. This approach considers the franchisee individual at his/her work, and therefore understands the satisfaction variable - within the work. As a conclusion, it needs to become clear that franchisee's satisfaction has some divisions and these dissections cannot be treated in the same way by researchers.

2.2 CHANNEL MEMBER SATISFACTION CONCEPT

In a general view, channel member satisfaction is defined most frequently as a positive affective state resulting from the appraisal of all

aspects of a firm's working relationship with another firm (GASKI and NEVIN, 1985). From this last point of view, "all aspects" could mean many benefits. Dwyer and Oh (1987, p.352) comprehend satisfaction "as a global evaluation of fulfillment in the relation." The warning with this definition is that the fulfillment is not clear.

According to Rueckert and Churchill (1984, p.226) channel member satisfaction definition "[...]comprises the domain of all characteristics of the relationship between a channel member (the focal organization) and another institution in the channel (the target organization), which the focal organization finds rewarding, profitable, instrumental, and satisfying or frustrating, problematic, inhibiting or unsatisfying". Thus, these authors are much general in comprehending all characteristics and benefits of the relationship (franchisor-franchisee), such as monetary, personal, social, status and so forth.

On the other hand, Geyskens et al (1999) did a meta-analysis of satisfaction in marketing channel relationships. They used two types of satisfaction, extending the Rueckert and Churchill (1984) definition and conceptualization. One is economic satisfaction, which is defined as "a channel member's positive affective response to the economic rewards that flow from the relationship with its partner, such as sales volume and margins" (p.224). Economic satisfaction in this context can be summarized as the achievement of a goal or financial outcomes that involves monetary or capital return. The second one is noneconomic satisfaction, which is defined as "a channel member's positive aspects of its relationship, in that, interactions with the exchanger partner are fulfilling, ratifying, and easy" (p.224). The noneconomic satisfaction presents a view of satisfaction more at a personal level (i.e. the manager or the owner), in other words, it means that the partner is concerned, respectful and willing to exchange ideas with its other partner.

In summary, a difficult task in channel research is to define if it would be used the definition from Geyskens et al (1999), who believes that satisfaction should capture both economic and noneconomic psychosocial aspects, or if it would be used the definition from Rueckert and Churchill (1984), who defend that satisfaction (by one only measure - one-dimensional) evaluates all characteristics of the relationship.

Although there are other definitions to buyer-seller satisfaction (ANDERSON and NARUS 1990), this study will focus on Geyskens et al (1999) and Rueckert and Churchill (1984) definitions (the two). The authors believe that these definitions have been discussed more intensely by literature, are more generally accepted by the academy (since many of the articles used them), and comprehend more the aspects used here.

2.3 IMPACTS OF SATISFACTION IN A BUYER-SELLER RELATIONSHIP: RELEVANCE OF THE STUDY

To present the merit of studying satisfaction in channel member relationship is not sufficient to persuade some researchers and managers to investigating it more. Thus, this topic presents three arguments that justify research in the channel relation satisfaction.

First, on the negative point, for Dwyer and Oh (1987, p.349) dissatisfaction may "[...] (1) hinder morale, (2) impede cooperation, (3) precipitates litigation, and (4) fuel for protective legislation". When the channel is looking for more satisfaction in its relationship, it is, as consequence, seeking eliminates the egoist morale from a specific member, trying to increase the cooperation (which could provide more competitive advantage for the members), and trying to eliminate the existing conflict. As a conclusion, these negative features, when well managed, are essential for the cooperative and collaborative behavior in the channel members. Second, satisfaction of channel members is central, for several reasons. It increases morale among those involved, encouraging them to greater cooperation; it reduces the rate of breakdowns in relationships; it discourages the recourse of preventive legislation, it reduces conflict within the system, which in turn helps to promote better overall performance (GAUZENTE, 2003), it affects channel member's morale and resulting incentive to participate in collective activities, it helps in developing integrated logistic management and just-in-time inventory systems (Geyskens et al 1999), it is an important means for achieving loyalty (WALLACE et al 2004) and it leads to increase the continuity and enhancement in a buyer-seller relationship (SELNES, 1998). Third, research in channel member relationship is strongly supported by Geyskens et al (1999, p.223) when they comment that "71 empirical studies relate satisfaction to more than 80 different variables, often with inconsistent findings across studies". Consequently, the academy needs to create a single consensus about this topic.

2.4 ANTECEDENTS OF FRANCHISEE SATISFACTION

In this piece, the antecedents that are related negatively and positively to satisfaction are presented. The first proposition is based on the support. The theory (HING, 1995) comments that there are two types of support, one is the initial support and the other' is the ongoing support. Hing (1995) comments that the initial support is another factor proposed as contributing to franchisee satisfaction, beyond the ongoing support. Thus, the initial support can be understood as the total support provided in early stage by bank managers, business consultants, and franchisees in the same system and the range and quality of advice from external advisors in the beginning of franchising enterprise. The initial support can be understand as one-to-one instruction at another outlet, as a franchisor negotiation and the selection of

the sites on behalf of franchisees, and as the franchisor provided full turn key operations. The other kind of support is the ongoing support (HING 1993 apud HING 1995). Ongoing support can be understood as the continuum support provided by the franchisor to the franchisees channel without interruption (longitudinal). It is beyond the initial support provided. The theory proposes that there is a relationship between support and satisfaction.

For instance, Hing (1995, p.20) presents that "significant positive correlations were found between franchisee satisfaction and helpfulness of advice from solicitors (initial support). Hunt and Nevin (1974) found that franchisor support enhances franchisee satisfaction. Tuunanen (1999) researched based on it a nationwide sample of franchisors and identified that the ongoing support was an antecedent of satisfaction. These arguments suggest that ongoing support is likely to affect positively overall satisfaction. Thus, the first proposition is:

P1: ONGOING SUPPORT IS POSITIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

According to Locander and Goebel (1997, p.30) the integration "of the finance and marketing strategies is critical to a firm's overall growth". Commenting about a specific franchise context, Tuunanen (1999) found that Finance Performance had a positive impact on overall satisfaction. The model propose by Hing (1995) also suggest that financial resources influence franchisee satisfaction, however, "a significant correlation was not found" between them (p.19). Thereby, there is a controversy not resolved in this point. It is predictable that finance is positively related to overall satisfaction; since the monetary returns and theoretical future profitability could make the owner more satisfied and happier with his/her enterprise. Thus, the next proposition is:

P2: FINANCE IS POSITIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

According to Izquierdo, Cillan and Gutierrez (2002, p.3) market performance "refers to the improvement of the firm's market position, that is, building awareness of the product and penetration in the market; shaping customers' perceptions of the organization and their products and the rise of loyalty and customer retention". According to Tuunanen (1999) market performance is known as the franchisor's market position and competitiveness, its image and its customer orientation to the business. Thus, it implies that market performance addresses some degree of the competitiveness of the franchise system. Tuunanen (1999) found in his study that market performance was positively and statistically correlated to overall satisfaction. It is possible that a better market performance leads to overall satisfaction because an efficient and structured firm may achieve

better results making the owner more satisfied and happier with franchisee. However, in reviewing the literature, more details that market performance could lead to satisfaction was not find. Therefore, this relationship needs a stronger validation. The next proposition is:

P3: MARKET PERFORMANCE IS POSITIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

The proposition number four is based on the climate. According with Churchill, Ford and Walker (1976, p.324) "(t)he most common view of climate, however, [is that] it represents the worker's perceptions of his objective work situation, including the characteristics of the organization he works for and the nature of his relationships with other people while doing his job". The theory proposes that there is a correlation between climate and satisfaction, but most of the studies looked for investigated organizational climate impacting in satisfaction from the workers outlook (intra-firm; not within channel), for instance, Swift and Campbell (1998).

In a franchising relationship, Tuunanen (1999) surprisingly found that franchise climate was not positively correlated to overall satisfaction, although the samples and the contexts were different from the literature (MORRISON 1996, DESHPANDE 1996). Consequently, it is hoped that exists a casual link between these two constructs. This is because the CEO (in this case the franchisee's owner) can be more satisfied working in a good environment. The franchise owner could be happier and produce more positive results working in a good channel environment provided by its channel. By this argument, the next proposition created is:

P4: FRANCHISING CLIMATE IS POSITIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

The proposition number five is concerning with conflict. Early studies concerned the destructive and inevitable aspects of conflict on channel of distribution (ASSAEL, 1968) and thus, it is perceived as "a negative light" in a buyer-seller relationship (LUCAS and GRESHAM, 1985, p.28). Conflict "is as pervasive a phenomenon in distribution channels as it is in other inter-organizational systems" (STERN, STERNTHAL and CRAIG, 1973, p.169). Conflict arises because each negotiator "...has different utilities for alternative settlements" (NESLIN and GREENHALGH, 1983, p.369), and thereby, because of these differences it could be a cause of dissatisfaction. This logic may gain support, since the apparent level of conflict has led to increasing franchisee alienation (MORRISON, 1996).

In fact, conflict between channel members may encompass such issues as disputes over maintenance of inventory levels, discount merchandising,

by-passing middlemen, sales by factory-owned outlets, representational policy as prices (STERN, STERNTHAL and CRAIG, 1973). According to Gauzente (2003, p.510) "satisfaction of channel member reduces the conflict within the system", thus apparently there is a link between conflict and satisfaction. Following this idea, Anderson and Narus (1990), Frazier et al (1989), Gaski (1984) and Michie and Silbey (1985) also found support for this relationship in a negatively position. Moreover, according to Geyskens et al (1999, p.225) because

members join marketing channels to create economic value for themselves, conflict in channel relationships is most likely to occur over economic issues and in the face of economic dissatisfaction by the parties (thus) conflict (...affects) indirectly through noneconomic satisfaction.

Based on these discussions the next proposition is:

P5: FRANCHISING CONFLICT IS NEGATIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

Morgan and Hunt (1994, p.22) argue that "commitment should be central to understanding relationship marketing". The same authors define relationship commitment "as an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it". For Bardonaba-Juste and Polo-Redondo (2004)

[...] commitment [is] a desire to develop stable relationships, a willingness to make short-term sacrifices to maintain the relationship, a security in the stability of the relationship, and a belief that an ongoing relationship with another party is so valuable as to warrant all the possible efforts at maintaining it or efforts to maintain the relationship in which one wishes to continue.

Commitment was found to be positively related to satisfaction by the literature (SELNES, 1998; BARDONABA-JUSTE and POLO-REDONDO, 2004; LEONIDOU and THEODOSIOU, 2002; LEONIDOU et al [forthcoming]). In practical terms, commitment is a way of responding to customer needs and it is a key dimension of being market oriented (KOHLI and JAWORSKI, 1990). Consequently:

P6: FRANCHISING COMMITMENT IS POSITIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

Communication is the exchange of information between supplier and customer (SELNES, 1998). Communication can be defined broadly as "the formal as well as informal sharing of meaningful and timely information between firms" (ANDERSON and NARUS, 1990, p.44). In their research with Greek producers of industrial goods, Leonidou and Theodosiou (2002)

did not find a relation between communication and satisfaction. However, according to Selnes (1998, p.317) results "communication is linked positively to satisfaction". Thus, communication maintains itself as paradox, because it is difficult to decide if communication affects satisfaction or not. In this study, it is expected that communication be linked positively to satisfaction, because more communication in the channel by the participants could improve the relationship and the data exchange between buyer and seller, making the work more beneficial and more understandable to the parts.

P7: FRANCHISING COMMUNICATION IS POSITIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

The least proposition is concerning with cooperation. Cooperation is defined as "similar or complementary coordinated actions taken by firms in interdependent relationships to achieve mutual outcomes or singular outcomes with expected reciprocation over time" (ANDERSON and NARUS 1990, p.45). Thus, it can be inferred that cooperation refers to a desire by both parties in a relationship to accomplish both intra and inter-firm goals by conceding advantages to each other in expectation of a future balanced exchange, reciprocity, and mutuality (STERN and REVE, 1980; ANDERSON and NARUS, 1990).

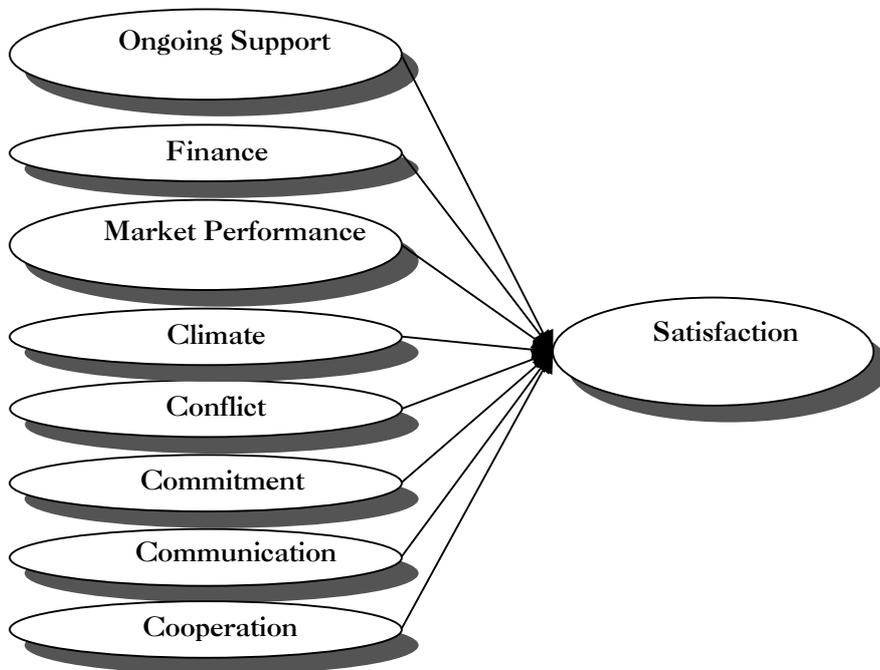
According to Michey and Sibley (1985, p.189) satisfaction is "[...] considered to be positively correlated with cooperation and inversely correlated with conflict". Thus, it appears that cooperation leads to satisfaction (GAUZANTE, 2003) since the cultivation of it eliminates negative feelings and/or increases emphasis placed on the positive outcomes (DWYER, 1980). However, Leonidou and Theodosiou (2002) hypothesized and did not find that cooperation was linked to satisfaction. Thereby, there is a problem not resolved here:

P8: FRANCHISING COOPERATION IS POSITIVELY CORRELATED WITH FRANCHISE OVERALL SATISFACTION

3 OVERVIEW OF THE MODELS

In this part, it is presented the two models suggested based on the theory. The conceptual model with one dimension of satisfaction is showed in Figure 1. The propositions are presented as antecedent of franchising overall satisfaction. In brief, it is stated that franchising channel satisfaction is dependent of ongoing support, finance, market performance, climate, conflict, communication, cooperation, and commitment. However, just conflict is linked negatively to satisfaction.

Figure 1: Proposed model of Franchisee Channel Satisfaction (Satisfaction as 1 dimension)



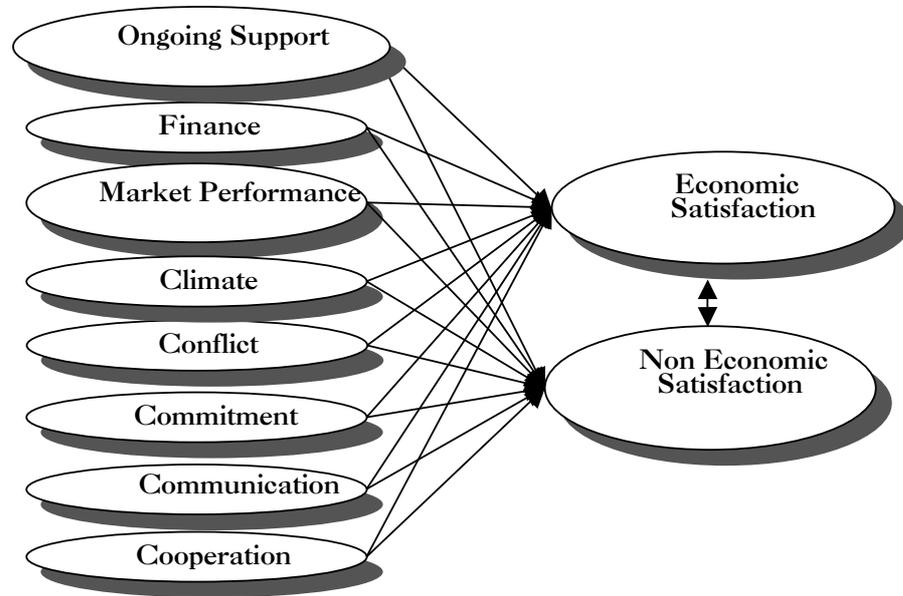
Source: Authors

On the other hand, based on Geyskens et al (1999), an alternative model in Figure 2 is exhibit. It is suggested that franchising channel satisfaction - but now shared in economic and non-economic satisfaction - is dependent of ongoing support, finance, market performance, climate, conflict, communication, cooperation, and commitment.

The first dimension is economic satisfaction, which is defined "as a channel member's positive affective response to the economic rewards that flow from the relationship with its partner, such as sales volume and margins". The second one is noneconomic satisfaction, which is defined as "a channel member's positive affective response to the noneconomic, psychosocial aspects of its relationship, in that the interactions with the exchange partner are fulfilling, gratifying and easy".

This suggestion of two dimensions of satisfaction was also used by other authors (YU and PYSARCHIK, 2002; INMA 2005 and LEE, et. al., 2004) in channel member research, where they are associated (GEYSKENS et al., 1999). It is supposed that if some variables are antecedents of satisfaction (when it is viewed as one dimension), as presented in Figure 1, these same variables are also antecedents of satisfaction when satisfaction is viewed by two dimensions, as a logical deductive consequence (HUNT, 2002).

Figure 2: Proposed model of Franchisee Channel Satisfaction (Satisfaction as 2 dimension)



Source: Authors

5 CONSTRUCTS MEASURE

In the next part, the literature analyzed corresponding to the measures of the constructs is presented. Note that some of the research did not have focus on franchising. However, most of the studies measured buyer-seller organizational relationship. Thus, these different proposed ways of measuring determined construct could enrich more future studies.

Table 1 presents the scales used just for measuring satisfaction in a buyer-seller relationship. Satisfaction is shared in three categories most frequent used. The first category is multi-items scale, the second is single-items scale, and the third is multi-item scale developed specially for measuring the two kinds of satisfaction. First, Ruecher and Churchill (1976, p.232) comment that "though similar in performance, the multiple-item measures [are] preferred to the single-item measures on psychometric grounds." In fact, single-item measures have at least three weaknesses: (1) individual item have considerable specificity or uniqueness, (2) they permit only gross distinction among objects, and (3) they are notoriously unreliable (RUECHER and CHURCHILL, 1976).

On the other hand, Selnes (1998) argues that satisfaction is unidimensional and is directly accessible for the informant, thus a multi-item scale does not make sense. He believes single-item is better than multi-item. Third, Geyskens et al (1999, p.224) and Yu and Pysarchik (2002) used

multi-item for measuring the two kinds of satisfaction. For more details about the scales used, see Table 1.

Table 1: Literature analyzed for satisfaction measures

Author	*	Measure
Leonidou et al (2002)	M	1-7 points; (strongly disagree/strongly agree)
Ruecker and Churchill (1984)	M	Two scales proposed (5 dimensions each). Direct and indirect focus on the respondent. The results found that the two are ideal. 1-5 likert points. Strongly agree/strongly disagree for INDIRECT focus; and very satisfied/very dissatisfied for DIRECT focus.
Chiou, Hsieh & Yang (2004)	M	3 items. Defined and measure specifically overall satisfaction, 1-5 points scale.
Devaraj, Fan, Kohli (2002)	M	3 items. It was not found more details.
Hing (1995)	M	1-5 items, very satisfied to very dissatisfied; 3=unsure; according to 17 variables
Bardonaba (2004)	M	6 items; Satisfaction created in two forms Noneconomic and economic satisfaction (see Geyskens et al 1999)
Selnes (1998)	S	1 item. What degree are you satisfied with the supplier? (10-pints scale).
Tuunanen (1999)	S	1 item. Taking as a whole, how has franchising met your expectations? 1-5; (fallen short considerably/exceed considerably)
Anderson, Narus (1990)	S	1 item. 1-7 strongly disagree/strongly agree – Our firm’s working relationship with manufacturer x has been an unhappy one?
Michie & Sibley (1985)	S	1 item. 5 point scale raging from very dissatisfied/very satisfied.
Rosenberg & Stern (1971)	S	1 item. Single item measure of degree of satisfaction 1-5; (very satisfied/very dissatisfied)
Geyskens et al (1999)	M	Satisfaction created in two forms Noneconomic and Economic satisfaction. 75% economic items and 25% noneconomic items.
Yu and Pysarchik (2002)	M	5 point scale ranging from very satisfied/very dissatisfied. 8 items for economic satisfaction and 6 items for noneconomic satisfaction

* Categories. M=Multi-Item scale; S=Single-item scale;
Source: Authors

Following the idea of variable measurement, this part explains the other constructs suggested in the model. In regarding to Ongoing Support, Tuunanen (1999) used an exploratory research for generating the variables and, after that, measured the items in a Likert scale. However, Hing (1995, 1999) was more profound. Hing (1995, 1999) presents initial and ongoing support as complementary concepts and in 1999, he used 6 items for initial support and 11 items for ongoing support. Based on this context, future research should analyze if these dimensions of support (initial and ongoing) in really exist. For instance, when a franchisee wants to end its relationship, does it receive (beyond initial and ongoing) a post support?

The next measure is Finance. The author (from our knowledge) who measured finance, although this author did not define conceptually the construct finance, was Tuunanen (1999). The explanation presented was that finance considers franchise owners firms and their profitability and financial standing (TUUNANEN, 2005), but this definition needs more validity because no support by theory was discussed by him. This dimension



was found by a exploratory factor analysis and not by the theory. Consequently, it should be review in the future the real domain of this construct and the scale.

The next construct is Market Performance. The authors who measured market performance were Inman (2005), Kumar et al (1992) and Tuunanen (1999). Although these authors did not define conceptually market performance's construct. It is important to comment that, by our understanding, the approach used by Tuunanen (1999) was not similar to the definition of market orientation from Kohli and Jaworski (1990) and Jaworski and Kohli (1993). It is suggested that Market Performance needs more theory in the franchisee sector, needs more defined domain and needs more scales for validation.

According to Churchill, Ford and Walker (1976, p.324) the most "common view of Climate, however, is that it represents the worker's perceptions of his objective work situation, including the characteristics of the organization he works for and the nature of his relationships with other people while doing his job". The problem with this definition is that it represents the employees (individuals) perception of the climate, and not the franchisees (manager) perception of the climate between them and franchisor. To show the same error, climate is conceptually distinct from and either causes or moderates the employee's affective evaluations and attitudes concerning his/her job and work environment, including job satisfaction (SWIFT and KAMPBELL, 1998). Thus, a different definition should be lanced to represent the channel climate. Tuunanen (1999) measured climate from the channel member perspective and not from the individuals' perspective, which is an advance in that propose.

Many Conflict concepts have been developed in various academic fields. However, some authors show a different form for measuring conflict. For instance, Yu and Pysarchik (2002, p.301) used multi-item for measuring two conflict. Rosson and Ford (1982) and Lush (1976) used just an item. Hunger and Stern (1976) shared conflict construct in felt conflict, behavioral conflict, and conflict induction. Selnes (1998) used 3 item specifically for conflict handling. Pearson et al (2002) used 9 items in 2 dimensions measured specifically intra-group conflict. Spinelli and Birley (1998) used 4 items measured specifically franchising conflict. In this case, the theory starts to present different forms for measuring conflict.

Morgan and Hunt (1994, p.22) argue that "[...] Commitment should be central to understanding relationship marketing". The same authors define relationship commitment as an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it (p.22). Selnes (1998), Morgan and Hunt (1994) and Hunt et al (1985) used multi-item likert scale for measuring commitment. Bardona-Juste and Polo-Redondo (2004) presented a table with 13 authors who

analyzed commitment as single-component view, as instrumental component view, as multi-component view and as continuance component view.

Relationship marketing is defined "as relationship marketing as the ongoing process of engaging in cooperative and collaborative activities and programs with immediate and end-user customer to create or enhance mutual economic value at reduced cost" (PARVATIYAR and SHETH, 2000, p.7). Thus, it is noted the importance of the Cooperative behavior in channel member relationship. From our knowledge the researchers who measured cooperation were Bardonaba-Juste and Polo-Redondo (2004) and Anderson and Narus (1990).

Communication can be defined broadly "as the formal as well as informal sharing of meaningful and timely information between firms" (ANDERSON and NARUS, 1990, p.44). Communication could be critical for any kind of relationship. It is expected that a better communication or an appropriate communication can be related to channel member satisfaction. Communication can be a key tool in understanding the potential problems (before they come in true barrier) from the perspective of the franchisor or the franchisee. Anderson and Narus (1990) measured it from the manufacturer perspective (3 items in a 7-point scale: strongly disagree/strongly agree) and from the distributor perspective (3 item in a 7-point scale: strongly disagree/strongly agree). Selnes (1998) measured it with 4-items, such as the supplier provides information that can be trusted (10-pints scale).

6 GENERAL DISCUSSION

Over the past decades, manufacturer and retailer channel relationships have become an important issue in marketing research. The antecedents that explain franchisee's satisfaction remains a relevant gap to be considered in research. The theory also affirms this conclusion (ANDERSON and NARUS, 1990; GEYSKENS et. al. 1999). Thereby, this article contributes to this matter presenting some propositions, which, theoretically, could contribute to explain franchisee's satisfaction. From our knowledge, no such models were presented by the literature until know. In fact, just some parts of the models were tested in international context. Thus, research considering all constructs were not found, and therefore it is strongly indicating the test of the models. The main conclusion is that "how to measuring satisfaction in the channel member satisfaction" maintains a dilemma. It appears that this topic remains unresolved, despite the fact that satisfaction (per se) is a mature topic. GEYSKENS et. al. (1999, p.234) salient this theme by commenting that "[...] there is no consensus regarding the conceptualization and measurement of channel member satisfaction". So, it needs to become clear that whether the satisfaction dimensions proposed here exists or not and whether they are validy/reliability.

Future Research. This study suggests for future research some topics, which could resolve many of the problems involving channel member relationship. First, it is suggested that new research find the antecedents of franchise satisfaction that best explain satisfaction in casual relationship (for instance, those using structural equation models); because these investigations could help franchisee managers in improving significantly the relationship and trust in each other. Second, a test of the psychometric proprieties of Ruekert and Churchill (1984) and Geyskens et al (1999) scale could produce more valid and reliable measures across different cultures (KNIGHT et al., 1999). Third, an examination of extension of the determinants of channel member satisfaction in international context versus with different segments (eg. restaurants, hospitals, universities, etc.) could be done. Fourth, test the efficiency of multi versus single items in measuring satisfaction can be hot topic. It is because there is not unanimous consensus in the literature about what measure is best for the measurement propose. Fifth, verify if satisfaction really has two dimensions as such proposed by Geyskens et al. (1999) can be a complement or a rejection of authors' main thesis. Sixth, new research could test the antecedents of channel satisfaction by making a meta-analysis and/or by soliciting the correlation matrix from other studies. Hernard and Szymanski (2001), who wrote to more than 200 authors asking for their correlation matrix, made this procedure. Seventh, according to Gauzante (2003, p.510) "satisfaction of channel member reduces the conflict", thus it could appears that rivals models could test different casual relations in the model, such as Satisfaction ---> Conflict; and, for instance, Satisfaction ---> Cooperation (supported by ANDERSON and NARUS, 1990).

In summarize, these are some suggestions that this paper proposes to offer in continuing improving the satisfaction channel theory. It is launched the challenge for future research to persist on the topic, since "there has been little empirical research into franchise relationships, particularly from the perspective of the franchisees" (HING, 1995, p.13)

REFERENCES

- ASSAEL, Henry. The political role of trade associations in distributive conflict resolution, *Journal of Marketing*, 32 (2), p.21-28, April, 1968.
- ANDERSON, James C., NARUS, James A. A model of distributor firm and manufacturer firm working partnerships, *Journal of Marketing*, 54 (1), p.42-58, January, 1990.
- BARDONABA-JUSTE, Maria V., POLO-REDONDO Yolanda. Relationships in Franchise distribution system: the case of the Spanish Market, *International Review of Retail, Distribution and Consumer Research*. 14 (1), p.101-127, January, 2004.
- CHIOU, Jyh-Shen., HSIEH, Chia-Hung., YANG, Ching-Hsien. The effect of franchisors' communication, service assistance, and competitive advantage on franchisees' intentions to remain in the franchise system, *Journal of Small Business Management*, 42 (1) p.19-42, January, 2004.
- CHURCHILL, Gilbert A., FORD, Neil M., WALKER, Orville C. Organizational climate and job satisfaction in the sales force, *Journal of Marketing Research*, 13 (4), p.323-332, November, 1976.

- DESHPANDE, Satish P. The impact of ethical climate types of facts of job satisfaction: an empirical investigation, *Journal of Business Ethics*, 15 (6), p.655-600, June, 1996.
- DEVARAJ, Sarv., FAN, Ming., KOHLI, Rejiv. Antecedents of B2C channel satisfaction and preference: validating e-commerce metrics, *Information Systems Research*, 13 (3), p.316-332, September, 2002.
- DWYER, Robert F., OH, Sejo. Output sector munificence effects on the internal political economy of marketing channels, *Journal of Marketing Research*, 24 (4), p.347-359, November, 1987.
- DWYER, Robert F. Channel member satisfaction: laboratory insights, *Journal of Retailing*, 51 (2), p.11-27, 1980.
- EMERSON, Carol J., GRIMM, Curtis M. Buyer-Seller customer satisfaction: the influence of the environment and customer service, *Journal of Business & Industrial Marketing*, 14 (5/6) p.403-418, 1999.
- FRAZIER, G.L., GILL, J.D., KALE, S.H. Dealer dependence levels and reciprocal actions in a channel of distribution in a developing country. *Journal of Marketing*, 53 (1), p.50-69, 1989.
- GASKI, John F. The theory of power and conflict in channels of distribution, *Journal of Marketing*, 48 (3), p. 09-29, Summer, 1984.
- GAUZENTE, Cleire. Measuring franchisee's satisfaction: theoretical considerations and empirical testing, *International Journal of Retail & Distribution Management*, 31 (10), p.508-517, Bradford, 2003.
- GEYSKENS, Inge, STEENKAMP, Jan-Benedict E.M. Economic and Social satisfaction: measurement and relevance to marketing channel relationships, *Journal of Retailing*, 76 (1) p. 11-32, Spring, 1999.
- HALLÉN, Lars. JOHANSON, Jan., MOHAMED-SEYED, Nazeem. Inter-firm adaptation in business relationships, *Journal of Marketing*, 55 (2), p.29-37, April, 1991.
- HENARD, David H., SZYMANSKI, David, M., Why some new products are more successful than others, *Journal of Marketing Research*, p.362-375, August, 2001.
- HING, Nerilee. Franchisee satisfaction: contributors and consequences, *Journal of Small Business Management*. 33 (2), p.12-25, April, 1995.
- HING, Nerille. Contributors and consequences relating to franchisee satisfaction in Australian restaurants. Unpublished Master Thesis, Lismore, Australia: University of New England-Northern Rivers, 1993.
- HUNGER, David J., STERN, Louis W. An assessment of the functionality of the superordinate goal in reducing conflict, *Academy of Management Journal* 19 (4), p.591-605, December, 1976.
- HUNT, Shelby D., NEVIN, John R. Power in a channel of distribution: sources and consequences, *Journal of Marketing Research*, 11 (2), p.186-193, May, 1974.
- HUNT, Shelby D., LAWRENCE, Chonko B., WOOD, Van R. Organizational commitment and marketing, *Journal of Marketing*, 49 (1), p.112-126, Winter, 1985.
- HUNT, Shelby D. *Foundations of Marketing Theory: Toward a General Theory of Marketing*. 2002, June, M.E. Sharp. 328p.
- INMA, Chutarat. Purposeful Franchising: re-thinking of the franchising rationale. *Singapore Management Review*, 27 (1), p.27-47, Singapore, 2005.
- IZQUIERDO, Carmen C., CILLÁN, Jesús G., GUTIÉRREZ, Sonia S.M. The impact of customer relationship marketing on the firm performance, *Proceedings of 31st. EMAC Conference*, Braga-Portugal, 2002.
- JAWORSKI, Bernard J., KOHLI, Ajay K., Market Orientation: antecedents and consequences. *Journal of Marketing*, 57 (3), p.53-70, July, 1993.
- KOHLI, A.K., JAWORSKI, Bernard J. Market Orientation: the construct, research propositions, and managerial implications, *Journal of Marketing*, 54 (2), p.01-18, April, 1990.
- KOYS, Daniel J. DeCOTIIS, Thomas A. Inductive measures of psychological climate. *Human Relations*, 44 (3), p.265-285, March, 1991.
- KUMAR, Nirmalya, STERN, Louis W., ACHROL, Ravi S. Assessing reseller performance from the perspective of the supplier, *Journal of Marketing Research*, 29 (2), p.238-253, 1992.
- LAROS, Jacob A. and PUENTE-PALACIOS, Katia E. Cross validation of a scale of organizational

climate. *Estudos em Psicologia*, 9 (1), Jan./Apr, 2004.

LEE, Dong-Jin, SIRGY, Joseph M., BROWN, James R., BIRD, Monroe M. 'Importers' benevolence toward their foreign export suppliers, *Academy of Marketing Science Journal*, 32 (1), p.32-49, Winter, 2004.

LEONIDOU, Leonidas C., THEODOSIOU, Marios. An integrated model of seller-buyer relationships in industrial markets, *Proceedings of 31st. EMAC Conference, Braga-Portugal*, 2002.

LEONIDOU, Leonidas C., PALIHAWADANA, Dayananda., THEODOSIOU, Marios. An integrated model of seller-buyer relationship, *European Journal of Marketing*. (forthcoming)

LOCANDER, William B., GOEBEL, Daniel J. Managing financial variation: insights into the finance/marketing interface, *Managerial Finance*, 23 (10), p.22-40, Patrington, 1997.

LUCAS, George H., GRESHAM, Larry G. Power, conflict, control and the application of contingency theory in marketing channels, *Academy of Marketing Science Journal*. 13 (3), p.25-38, Summer, 1985.

LUSH, Robert F. Sources of Power: their impact on intrachannel conflict", *Journal of Marketing Research* (13), p.382-390, November, 1976.

MICHIE, Donald A., SIBLEY, Stanley. Channel member satisfaction: Controversy resolved", *Academy of Marketing Science Journal*. 13 (1), p.188-205, Winter, 1985.

MORGAN, Robert. HUNT, Shelby. The commitment-trust theory of relationship marketing, *Journal of Marketing*, 58, (3), p.20-38, July, 1994.

MORRISON, Kimberley A. An Empirical test of a model of franchisee job satisfaction, *Journal of Small Business Management*, 34 (3), p.27-41, July, 1996.

NESLIN, Scott A., GREENHALGH, Leonard. Nash's theory of cooperative games as a predictor of the outcomes of buyer-seller negotiations: an experiment in media purchasing, *Journal of Marketing Research*, 20 (4), p.368-379, November, 1983.

OLIVER, Richard L. A cognitive model of the antecedent and consequences of satisfaction decision, *Journal of Consumer Research*, 17 (4), p.460-469, November, 1980.

OLIVER, Richard L. Cognitive affective and attribute bases of the satisfaction response, *Journal of Consumer Research*, 20 (3), p.418-430, December, 1993.

PARVATIYAR, Atul., SHETH, Jadish N. The domain and conceptual foundations of relationship marketing. *Handbook of Relationship Marketing*. London: Sage, 2000.

PEARSON, Allison W., ENSLEY, Michael D., AMASON, Allen C. An assessment and refinement of Jehn's intragroup conflict scale. *International Journal of Conflict Management*. 13 (2), p.110-126, Bowling Green, 2002.

ROSENBERG, Larry J., STERN, Louis W. Conflict measurement in the distribution channel, *Journal of Marketing Research*, 8 (4), p.437-442, November, 1971.

ROSSON, Philip J., FORD, David I. Manufacturer-overseas distributor relations and export performance, *Journal of International Business Studies* 13 (2), p.57-72, Fall, 1982.

RUEKERT, Robert W., CHURCHILL, Gilbert Jr. Reliability and validity of alternative measures of channel member satisfaction, *Journal of Marketing Research*, 21, p.226-233, May, 1984.

SELNES, Fred. Antecedents and consequences of trust and satisfaction in buyer-seller relationships, *European Journal of Marketing*, 32, (3/4), p.305-322, 1998.

STERN, Louis W., STERNTHAL, Brian, CRAIG, Samuel. Managing conflict in distribution channels: a laboratory study, *Journal of Marketing Research*, 10, p.169-179, May, 1973.

STERN, Louis W., REVE, T. Distribution channels as political economies: a framework for comparative analysis. *Journal of Marketing*, 44 (3) p.52-64, 1980.

SWIFT, Cathy O., CAMPBELL, Constance. Psychological climate: relevance for sales managers and impact on consequent job satisfaction, *Journal of Marketing Theory and Practice*. Winter, 6 (1), p.27-37, 1998.

TUUNANEN, Mika, HYRSKY, Kimmo. Entrepreneurial paradoxes in business format franchising: an empirical survey of Finnish franchisees, *International Small Business Journal*, 19 (4), p.47-62, Jul-Set., 2001.

TUUNANEN, Mika. Franchisees' satisfaction: preliminary findings from national study, *Academy of Marketing Studies Journal*, 3 (2), p.43-58, 1999.



TUUNANEN, Mika. Construct definitions. E-mail personal contact and discussion. Accessed in April, 2005.

WALLACE, David W., GIESE, Joan L., JOHNSON, Jean L. Customer retailer loyalty in the context of multiple channel strategies, *Journal of Retailing*, 80 (4), p.429-263, 2004.

YU, Pil J., PYSARCHIK, Dawn T. Economic and non-economic factors of Korean manufacturer-retailer relations, *International Review of Retail, Distribution and Consumer Research*, 12 (3), p.297-318, July, 2002.