Marketing relationship between franchisor and franchisee: two proposing models

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Abstract
Since there has been little empirical research into franchise relationships, particularly from the perspective of the franchisees this paper looking for fulfills this gap. Its main goal specifically is (1) to present some propositions which, theoretically, contribute to explain franchisee’s satisfaction, presenting two theoretical models, (2) to present the conceptual definitions of the constructs involved in the satisfaction context, and (3) to discuss the methods used by other authors for measuring these constructs, presenting a list for future researchers develop better the topic. 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.

Keywords: Marketing, channel, franchising.


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. It can be said that satisfaction plays a central role among channel members and that its importance is not only noted by managers, but also noted by the academic literature. Geyskens et al (1999, p.223) comprove this merit, saying that satisfaction is “the most popular construct in empirical studies about channel interaction, with 71 studies between 1970 and 1996”.

In a relationship between buyer and seller, satisfaction has been investigated continuously (Hing, 1995, Marrison, 1996). In this context, franchisee system appears 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 global growth of franchising, many fundamental questions still remain virtually unexplored (Tuunanen and Hyrsky 2001). From our knowledge, in Brazil, research about franchising has been covering different topics such as internationalization, risk analysis, strategy, franchising and culture, and transactions and value¹, however no literature has been specifically investigated franchising satisfaction.

Thus, studying the antecedents that explain franchisee’s satisfaction remains a gap to be considered by Brazilian researchers. Based on this context and looking for fulfill this gap, this article specifically 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) discuss 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 we present the definition of satisfaction in an organi-
zational buyer-seller relationship. Next, we propose two conceptual models of antecedents of franchisee satisfaction, presenting the theoretical support for each casual link. Consequently, we discuss the concepts, scales and methods used for measuring the constructs suggested. Then, we end with a final conclusion about the topic and suggestion for future research.

2. Background

2.1. Satisfaction in personal or organizational level: do they differ?
Satisfaction definition has a lot of variations and a lot of ways to measure. In this part, we intent to present some definitions that give form to satisfaction construct.

Gauzente (2003) comments that some satisfaction definitions are used wrongly in channel research, it is because some authors (a) mixed satisfaction from consumer perception (individual level) and/or from organizational perception (organizational level). Other cause is that the satisfaction definition is (b) used more in an individual level (Gauzente, 2003, Oliver 1980, 1993), rather than in an 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, because of the nature of the relationship and the object involved. 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 in either an organizational or individual level.

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 that means measure the customer satisfaction in organizational level, after the owner had brought the franchise system. In other words a franchisor and franchisees relationship
Franchisee’s satisfaction as channel member is regarded 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. 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.

2.2. Channel member satisfaction construct
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, such as monetary, personal, social, status and so forth.

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. It can be explained because a need from an organization could not be the same one from the other firm.

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 achieve a goal or financial outcomes that involves monetary or capital return. The second one is noneconomic satisfaction, which is defined as “a channel mem-
ber’s positive aspects of its relationship, in that, interactions with the exchanger partner are fulfilling, ratifying and easy” (p.224). The noneconomic satisfaction presents view of satisfaction more in 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 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; Geyskens et al 1999). Taking for this last viewpoint, “all aspects” could mean a lot of benefits. Therefore, Geyskens et al (1999) tried to be more specific in these benefits sharing them in two parts.

In summarizing, 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 measure) evaluates all characteristics of the relationship.

Although there are other definitions to buyer-seller satisfaction (Anderson and Narus 1990), in this study we will focus on Geyskens et al (1999) and Rueckert and Churchill (1984) for proposing the models. We believe that these definitions have been more discussed by literate, are more generally accepted by the academy (since many of the articles used them), represent most part of the overall satisfaction and are more applicable to the Brazilian reality.

2.3. Impacts of Satisfaction in a Buyer-Seller Relationship: relevance of the study
Presenting the merit of studying satisfaction in channel member relationship is not sufficient to persuade some researchers and managers in investigating more it. Thus, in this topic we present some arguments that justify research the channel relation satisfaction.
First, in the negative point, for Dwyer and Oh (1987, p.349) dissatisfaction, the contrary of satisfaction, may “…(1) hinder morale, (2) impede cooperation, (3) precipices 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 conflict existent. As a conclusion, these features, when well managed, are essential for the cooperative and collaborative behavior that could increase 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 to 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 very 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 build a more solid consensus about this topic.

2.4. Antecedents of Franchisee Satisfaction
In this section we propose that some antecedents are related negatively and positively to satisfaction. Our first proposition is based on the support. The theory (Hing 1995) comments that there are two types of support, one is initial support and the other’ is ongoing support. Hing (1995) comments that initial support is another factor proposed as contributing
to franchisee satisfaction, beyond ongoing support. Thus, initial support can be understood as the total support provided early 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. We can understand initial support 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 ongoing support (Hing 1993 in 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 relation 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) did a research with a nationwide sample of franchisors and identified that 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:

\[ P_1: \text{Ongoing Support is positively correlated with franchise Overall Satisfaction.} \]

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 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 expected that finance be related positively to overall satisfaction because it is expected that 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. It can be said that market performance addresses the competitiveness of the franchise system (Tuunanen 2005). 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 the franchisee. However, in the literature we did not find more details that market performance could lead to satisfaction. Therefore, this relationship needs more valid. 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, we hoped that exist a casual link between these two constructs. It is because we expect that as the worker (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 is:

**P4: Franchising Climate is positively correlated with Franchise Overall Satisfaction.**

The next proposition 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 interorganizational 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 those differences it could be the cause of dissatisfaction. This logic may gain support, since the apparent level of conflict has led to increasing franchisee alienation (Morrison, 1996). 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. Anderson and Narus (1990) and Gaski (1984) 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 themsel-
ves, 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 our next proposition is:

\[ P_5: \text{Franchising Conflict is negatively correlated with franchise overall satisfaction.} \]

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 theory (Selnes, 1998; Bardonaba-Juste and Polo-Redondo 2004; Leonidou and Theodosiou 2002). In practical terms, commitment is a way of responding to customer needs and is a key dimension of being market oriented (Kohli and Jaworski 1990). Thus, we propose that:

\[ P_6: \text{Franchising Commitment is positively correlated with franchise overall satisfaction.} \]

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 posi-
tively to satisfaction”. Thus, communication maintains itself as paradox, because we cannot decide if communication affects satisfaction or not. In our propositions we 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.

\[ P_7: \text{Franchising Communication is positively correlated with franchise overall satisfaction.} \]

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). 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). However, Leonidou and Theodosiou (2002) hypothesized and did not found that cooperation was linked to satisfaction. Thereby, there is a problem do not resolved here:

\[ P_8: \text{Franchising Cooperation is positively correlated with franchise overall satisfaction.} \]

3. Overview of the models

In this part we present the two models suggested for future research. The conceptual model with one kind of satisfaction is presented in Figure 1 (column A). 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. However, based on Geys-
kens et al (1999) we proposed an alternative model in Figure 1 (column B). 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. This suggestion of two kinds of satisfaction was also used by other authors (Yu and Pysarchik, 2002; Inma 2004 and Lee et al 2004) in channel research. We suppose that if some variables are antecedents of satisfaction (when it is viewed as one dimension), as presented in column A, these same variables are also antecedents of satisfaction when satisfaction is viewed by two dimensions (Column B).

Figure 1. Proposed model of Franchisee Channel satisfaction

4. Construct Definitions
In this part of the paper we present the definitions suggest for future research testing the propositions in the model. This part could help in understanding more the conceptual definition of each construct and real meaning,
Satisfaction. 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” (Rueckert and Churchill, 1984, p.227). In the second model, according to Geyskens et al (1999, p.224) satisfaction can be understand as focus primarily on economic aspects of the relationship (which is “economic satisfaction”) and satisfaction focus primarily on more noneconomic aspects of the relationship (which we label “noneconomic satisfaction”).

Ongoing Support. It is defined as gauges the amount and the value of the support services that a franchisor provides to the franchisees (Tuunanen 2005). We understand it as the continue support provide by the franchisor to the franchisees, in a post fact manner. Hing (1995, p.20) presents “ongoing support in 11 services, such as manual, training, help, performance monitoring, access to advisory and manual”. According to our review of the literature, a correct and consistent definition for the construct ongoing support is lacking. Therefore, we suggest further research on this topic.

Finance. Finance considers franchise owners firms and their profitability and financial standing (Tuunanen 2005). The financial part characterizes as not only the firm profitability, but also the perceived own status. According to our review of the literature, a correct and consistent definition for the construct finance is also lacking.

Climate. Organizational climate is defined by Koys e DeCotiis (1991) apud Emerson and Grimm (1999) as continuous phenomenon built based on experience, multi-dimensional and shared by the members of the organizations, which its function is to guide and to regulate the individuals behavior according to some standards. Koys e DeCotiis climate scale is one of the most know in organizational studies. In Brazil, Laros and Puent-Palacios (2005) tested the psychometric properties of such scale and found inconsistencies results of generalization. Thus, we did not suggest
such scale to be used in Brazilian companies and suggest the construction of such scale. It is needed to salient that Koys e DeCotiis (1991) scale measured organizational climate from the employee perspective. A scale that has as specifically goal measures organizational climate from the channel member perspective – in other words it means that franchisor versus franchisees point of view – is lacking.

**Market Performance.** Market performance addresses the competitiveness of the franchise system (Tuunanen 2005). In this study it is important to comment that Market performance is not market orientation (Kohli and Jaworski 1990). Market performance is known as the performance of market of the franchisor or its brand. We rely on the definition used by Tuunanen 2005 and by its results in 1999.

**Conflict.** There always will be disagreements or conflict in relational exchanges (Dwyer, Schurr and Oh 1987). Conflict represents the level of tension, frustration, and disagreement in the relationship when one channel member perceives that another channel member is engaged in behavior that is preventing or impeding it from achieving its goals (Anderson and Narus, 1990).

**Commitment.** Commitment was defined as actions or communications leading to adaptation to specific customer needs, paralleling the definition of Hallén et al (1991). According to the analysis of Bordonaba-Juste and Polo-Redondo (2004, p.104) commitment is as a “desire to develop stable relationships, a willingness to make short-term sacrifices to maintain the relationship and a security in the stability of the relationship, 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”.

**Communication** is defined as the ability of the supplier to provide timely and trustworthy information (Selnes 1998) and it was measured by a scale containing four items related to: providing information that can be trusted; providing information if delivery problems occur; providing information of quality problems; and fulfilling their promises.
5. Constructs Measure

The next table shows the literature analyzed corresponding to the measures of the constructs. 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. It is shared in 3 categories most frequent used. The first category is multi-items scale, the second is single-items scale and the third is multi-item scale for measure two kinds of satisfaction.

First, Ruecher and Churchill (1976, p.232) comment that “though similar in performance, the multiple-item measures agree preferred to the single-item measures on psychometric grounds”. 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). Second, 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) used multi-item for measuring two kinds of satisfaction. The first 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”. 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”.

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[123]
Table 1. Literature analyzed for satisfaction measures

<table>
<thead>
<tr>
<th>Author</th>
<th>*</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leonidou et al (2002)</td>
<td>M</td>
<td>1-7 points; (strongly disagree/strongly agree)</td>
</tr>
<tr>
<td>Ruecker and Churchill (1984)</td>
<td>M</td>
<td>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.</td>
</tr>
<tr>
<td>Devaraj, Fan, Kohli (2002)</td>
<td>M</td>
<td>3 items. It was not found more details.</td>
</tr>
<tr>
<td>Hing (1995)</td>
<td>M</td>
<td>1-5 items, very satisfied to very dissatisfied; 3=unsure; according to 17 variables</td>
</tr>
<tr>
<td>Bardonaba (2004)</td>
<td>M</td>
<td>6 items; Satisfaction created in two forms Noneconomic and economic satisfaction (see Geyskens et al 1999)</td>
</tr>
<tr>
<td>Selnes (1998)</td>
<td>S</td>
<td>1 item. What degree are you satisfied with the supplier? (10-pints scale).</td>
</tr>
<tr>
<td>Tuunanen</td>
<td>S</td>
<td>1 item. Taking as a whole, how has franchising met your expectations? 1-5; (fallen short considerably/exceed considerably)</td>
</tr>
<tr>
<td>Anderson, Narus (1990)</td>
<td>S</td>
<td>1 item. 1-7 strongly disagree/strongly agree – Our firm’s working relationship with manufacturer x has been an unhappy one?</td>
</tr>
<tr>
<td>Michie &amp; Sibley (1985)</td>
<td>S</td>
<td>1 item. 5 point scale ranging from very dissatisfied/very satisfied.</td>
</tr>
<tr>
<td>Rosenberg &amp; Stern (1971)</td>
<td>S</td>
<td>1 item. Single item measure of degree of satisfaction 1-5; (very satisfied/very dissatisfied)</td>
</tr>
<tr>
<td>Yu and Pysarchik (2002)</td>
<td>M</td>
<td>5 point scale ranging from very satisfied/very dissatisfied. 8 items for economic satisfaction and 6 items for noneconomic satisfaction</td>
</tr>
</tbody>
</table>

* Categories. M=Multi-Item scale; S=Single-item scale.
Source: Authors.
In regarding to **Ongoing Support**, Tuunanen (1999) used an exploratory research for generating the variables and, after, measured the items in a Likert scale. However, Hing (1995, 1999) was more profound. Hing (1995, 1999) presents initial and ongoing support as complementary 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 measure finance, although this author did not define conceptually the construct finance was Tuunanen (1999). The definition 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. Consequently, it should be review in the future the real domain of this construct and a scale could be developed.

The next construct is **Market Performance**. The authors who measured market performance measure were Inman (2004), 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 is 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, however “what conflict we is talking about” sometimes is vague.

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. Bardonaba-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. Thus, we will not represent the authors for this construct, since it was done.

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. Discussion
Over the past decades, manufacturer and retailer channel relationships have become an important issue in marketing research. The antecedents that explain Brazilian franchisee’s satisfaction remains a relevant gap to be considered in research. This affirmation also is supported by Geyskens et al (1999, p.223) when they comment that “the 71 empirical studies relate satisfaction to more than 80 different variables, often with inconsistent findings across studies”.

Thereby, this article contributing to this topic presenting some propositions which, theoretically, could contribute to explain Brazilian 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 tes-
tested in international context, presenting inconsistent results. In fact, taking all constructs in conjunct no research was found, and therefore it is strongly indicating the test of the models.

In addition, this paper presents the conceptual definition and operational definitions of the constructs proposed according to the literature. It could help future research in saving time and understanding more the real meaning behind the constructs. Moreover, it might be a beginning step to define more some of the constructs.

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 topic by commenting that “...there is no consensus regarding the conceptualization and measurement of channel member satisfaction”. So, it need become clear if exist or not those dimensions and how them represent the satisfaction construct.

In addition, with exception to Tuunanen (1999), until where our theoretical research was, no other investigation tested the dimensions of Market Performance and Finance as antecedents of satisfaction. Thus, these constructs should be better classified, tested and analyzed.

6.1. Future Research
We suggested for future research some topics which could resolve many of the problems involving channel member relationship. First, it is suggested that research find the antecedents of franchise satisfaction that best explain satisfaction because it could help managers in improving significantly the relationship and trust in each other. Second, a test of the psychometric proprieties of Ruecher and Churchill (1984) and Geyskens et al (1999) scale could produce valid and reliable measures across different cultures (Knight et al., 1999).

Third, we suggested that an examination of extension of the determinants of channel member satisfaction in a Latin American context versus with different segments (eg. restaurants, hospitals, universities, etc.) of
buyer-seller relationship could be very interesting. Fourth, test the efficiency of multi-versus single items in measuring satisfaction can be a 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 rejection of authors’ main thesis. Sixth, test the antecedents of channel satisfaction by making a meta-analysis and by soliciting the correlation matrix from other studies. This procedure was made by Hernard and Szymanski (2001) who wrote to more than 200 authors asking for their correlation matrix. 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 è Conflict; and Satisfaction è Cooperation (Anderson and Narus 1990).

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

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