

# SYSTEMATIC LITERATURE REVIEW: THE TREND ON FRANCHISING STRATEGY

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## ABSTRACT

*This study is aimed to review the previous studies on the trend of franchising strategy based on a systematic literature review. Franchising is a well-known business model to grow a firm's business. The brand should be recognised, valued and suitable for use in different regions territories that need a good strategy. Thus, to achieve a good business model, a success franchising strategy is a must. The Preferred Reporting Items for Systematic Review and Meta-Analysis (PRISMA) statement were used to analyse this study's systematic literature review. The scoping review would give a clear assessment of trends and a summary of the topic. The article's data were obtained from Scopus and Web of Science from three decades starting 1990 to 2020. From sixty-eight articles identified in early-stage, twenty-nine articles were finalised in this study. This study discovered more studies were conducted in a quantitative method. The study also found that most of the study used franchisor as their unit of the sample. There are five main fields of the study found within franchising strategy areas: firm strategies, firm-specific resources, firm attributes, organisational structure and organisational culture. The trend of franchising strategy articles is increased decade by decade. Limitations and recommendations are listed for future studies.*

**Keywords:** Franchising Strategy, Systematic Literature Review, Scoping Review, Prisma, Franchising.

## INTRODUCTION

Franchising had prolonged seen as a pulling technique to grow and broaden a firm (Flint-Hartle & de Bruin, 2011; Y. K. Lee et al., 2015; Vdovichen & Voroniatnikov, 2019). Franchising is a written contract collaboration between the franchisor and the franchisee, where the franchisee buys the right to use the goods or services brand name and, as a reward, the franchisor charges under appropriate terms and conditions (Gillis et al. 2018; Gillis & Combs 2009). The franchise business model is rapidly utilised for growth (Gillis & Castrogiovanni, 2010) and illustrates a crucial strategic design and execution plan (Davis, 2012). It is an essential entrepreneurial growth tool that enables collaboration between two very different forms of entrepreneurs which is franchisor and franchisee (Combs et al., 2011; Gillis et al., 2018). The

strategy design and execution of the plan is a crucial business process (Davis, 2012). Therefore, to develop a subtle franchising business model, the business strategy should be reviewed.

The systematic literature review (SLR) is fit to deliver throughout comprehensive literature regarding reviewing this issue. By examining the relevant literature, we acknowledge the established research's depth and breadth and identify gaps (Xiao & Watson, 2019). A strengthened SLR is introduced for multi-disciplinary research to perform a robust study of empirical data and draw a substantial verdict of the overall concept (Munn et al., 2018; Samsuddin et al., 2020). The aim of this study to review the previous studies on franchising strategy. The topics arrange accordance Section II indicates the methodology of Systematic Literature Review, Section III consists of review and discussions, Section IV indicates limitation and recommendations and finally, Section V conclusion.

## **METHODOLOGY**

### **Source of Database**

This article is meant to provide an understanding in regards to the field. Therefore, a scoping review is compatible with providing a clear overview. It is a basic method to assess the extent of coverage of a body of literature on a given topic and to give a clear indicator of the amount of literature and studies accessible, as well as a summary of its emphasis (Munn et al., 2018; Peterson et al., 2017). At the beginning of the study, several criteria have been set by the researcher as a guideline and constraints in the search for article journals in databases, including publication year, document type and language. According to Busch (2019), most of the academic research, including social sciences nowadays are using systematic analysis of their relevant fields. The searching strategy by the researcher using a database is much more organised and used as a good foundation for their study (Bell 2018). Xiao & Watson (2019) argue that there is no complete and perfect electronic database, and a combination of at least two databases would be sufficient for the study. Consequently, this study is using two academic databases, Scopus and Web of Science (WOS).

Scopus was released in 2004 contains the abstract and citation database of Elsevier. Since then, the database was considered a good alternative of a Web of Science (Vieira & Gomes, 2009). Scopus encompasses about 36,377 titles from nearly 11,678 publishers, of which 34,346 are peer-reviewed journals in the fields of natural sciences, social sciences, physical sciences and health sciences. Scopus is a broad interdisciplinary database from Elsevier, with unique strengths in science and technology. The bibliometric & citation functions use the complete Scopus index. The period of coverage for citation sources started since 1870 while references cited from 1788. Table 1 shows the differences between Scopus and Web of Science database.

As Scopus database, Web of Science or previously name as Web of Knowledge database content also focusing on the same thematic content. The idea was started in 1955 and revolutionised scientific study with the concept of citation indexing and searching. Clarivate Analytics currently maintains it. This database was collectively database from ten databases, namely the Science Citation Index, Social Science Citation Index, Humanities and Art Citation Index. The period of coverage for the Science Department and Department of Social Science are since 1900, followed by the Department of Arts and Humanities since 1975 and Emerging Resources Citation Index from 2015 (Table 1).

### **Preferred Reporting Items for Systematic Review and Meta-Analysis (Prisma)**

The Preferred Reporting Items for Systematic Review and Meta-Analysis (PRISMA) statement has been used for the flow and guidance in terms of systematic literature review of this study where the steps as in Figure 1. PRISMA helps researchers strengthen the presentation of systematic reviews and meta-analysis (Moher et al. 2009; Page & Moher 2017; Pati & Lorusso 2018). Several articles are using PRISMA that have been published in high index journals in Scopus for instance by Al Humdan et al., (2020) and Bourne et al., (2020) and Web of Science for instance by Sahharon et al., (2019) and Tanaro et al., (2020).

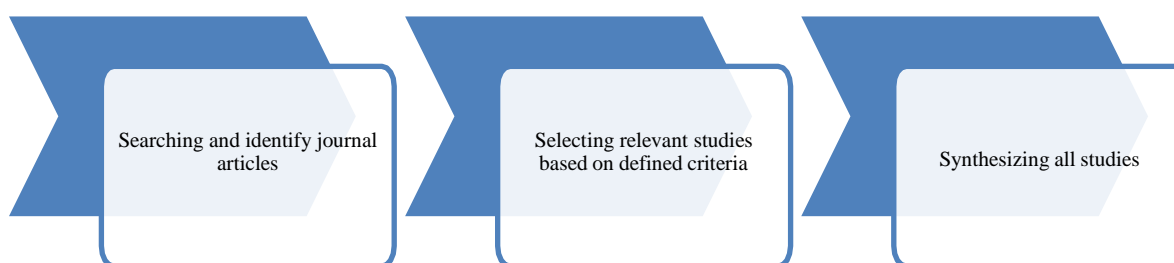
<b>Table 1</b>		
<b>DIFFERENCES BETWEEN SCOPUS AND WEB OF SCIENCE</b>		
<b>DATABASE</b>	<b>SCOPUS</b>	<b>WEB OF SCIENCE</b>
Database coverage	Includes Scopus database only	Ten databases, the most important of which are: Science Citation Index, Social Science Citation Index,
Updating frequency	Daily	Weekly
Period of Coverage	For citation sources from 1870	Science Department since 1900
	For references cited from 1788	Department of Social Sciences since
		Department of Arts and Humanities
		Emerging Resources Citation Index
Search Tools	• Documents Search for documents	• Basic Search Basic Search
	• Authors Author Search	• Author Search
	• Organisational Search Affiliations	• Cited Reference Search for document references
	• Advanced Professional Search	• Advanced Search
		• Structure Search for chemical structure
Strengths	• Have a dedicated profile for each author	• Ability to extract metadata completely for every 500 records
	• Having a specific profile for each institution (although not complete)	• Ability to extract metadata in summary for 5,000 records
	• Ability to extract metadata in full for 2,000 records	• For some organisations, the difference in the different writings in the documents is integrated (probably the institutions that have paid the membership fee)
	• Ability to extract metadata in summary for 20,000 documents and send to email	• Having 16 indicators to get output in Analyze Results
	• Ability to extract metadata in CSV format that can be easily converted to Excel	• Ability to get CSV outputs in the Analyze Results section for 100,000 records in the relevant index
	• Ability to select metadata fields to get output	
	• Simultaneous search of Mendelian research data	
	• Search for author profiles for free	
	• Altimetric display of articles	

Weakness	<ul style="list-style-type: none"> <li>• Having only seven indicators to get output in analyse search results</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of a dedicated page for each author</li> </ul>
	<ul style="list-style-type: none"> <li>• Ability to get CSV output in the Analyze search results section for only about 160 records in that index</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of a dedicated page for each institution</li> </ul>
		<ul style="list-style-type: none"> <li>• Unable to select metadata fields to output</li> </ul>

In this review, 71 article journals have been searched using both databases. Subsequently, a scoping review as a part of a systematic literature review operates as a content of this study. The goal is to collect as many applicable details as practicable from each piece of literature including methods, variables and analysis, as the purpose of the review is to include a summary of the area and a full overview of what has been accomplished (Arksey & O'Malley, 2005).

### A Systematic Review Process

Systematic reviews aim to classify all work that discusses a specific problem to provide a comprehensive and impartial overview of the literature (Nightingale, 2009). Systematic Literature Review (SLR) reviews an existing literature body that follows a transparent and reproducible methodology in searching, assessing its quality and synthesising it, with a high level of objectivity (Kraus et al., 2020). According to Voorberg et al., (2015), choosing a systematic analysis helps make the existing knowledge framework more accessible and reproducible. Thus, this research is using SLR to have clear and complete literature on the topic discussed. Based on scholars' definition (Kraus et al., 2020; Page & Moher 2017; Voorberg et al., 2015), several processes are included in the systematic review, as summarised in Figure 1.



**Figure 1**  
**PROCESS IN SYSTEMATIC LITERATURE REVIEW**

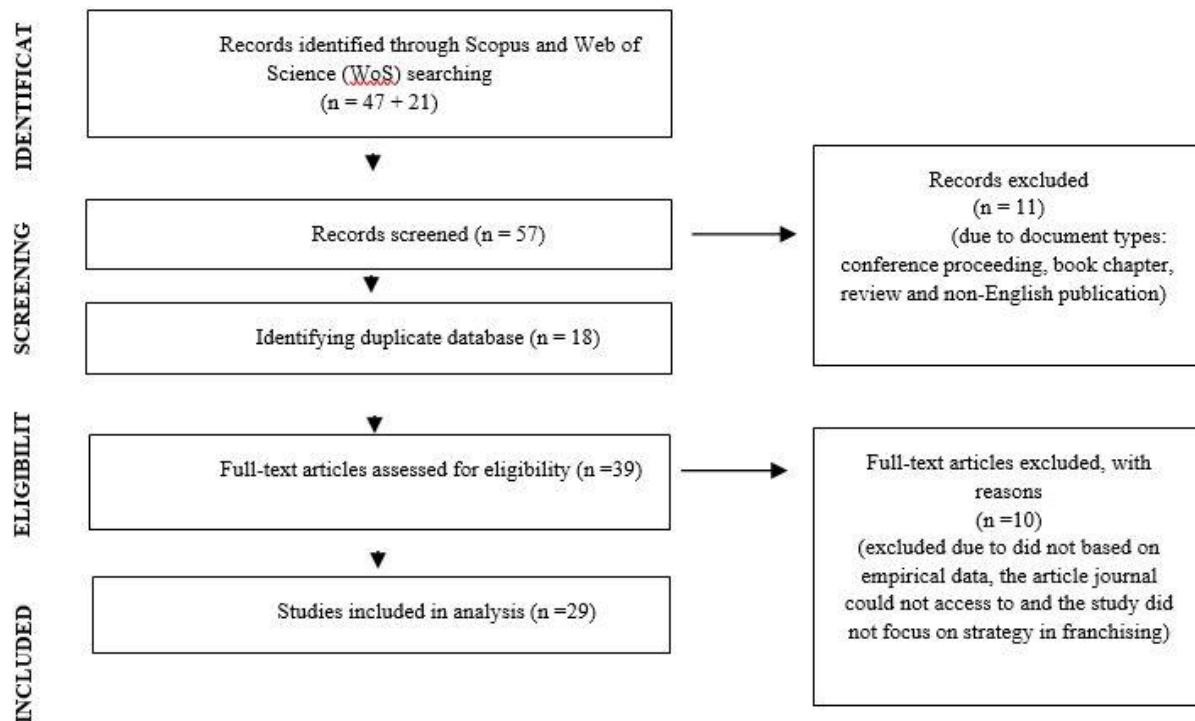
The first component is searching and identify journal articles. There are thousands of article journals listed in databases. Therefore, a systematic analysis is used to identify related articles. Next, select the relevant studies based on defined criteria. Specific criteria should earlier identify to make sure aligned with the objectives of the study. In the last stage, the process of connecting all gathered components and elements to produce valuable output from those studies or called synthesising. Therefore, using this component, a high-level overview of primary research is needed to answer and find evidence of all questions raised before.

Further, to search for franchise articles using those academic databases mentioned above, several keywords have been used. The keywords consist of franchising

strategy, franchise strategy, franchisee strategy, franchisor\* strategy, franchising procedure, franchise procedure, franchisee procedure, franchisor\* procedure, franchising planning, franchise planning, franchisee planning and franchisor\* planning. While at the beginning of the study, the researcher has set several criteria as a guideline and limitations in searching article journals within databases, as summarised in Table 2.

Table 2 CRITERIA SEARCH IN DATABASE		
DATABASE	SOURCE AREA	CRITERIA
Scopus	Publication Year	All.
	Document Types	Journal Article
	Languages	English
Web of Science	Publication Year	All.
	Document Types	Journal Article
	Languages	English

After searching results throughout the database, the researcher has to fulfil another three more steps to complete the process. The flow of the Preferred Reporting Items for Systematic Review and Meta-Analysis (PRISMA) Statement is useful for the study to explore and come out with systematic searching (Moher et al. 2009). The steps involved are identification, screening, eligibility and included as per Figure 2.



**Figure 2**  
**FLOW OF SYSTEMATIC REVIEW OF SEARCHING**

Overall, there are 68 franchising articles in an academic database (Scopus and WOS) that have been searched and identified through systematic review searching (Appendix A). From this number, 11 journal articles excluded as the articles not related to the subject area. The type of document has been considered as the researcher only select journal articles and using the English. During this screening stage, 58 journal articles selected and ten duplicate articles removed. Further, in the eligibility stage, there are ten articles have been excluded. The reason is due to studies that have not provided empirical data and could not be accessed. Furthermore, those studies also did not focus on franchise strategy. Finally, 29 journal articles included in this study.

## REVIEW AND DISCUSSION

### Review of Articles in Scopus Database

During the starting process of browsing the journal article in the Scopus database, 47 journal articles were found using several keywords. These keywords have used to key-in at the query string column as per Table 3. The focused were into franchising, franchise, franchisee and franchisor with strategy. Another two synonym words for a strategy that have been chosen are procedure and planning (Table 3).

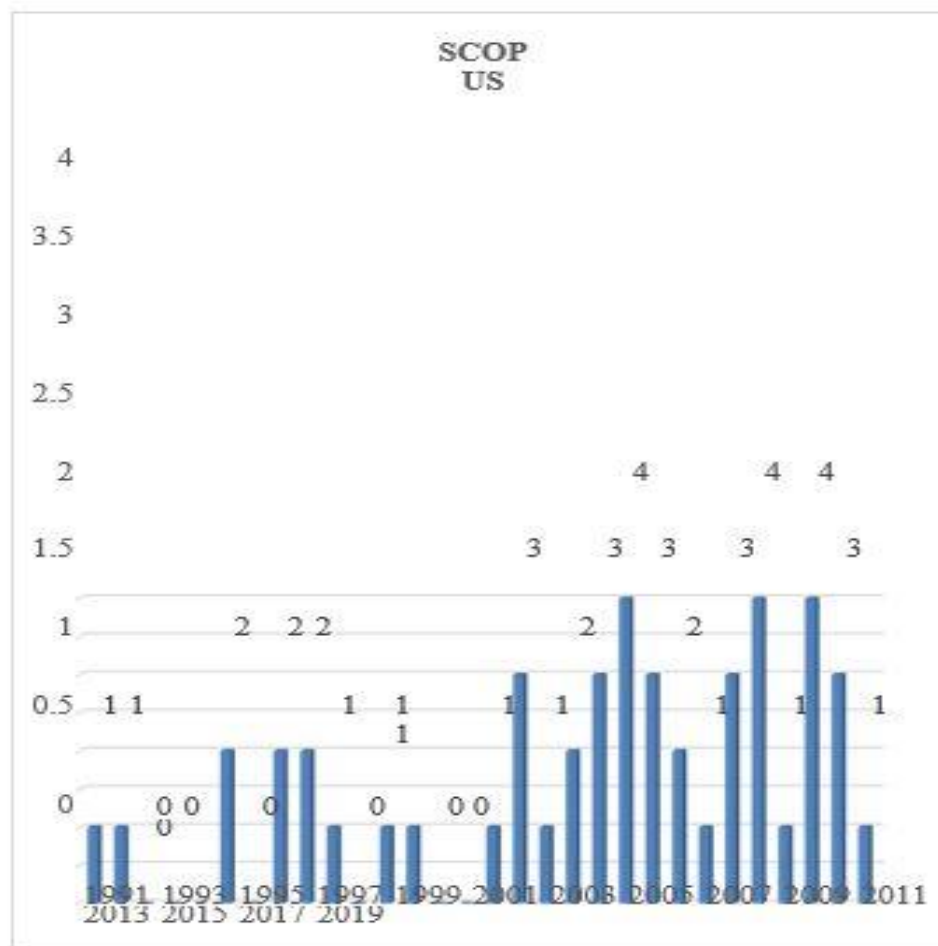
<b>Table 3</b> <b>CRITERIA SEARCH IN WEB OF SCIENCE DATABASE</b>	
<b>DATABASE</b>	<b>QUERY STRING SEARCH</b>
Web of Sciene (WOS)	TS=("franchising strategy" OR "franchise strategy" OR "franchisee strategy" OR "franchisor* strategy" OR "franchising procedure" OR "franchise procedure" OR "franchisee procedure" OR "franchisor* procedure" OR "franchising planning" OR "franchise planning" OR "franchisee planning" OR "franchisor* planning")

In total, 38 articles have been found during the early stage, as shown in Figure 3. The article published starting from the year 1991 with one article and following another more article on the next year, 1992. However, there is no publication during the year 1993 till 1995. For ten years, from 1996 until 2006, the numbers are inconsistent between none publications to two articles were published. During the year 2007, this is the first time three articles were published and it was the highest number since back in 1991. The number reduced to one article in 2008. The numbers continually increasing by one article from the previous year started in 2008 to 2011 with four articles. The next year began to reduce to three articles and continually reduced by one article each year until 2014. The number increased to three articles in 2015 and four articles in 2016. It reduced back to one article in 2017 and rose to four articles in 2018. In 2019, the number of articles was reduced to three articles and reduced to only one article in 2020 (Figure 3).

### Review of Articles in Web of Science Database

During the starting process of browsing the journal article in the Web of Science database, 21 journal articles were found using several keywords. These keywords have used to key-in at the query string column as per Table 4. The focused were into franchising, franchise,

franchisee and franchisor with strategy. Another two synonym words for a strategy that have been chosen are procedure and planning (Table 4).

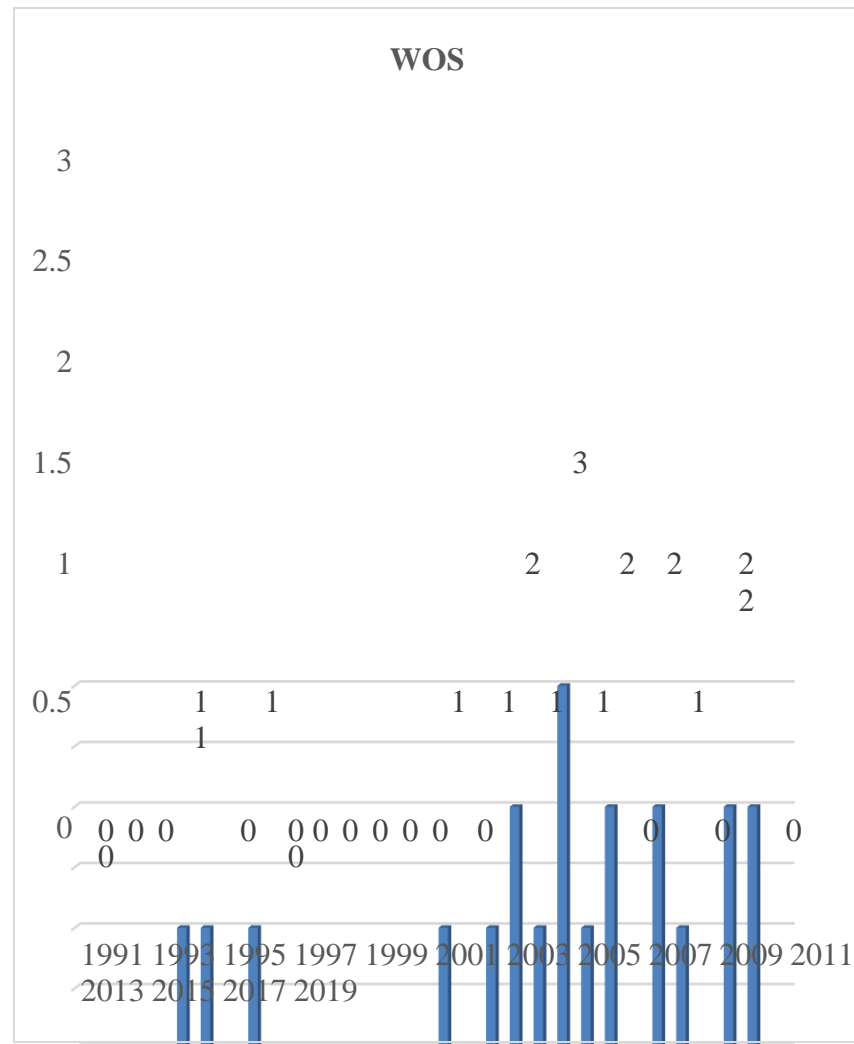


**Figure 3**  
**NUMBER OF ARTICLES IN SCOPUS DATABASE**

Table 4 CRITERIA SEARCH IN WEB OF SCIENCE DATABASE	
DATABASE	QUERY STRING SEARCH
Scopus	TITLE-ABS-KEY ("franchising strategy" OR "franchise strategy" OR "franchisee strategy" OR "franchisor* strategy" OR "franchising procedure" OR "franchise procedure" OR "franchisee procedure" OR "franchisor* procedure" OR "franchising planning" OR "franchise chisee planning" or "franchisor* planning")

There are 21 articles as in Figure 4 that have been found that met the criteria's specified during the early stage. The first article was spot in the year 1995 and another one in 1996. There is none is published during the year of 1997 and back to one article in 1998. However, there is no article been publish starting from 1999 to 2005. After seven years, another article was published

in 2006 and back to zero in 2007. Further, in the year 2008 to 2013, the numbers are shown inconsistency where one article published in 2008, two articles (2009), one article (2010), three articles (2011) and one article (2012) and two articles in 2013. The number of articles back to zero in 2014 and rose to two articles in 2015. In the year 2016, the number decreased to one article and there is none in 2017. However, there are two articles in 2018 and 2019. By the year 2020, there is no article published (Figure 4).



**Figure 4**  
**NUMBER OF ARTICLES IN WEB OF SCIENCE DATABASE**

### Analysis of Article's Citation Number

Citations are being used as success metrics in research policy and within the research framework to represent the study analysis's effect or consistency (Aksnes et al., 2019). In this article, the researchers have listed the top 10 highest articles that have been cited in Scopus and Web of Science as in Table 5 and Table 6. In comparison, the highest article cited in Scopus is



Hotel Brand Strategy by O'Neill & Mattila (2010) with 80 citations and Antecedents of Franchise Strategy and Performance by Wu (2015) with 123 citations in Web of Science.

<b>Table 5</b> <b>CITATION NUMBER</b>		
<b>AUTHOR / YEAR</b>	<b>TITLE</b>	<b>NUMBER OF CITATIONS</b>
Wu (2015)	Antecedents of franchise strategy and performance	24
O'Neill & Mattila (2010)	Hotel brand strategy	80
Gillis & Combs (2009)	Franchisor strategy and firm performance: Making the most of strategic resource investments	39
Weaven & Herington (2007)	Factors influencing governance choice and human resource management within services franchising networks	26
Weaven & Frazer (2003)	Predicting multiple unit franchising: A franchisor and franchisee perspective	25
Teegen (2000)	Examining strategic and economic development implications of globalising through franchising	24
Parsa (1999)	Interaction of strategy implementation and power perceptions in franchise systems: An empirical investigation	44
Falbe & Welsh (1998)	NAFTA and franchising: A comparison of franchisor perceptions of characteristics associated with franchisee success and failure in Canada, Mexico, and the United States	54
Phan et al. (1996)	Crossing mother: Entrepreneur-franchisees' attempts to reduce franchisor influence	47
Hoffman & Preble (1991)	Franchising: Selecting a strategy for rapid growth	54

<b>Table 6</b> <b>NUMBER OF CITATIONS IN WEB OF SCIENCE DATABASE</b>		
<b>AUTHOR / YEAR</b>	<b>TITLE</b>	<b>NUMBER OF CITATIONS</b>
Kim & Lee (2019)	The impact of material and immaterial sustainability on firm performance: The moderating role of franchising strategy	93
Song et al. (2019)	Does franchising reduce geographically diversified restaurant firms' risk?	73
Koh et al. (2018)	Does Franchising Alleviate Restaurants' Vulnerability to Economic Conditions?	54
Rahatullah & Raeside (2018)	Franchisee actions trigger franchisor power strategy alterations	78
Rahatullah, MK; Raeside (2016)	Triggering Power Strategy Variance due to Conflicts in Entrepreneurial Relationship Businesses	51
Wu (2015)	Antecedents of franchise strategy and performance	123
Garner (2013)	Chechnya and Kashmir: The Jihadist Evolution of Nationalism to Jihad and Beyond	52
Choi et al. (2011)	Impact of brand diversification on firm performance: a study of restaurant firms	56
Nwogugu (2009)	The Web versus Physical Store Decision in Franchising	54

Falbe & Welsh (1998)	NAFTA and franchising: A comparison of franchisor perceptions of characteristics associated with franchisee success and failure in Canada, Mexico, and the United States	93
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Based on the analysis, the first article published by the year 1991 in Scopus and 1998 in Web of Science. Both articles were in the list of top 10 highest citations in both databases. In Scopus (Tabel 5,6), the articles published from the 1990s are four articles, from 2000s are with four articles, from 2010s with two articles. While in the Web of Science, the articles published from the 1990s and 2000s one article in each and from 2010s (eight articles). The number of articles shown an increasing trend from the previous decade. According to the citation number, there are two similar articles in those databases that in this list namely “Antecedents of franchise strategy and performance” (Wu 2015) and “NAFTA and franchising: A comparison of franchisor perceptions of characteristics associated with franchisee success and failure in Canada, Mexico, and the United States” (Falbe & Welsh 1998). Most of the highest citation number were articles within the last ten years.

### Analysis of Study Settings

The research setting can be seen as the location in which the researcher is performing the study. In accordance with this study, both databases shown that most study has been done is in the USA with 41.2 per cent from the total of both databases as in Table 7.

<b>Table 7</b> <b>NUMBER OF STUDY BASED ON COUNTRY</b>		
COUNTRY	DATABASE	
	SCOPUS	WOS
USA	17	11
Malaysia	1	-
Japan	1	-
Australia	4	-
United Kingdom	2	2
Germany	1	-
Taiwan	2	1
Albania	1	-
Nigeria	1	-
Vietnam	1	1
France	1	-
Austria	1	-
Korea	1	-
Spain/USA	1	-
France/Brazil	1	-
China	-	1
Undefined	11	5

<b>TOTAL</b>	<b>47</b>	<b>21</b>
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According to International Franchise Association data on their latest edition published, the U.S. franchised.

Company produced in the amount of \$674.3 billion in economic production for the U.S. economy and raising 3 per cent of Gross Domestic Product (U.S. Commercial Services 2019). As most of the country worldwide is tie based on USA currency, the U.S. markets were one of the critical causes of spillover impact to other markets and nations (Sharif et al., 2020; Syriopoulos et al., 2015).

The numbers of setting next follow by Australia (four in Scopus), United Kingdom (two each in Scopus and WOS) and Taiwan (two in Scopus and one in WOS). Like Australia, the sixth-largest country in the world by total region market giving a huge impact worldwide. Franchising is proven as a multiplier impact on the development of businesses, the production of jobs and the contribution towards GDP growth (Baldi 2016). Therefore, the franchising market of each country made a signification contribution towards their economy (Table 7).

### Methodology of Study

In every study, a methodology is conducted to analyses or strategies used to classify, process and interpret information on the subject chosen. It shows the direction by which these researchers articulate their issue and goal and present the findings of the data collected during the study period (Devi 2017). Quantitative research deals with statistics and numbers, while qualitative research relies on interpretations and concepts. The methodology selected depends on the objective of the study. Basically, the rule of thumb of quantitative is to test or confirm which involved hypothesis or theory. In contrast, a qualitative study is to understand in-depth concepts or experiences.

In this analysis, more than half from the total used quantitative methods which bring the number of 36 studies or 52.9 per cent as in Table 8. In terms of number, 12 studies using longitudinal, one by multi-level study, 13 studies using survey and ten studies were conducted using secondary data. Furthermore, besides quantitative studies, there are 12 studies (17.6 per cent) in qualitative or specifically as a case study, three studies (4.4 per cent) using mixed analysis and 17 studies (25 per cent) were general study. It shows that more researchers conduct the study of franchising strategy in a quantitative method (Table 8).

<b>Table 8</b>							
<b>METHODOLOGY OF STUDY</b>							
<b>DATA BASE</b>	<b>QUANTITATIVE</b>				<b>QUALITATIVE</b>	<b>MIXED</b>	<b>GENERAL</b>
	<b>Longitudinal</b>	<b>Multi- Level</b>	<b>Survey</b>	<b>Secondary Data</b>	<b>Case Study</b>		
Scopus	7	1	9	6	11	1	12
Web of Science	5	0	4	4	1	2	5
<b>SUB TOTAL</b>	<b>12</b>	<b>1</b>	<b>13</b>	<b>10</b>	<b>12</b>	<b>3</b>	<b>17</b>

<b>TOTAL</b>		<b>36</b>			<b>12</b>	<b>3</b>	<b>17</b>
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### Unit of Sample

In the context of research, the sampling frame is a part of the methodology of a study. A sampling frame is vital as any conflict to defined the population will lead to errors (Creswell & Creswell 2019). Based on this study, as in Table 9, the sample unit was mostly used within this topic is the franchisor. There are 41.1 per cent or 21 studies in Scopus and nine studies in Web of Science used franchisor as their sample unit. It follows with 17 studies are general and seven studies used franchisee as their unit of the sample (Table 9).

<b>Table 9</b>					
<b>SAMPLE OF THE STUDY</b>					
<b>DATABASE</b>	<b>FRANCHISOR</b>	<b>FRANCHISEE</b>	<b>CUSTOMER/ EMPLOYEES</b>	<b>GENERAL</b>	<b>OTHERS</b>
Scopus	21	5	1	12	8
Web of Science	9	2	0	5	5
<b>TOTAL</b>	<b>30</b>	<b>7</b>	<b>1</b>	<b>17</b>	<b>13</b>

### Analysis of Field Study on Franchising Strategies

Franchising is a primary expansion technique and strategy for firms aiming to develop globally (Maalouf et al., 2020). There are various numbers of strategies for franchising. Based on the final numbers of articles screened, several groups of area covered on franchising strategies are in Figure 5. The study field is organisational structure, firm strategies, firm attributes, firm-specific resources, organisational culture and others.

The largest study field is firm strategies that contributed most with 15 articles from 29 articles or 52 per cent from the total. Firm strategy is a blueprint or a plan to grow namely through pricing strategies, technological advantage, geographical, identify competitive advantages and branding (Alon & Lattemann 2016; Baldi 2016; Brizek 2002; Choi et al., 2011; Connell 1999; Falbe & Welsh 1998; Frazer & Merrilees 2012; Hoffman & Preble 1991; Kacker et al., 2016; K. Lee et al., 2010; Ramaseshan et al., 2017; Sadi 1997; Song et al., 2018; Weaven & Frazer 2003; Young & Merritt 2013). Next is the area from firm-specific resources with 17 per cent from total where it allows a firm to acquire and retain a competitive advantage that includes financial resources and human resources (Gillis & Combs 2009; Hussain & Windsperger 2011; Kim & Lee 2019; Parsa 1999; Weaven & Herington 2007) (Figure 5).

Firm attributes were the third-largest area with 10 per cent from the total. Few studies by Aziz et al., (2019), O'Neill et al., (2006) and Wu (2015) is focused on the impact directly towards the firm either positive or negative impacts such as firm's age, dividend, firm's capacity, operating expenses and so forth. Two areas contributed one each (3 per cent), which are organisational structure (Koh et al., 2018) and organisational culture (Sun & Lee 2016). The organisational structure is focused on communication, workflow management and activities. While

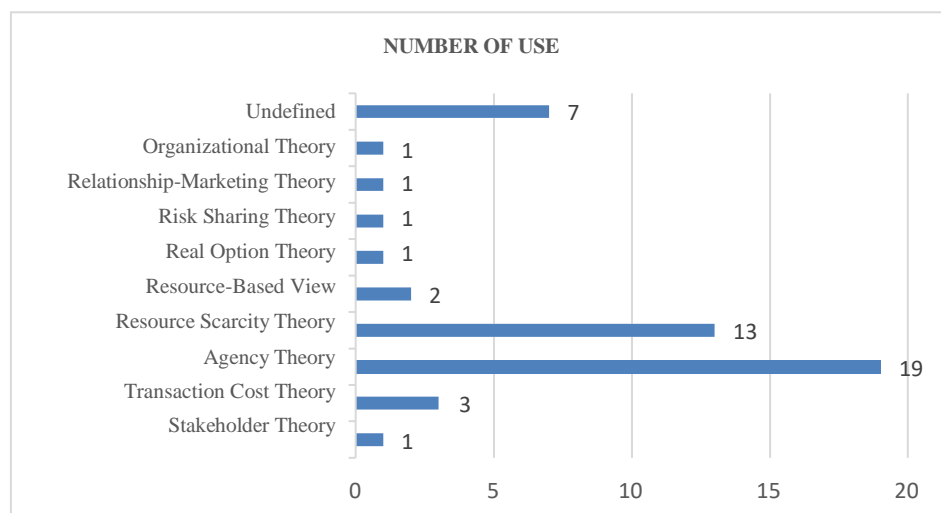
organisational culture is focused on the set of principles, standards, and behaviors that direct and educate all team. Finally, there are four more studies (Castrogiovanni et al., 1995; Hou et al., 2009; Phan et al., 1996; Rondán Cataluña et al., 2007) that falls under other categories.



**Figure 5**  
**AREA OF FIELD STUDY**

### Underpinning Theory in Study

Underpinning theory is a theory used to capture an understanding of the social meaning in the research. Theories are built to describe “how” and “why” society work in the manner (Martin, 2003; Scheiner & Mindell, 2020). Forty-nine underpinning theories have been found a study, although there are only 29 studies as in Figure 6. The reason is that several studies have more than one underpinning theory been used in their studies. There are nine underpinning theories have been found. The theories are organisational theory, relationship-marketing theory, risk-sharing theory, real options theory, resource-based view, resource scarcity theory, agency theory, transaction cost theory and stakeholder theory.



### **Figure 6**

#### **UNDERPINNING THEORY IN STUDY**

Among all these theories, two theories are frequently used: agency theory (30 per cent) and resource scarcity theory (27 per cent). Scholars believed that agency theory and resource scarcity theory are foundation theories explained on the reason and strategies of firms decision for franchising (Alon & Lattemann 2016; Baldi, 2016; Castrogiovanni et al., 1995; Choi et al. 2011; Falbe & Welsh 1998; Frazer & Merrilees 2012; Gillis & Combs 2009; Hou et al., 2009; Hussain & Windsperger 2011; Kacker et al. 2016; Koh et al. 2018; Lee et al. 2010; O'Neill et al. 2006; Phanet al., 1996; Rondán Cataluña et al. 2007; Song et al., 2019; Sun & Lee 2016; Weaven & Frazer 2003; Weaven & Herington 2007). However, these theories have emphasised more on the franchisor, similar to the result found on a sub-topic study, the unit of a sample. There is a need to explore new theories to capture a different angle of franchising strategy. This will help formulate franchising business models, identify strategies, and assist in the decision-making process (Teece, 2017).

#### **LIMITATION AND RECOMMENDATIONS**

There is a limitation in each research done. This study is not excluded, as well. First, the study focused on the systematic literature review to explore and develop systematic searching and identify general trends on franchising articles for the last three decades in two main sources, WOS and Scopus. Thus, future research is recommended to further explore other aspects of franchising, such as business growth and identifying new theories employed in franchising studies. Next, based on 29 studies examined, most of the studies were conducted using quantitative methods. The greatest value in quantitative study designs is the ability to generalise results from the survey population to the broader population it serves in terms of objectivity and generality, where fulfilled (Stockemer, 2019). Even quantitative studies could generalise the population's results, the analysis was not in-depth. In this review, little studies have been conducted in a qualitative method. Apart from qualitative studies, it can be in-depth, an aspect of its versatility and adaptive capabilities completely contradictory to the rigidity of quantitative study that 'bends' the research subject to the method's specifications (Flick 2018). It is recommended for future researchers to conduct their qualitative method in franchising strategies to add more theoretical aspects and discussion within this methodology. Several topic recommendations for future researchers related to franchising strategies such as firm innovation, organisational learning and dynamic capability of top management (Levac et al., 2010; Pham et al., 2014).

#### **CONCLUSION**

This systematic literature review attempts to provide a general idea on the graph and trends of articles within franchising strategies for three decades. The decades were divided into three phases which are 1990 to 2000 (First Phase), 2001 to 2010 (Second Phase) and 2011 to 2020 (Third Phase). To sum up, within these phases, the articles were increasing their numbers starting on the Second Phase. This study is essentially an approach to a literature review, which has grown in significance in recent years for a future reference regarding trends and methodological of the selected subject.

#### **ACKNOWLEDGEMENTS AND FUNDING SOURCE DECLARATION**

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