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Multiple Identities in Franchising

INTRODUCTION

Over recent decades, organizational identification has developed as a significant construct in exploring organizational behavior (Edwards, 2005). Organizational identification (OID), a form of social identification, refers to “a perceived oneness with an organization and the experience of the organization’s successes and failures as one’s own” (Mael & Ashforth, 1992, p. 103). It has been associated with a number of organizational outcomes, including organizational commitment, employee co-operation and citizenship, intention to remain, and employee and organizational performance (Edwards, 2005; Eisenberger et al., 2020; Foreman & Whetten, 2002; He & Brown, 2013; Lam & Liu, 2014; Van Knippenberg, 2000). Given the importance of OID in terms of outcomes, it is not surprising that researchers have focused their attention on understanding antecedents to OID (Edwards & Peccei, 2010; Gammoh et al., 2014; Lee, 2013; Sun et al., 2023; Yu et al., 2021; Yue et al., 2021; Zagenczyk et al., 2021). This has been extended to consider OID in different channel and organizational contexts, such as salespeople with responsibility for multiple brands (Badrinarayanan & Laverie, 2011; Hughes & Ahearne, 2010), contract workers (George & Chattopadhyay, 2005), within joint ventures (Li et al., 2002; Salk & Shenkar, 2001), multinationals (Vora & Kostova, 2007), strategic groups (Anand et al., 2013) and mergers and acquisitions (Vaara et al., 2012). We contribute to this stream of literature by exploring organizational identification within the context of franchising, where the forms, antecedents and consequences of identification have received little attention.

Franchising is an interesting context in which to explore identification, given the unique franchise relationship. Franchisee and franchisor are distinct legal entities, yet they are members of one single ‘superorganization’, i.e., a distribution channel that “exhibits the basic elements of any organized form of collective behavior” (Reve & Stern, 1979, p. 406). Franchisees have been characterized as ‘quasi- employees’ of the firm (Lawrence & Kaufmann, 2011) and are bound to

follow the franchisor's template, but as residual claimants and legally independent contractors they are typically afforded greater independence than salaried managers and subordinate employees (Lawrence & Kaufmann, 2011; Watson et al., 2020).¹ Despite franchisees being residual claimants, there are still substantial conflicts of interest among franchisees and the franchisor (e.g. Gassenheimer et al., 1996; Grünhagen et al., 2017; Lawrence & Kaufmann, 2011; Mignonac et al., 2015; Wang et al., 2020). As a result, franchisees' identification with the franchise organization could be beneficial for the franchise system, especially with regards to curbing free riding behaviors by franchisees (Watson et al., 2016). Moreover, franchisors have an incentive to attract franchisees whose identity align with theirs as this may minimize agency costs (Zachary et al., 2011). In other words, franchisees' OID may be associated with their organizational commitment.

Whilst there has been some limited research on identification within franchising contexts, which, in keeping with the OID literature, have found that identification creates positive outcomes (Lawrence & Kaufmann, 2011; Mignonac et al., 2015; Ullrich et al., 2007), these have primarily focused on a single form of identification – identification with the franchisor. However, just as multiple identities have been found to exist in 'traditional' OID contexts (e.g. friendship groups, work groups, department and divisional levels) (Ashforth et al., 2008; Horton & Griffin, 2017; Millward & Postmes, 2010; Vough, 2012), it has been suggested that there may be multiple forms of identification within the franchise context. Lawrence and Kaufmann (2019) argue that the organization which owns the brand (the franchisor) may be seen as distinct from the brand itself,

¹ As highlighted by Raha and Hajdini (2022, p.164), "the role of a franchisee resembles that of a quasi-employee in terms of its relationship with the franchisor, as they willingly or unwillingly relinquish part of their own identity to adopt that of the franchisor's".

The depiction of franchisees as legally independent contractors can be associated with the definition of franchising, which "describes a contractually vested inter-firm business relationship between two legally independent entities involving a grantee (or franchisee) and a grantor (the franchisor), where the franchisee pays the franchisor for rights to sell the franchisor's product or service using franchisor's trademarks and its proprietary business system in a pre-specified location for a pre-specified length of contract" (Dant & Grünhagen, 2014, p.125).

Franchisees are regarded as residual claimants as a result of "paying an explicit franchisee fee – ex ante bonding, and by paying royalty fees", which can be contrasted with some labor contracts that make employees, in particular managers, residual claimants by linking their compensation to, for example, the residual income of the firm, such as through profit sharing (Norton, 1988, p.201).

even when they share the same name. We extend this notion by investigating the potential for other forms of identification by franchisees, and their antecedents and outcomes. Given the possibility that individuals may identify with different organizational groups at varying levels (Vough, 2012) with different outcomes (Meyer et al., 2006), understanding the different forms of identification that franchisees may experience, and their antecedents and consequences is important. Indeed, franchisees are central to the success of any franchise system, and given the tendency for franchisee operations, even within a single system, to be based on various ownership structures (e.g. single-unit/multi-unit), it is vital to understand how franchisees frame their identification.

Recent emergent research has also shown that franchisees frequently engage in relationships with franchisors beyond a single brand (Grünhagen et al., 2022). Such franchisees may have ownership stakes in multiple brands, which could either co-exist within the same parent (corporate) system (e.g., *Taco Bell* and *Pizza Hut* as part of *YUM! Brands*, or *Krispy Kreme* and *Au Bon Pain* as part of *JAB*), or across multiple systems (e.g., operating an *Arby's* [Inspire Brands LLC] and also a *Burger King* [Restaurant Brands International Inc.] restaurant which are owned by different parent companies [indicated in parentheses]). We refer the reader to Grünhagen et al., 2022 who provide a comprehensive review, definitions and examples of these ownership constellations. Where franchisees assemble portfolios of multiple brands or systems, conflicts appear to become inevitable. For example, franchisees may have to decide which of their brands may receive greater budgets for advertising campaigns in light of limited resources. Similarly, preferred new locations are far and few between and may create decision dilemmas. Given the difficult operational questions that may need to be addressed in this context, this study sets out to examine the antecedents and organizational outcomes of identification, in situations where franchisees have more than one 'master', i.e. more than one franchise brand or system. We refer to such franchisees as multibrand franchisees.

In doing so, we make a number of contributions. We extend the OID literature by considering different forms of identification in a new context – that of multibrand franchising. Through our investigation of four potential forms of identification which might be relevant to multibrand franchisees, namely parent (or corporation) identification, franchisor identification, brand identification and franchisee network identification, we add depth to the conceptualization of organizational identification as it relates to franchising. By adapting scales from the OID literature, we develop measures of franchisee network identification that can be used in future studies. We develop and empirically test a framework of franchisee network identification that includes the factors that influence the different forms of identification, and the consequences of identification, both behavioral (intention to leave the system), and financial (performance) outcomes. As such, we contribute to our understanding of how different organizational foci may impact behaviors. Whilst there are a number of studies considering the outcomes of multiple identification, these have predominantly focused on workgroup and organizational identification, or occupation identification and organizational identification (Miscenko & Day, 2016). Our context contrasts with these, in that it considers two relationships neither of which is necessarily proximate (franchisees within a network are not required to interact with each other on a routine basis), but both are nested within the same organization. Further, by exploring the interactions between different forms of organizational identification, we deepen our understanding of how multiple identification targets impact outcomes, an aspect which is relatively under-researched (Marstand et al., 2021). We also enrich the limited literature (see, for example, George & Chattopadhyay, 2005; Hughes & Ahearne, 2010; Li et al., 2002), that has explored identification in contexts where an individual is beholden to more than one organization.

In addition to providing a new context for the OID literature, this study contributes to the business to business (B2B) literature, within a context where there may be added layers of complexities, due to franchisees having more multifaceted outlets. These categories of franchisees

are predominant in the franchise industry in some countries such as the US. A different power dynamic may exist between the franchisees and franchisors in such B2B partnerships (Watson et al., 2020) and this could shape franchisee operations and their identification process. It has been highlighted that intra-organizational norms that extend beyond those that have been linked with typical B2B relationships may have an influence on franchisee behaviors (Watson et al., 2020). Therefore, it is important to understand the framework of identification in franchising.

In the next section we review the organizational identification literature, first exploring the broader literature, before focusing its application to franchising and developing hypotheses. We then describe our research design and present the results. Finally, we discuss the implications of our findings and consider the study limitations and directions for future research.

ORGANIZATIONAL IDENTIFICATION

The concept of organizational identification (OID) is one of the core concepts used in the organizational behavior literature to explore employees' psychological relationship between the individual and the employing organization (Edwards, 2009; Edwards & Peccei, 2010). It reflects the merging of self and organization (from 'I' to 'We'), or "the perception of oneness or belongingness to some human aggregate" (Ashforth & Mael, 1989, p.21). Strong OID influences not only how members define themselves, but also their responses to problems and feelings about outcomes (Albert & Whetten, 1985; Ashforth & Mael, 1989; Dutton & Dukerich, 1991; Dutton et al., 1994). Most notably, OID has been found to influence intrinsic motivations (e.g. Kogut & Zander, 1996), cooperation, coordination and information sharing (e.g. Kramer, 2006) and interest in exerting efforts in favor of the identified group (e.g. Edwards, 2005), affecting many performance measures of organizations (e.g., turnover) (see Riketta, 2005; Ashforth et al., 2008 for reviews). The microanalytical argument is that organizational identification captures many aspects of organizational members which are of relevance (both positive or negative) to how they will perform

in an organization. Consequently, OID can explain, for example, why people join or leave organizations, why they work the way they do, and their interactions with others (Ashforth et al., 2008).

Much of the early research on OID focused on a single conceptualization of OID – that is a broad level construct that considers a single higher-level organizational identity. More recently, however, researchers have considered how multiple identities may co-exist within an organizational context, given, as Ashforth et al. (2008) note, that organizations are highly differentiated systems. Organizations are composed of different units of work, relationships and occupations, and thus organizational members may not have a single identity. They may identify with several groups (e.g., department, division, organization), having multiple identities, even simultaneously (Brewer & Gardner, 1996; Brickson, 2000). This is because they can be member of their workgroups, but at the same time also belong to a division/company in which those workgroups are embedded. Similarly, they can identify with their profession or entry year groups within the organization. In this sense, Ashforth et al. (2008) argue that, apart from the organizational level, there are also other important loci of lower level identification (e.g. groups, relationships and occupation/career) that can be relevant. Whilst in some contexts where groups are essentially nested (workgroup, department, division) there may be strong consistency between these groups (Ashforth & Mael, 1989), in other contexts there may be a lack of congruence in group identities, which may lead to the potential for competing and multiple identities (Foreman & Whetten, 2002). Richter et al. (2006) found that the relative strength of organizational identification compared with work group identification has implications for intergroup productivity.

The potential for multiple identification and competing identities may be further complicated by the presence of multiple organizational claims (Foreman & Whetten, 2002). In this case, organizational identities compete between them for the incumbent's favor. However, as noted by Hughes and Ahearne (2010), there are few empirical studies which consider what may occur

when identification with different foci organizations conflict. A search of the literature suggests just two key contexts in which identification in multiple brands have been explored. The first of these relates to joint ventures, and in particular international joint ventures (Li et al., 2002; Salk & Shenkar, 2001). Shenkar and Zeira (1992) argue that International Joint Venture (IJV) CEOs face role conflicts because IJVs have at least two parent companies (but frequently more) to report to. Similarly, Gregersen and Black (1992) study the identification conflicts when managers have been assigned overseas and they become members of a local operation or organization (through joint ventures or other organizational forms) which is clearly different from the parent company. A similar context of dual identification exists among IT contract workers who are associated with two organizations, their primary employer and their client (George & Chattopadhyay, 2005). Another context is that of salespeople with responsibility for multiple brands. In their study of resellers of manufacturer products, Hughes and Ahearne (2010) propose that the level of identification with either the manufacturer or their distributor organization will impact the effort the salespeople exert, and ultimately their sales performance. We therefore seek to extend this stream of research by considering the context of multibrand franchisees.

ORGANIZATIONAL IDENTIFICATION WITHIN FRANCHISE SYSTEMS

Franchising is often described as a cooperation (interfirm relationship) between two levels of firms: the owner of a brand/business concept (the franchisor) and several local entrepreneurs (franchisees) (e.g., Baucus et al., 1996; González-Díaz & Solís-Rodríguez, 2012). However, despite this co-operative relationship, there is a clear hierarchy, with the franchisor usually considered to be more powerful than the franchisee (e.g. Dant et al., 2011; Grünhagen & Mittelstaedt, 2005; Watson et al., 2020). Franchisees are individuals who “work as independent agents, but take on the identity of the firm completely in their interactions with the consumer” (Lawrence & Kaufmann, 2019, p. 3). Indeed, Coughlan et al. (2006, p. 518) suggest that a characteristic of the franchise relationship is the

loss of individual identity. This sub-summation of the organizational identity is believed to be important, as agents are more likely to engage in behaviors that are consistent with the organization's interests (Hughes & Ahearne, 2010; Nyadzayo et al., 2015), resulting in greater information exchange, more consensus in decision-making, increased trust, solidarity and organizational citizenship behavior (Li et al., 2002; Strutton et al., 1995). Indeed, Lawrence and Kaufmann (2011, p. 298) suggest that the extent to which franchisees identify with the franchisor "... might serve to align their interests and thus impact franchisee behavior regarding familiar issues as free riding or acceptance of franchisor initiatives".²

Despite the clear relevance of organizational identification to franchising contexts, it is a concept which has received little attention in the extant literature, with some notable exceptions (Lawrence & Kaufmann, 2011; Lawrence & Kaufmann, 2019; Ullrich et al., 2007; Watson et al., 2016). From this limited research there is evidence to suggest that franchisors often select franchisees whose values align with the organization and that performance is improved where (entrepreneurial) values are in alignment (Watson et al., 2016), although the direct effects of identification on performance are not explored. From the broader OID literature, however, there are a number of potential outcomes of OID. It has been suggested that organizational identification exerts a positive influence on the intrinsic motivation and interest for exerting efforts in favor of the organization (Kogut & Zander, 1996; Edwards, 2005) such that misbehaviors based on individual self-seeking ambitions could be reduced by strengthening OID. In other words, a strong identification should clearly reduce franchisees' tendency to free-ride (Mignonac et al., 2015). We assert that these citizenship behaviors associated with organizational identification arise due to the affective commitment which OID provokes. Whilst there has been some debate within the organizational

² As noted by Kidwell et al. (2007, p. 525), "[f]ree riding occurs when an individual obtains indivisible benefits from being a member of a group but does not bear a proportional share of the costs". In this regard, there is a possibility that a franchisee, in a contractual relationship with a franchisor, might attempt to reduce his or her own costs through non-participation in activities that may be profitable for the entire franchise network, such as not following company procedures in relation to quality or service (Kidwell et al., 2007).

literature regarding the distinction between organizational (affective) commitment and organizational identification (see, for example, Van Knippenberg & Sleebos, 2006), recent evidence suggests that OID is an antecedent to organizational affective commitment – that is the emotional attachment to the organization (Stinglhamber et al., 2015).

While OID is often considered a single higher-level construct to capture the extent to which work and individual identities are intertwined, as noted earlier multiple identities are possible within a single organizational context (Ashforth et al., 2008). Indeed, it has been suggested that within franchise organizations there may be multiple levels of identification. Ullrich et al. (2007) propose two forms of identification; ‘organizational identification’ which pertains to employees’ identification with their franchisees, and ‘corporate identification’ which refers to franchisees’ identification with their franchisor. Lawrence and Kaufmann (2019) similarly use the term corporate identification to describe the extent to which franchisees identify with their franchisor, but also propose that franchisees may cognitively distinguish the brand from the franchisor (as a corporate entity). They find evidence to suggest that it is possible for the identities of the brand and the franchisor to diverge – and where the values of the franchisor are seen to be out of alignment with those of the brand, identification will be stronger with the brand. While these studies suggest that franchisees may experience two forms of identification – *franchisor identification* (termed corporate identification by Lawrence & Kaufmann, 2011; Lawrence & Kaufmann, 2019) and *brand identification* – there is limited empirical work which has focused on the extent to which franchisees identify with the brands that they sell and the outcomes of different types of identification. That which exists has been based on samples of single brand franchisees and has focused on brand identification (Badrinarayanan et al., 2016; Lawrence & Kaufmann, 2019; Nyadzayo et al., 2015). We propose (and empirically test) two further types of identification that might be relevant in understanding multibrand franchisee behaviors, namely parent identification, and franchisee network identification

within the specific context of multibrand franchisees, where multiple organizations have identity claims.

The first of our proposed forms of identification, *parent identification*, could be a particular feature of multibrand franchisees, as they often operate different brands (such as *KFC* and *Taco Bell*) that are owned by a single corporate entity (such as *YUM! Brands*) (cf. Grünhagen et al., 2022). In this context, it is possible that franchisees may distinguish between the parent (corporate) organization, and the franchisor (where the franchisor relates to a single brand). Parent identification might occur where the corporate entity has strong organizational values and identity which are transmitted across all their brands. We therefore suggest that franchisees may experience parent (or corporate) identification, as distinct from franchisor identification.

The second of our proposed forms of identification that could be relevant in understanding franchisee behaviors is *franchisee network identification*. Inter-franchisee relationships have received limited attention in the literature; yet these relationships are vital for franchisees to develop advice networks in their franchise system (Meiseberg et al., 2017). Watson et al. (2020) found that the interconnectedness that franchisees feel with each other varies across different franchise systems, but that this sense of interconnectedness has important implications in terms of providing network support, such as sharing of innovation ideas, and ‘fixes’ to the system. We therefore suggest the concept of franchisee network identification – analogous to brand community identification (Algesheimer et al., 2005) – which is concerned with the extent to which individuals construe themselves to be members, or belonging, to a community of franchisees.

Thus, we suggest that franchisee organizational identification can be categorized into four key components: parent (corporate) identification, brand identification, franchisor identification, and franchisee network identification (see Figure 1). Where values are in alignment, franchisees may identify with all of the levels of organization, but where values diverge, it is possible that identification may be stronger for some forms of identification compared with others. Certainly,

there is evidence that identities between different parts of the same organization may differ – for example between top management and junior employees, or different departments (Hsu & Hannan, 2005), and so it appears likely that within a franchise organization, multiple identities may co-exist. Such divergences may matter, as this may lead to differential outcomes, because, for example, effort may be redirected dependent on the type of identification (Hughes & Ahearne, 2010) leading to differential performance outcomes from the perspective of the employer organization (or in this case, franchisor organization).

For reasons of parsimony and space, and due to restrictions imposed by our sample size, we focus our attention on the impact of two forms of franchise identification, namely franchisor identification and franchisee network identification. We restrict our analysis to these two types of identification, as these two factors are likely to have the strongest impact on the emotional (affective) commitment that franchisees have with the brand, and the two forms of identification that are likely to be pervasive across different types of franchise arrangements. Parent identification is most likely to be a distinct feature only of multibrand franchisees operating within a single parent (corporate) brand. Single- and multi-unit franchisees, or multibrand franchisees who operate brands across different corporate franchisors, are unlikely to identify with the parent corporation, given their arm's length relationship. As a case in point, very few franchisees in our study actually indicated a perceptual distinction between their brands and a parent organization. Brand identification is only likely to be distinguishable from franchisor identification under particular circumstances, for example when a system has been sold, merged, or seen changes in ownership, particularly where the new owners are private equity or investment fund corporations (Lawrence & Kaufmann, 2019), and where franchisees feel that the franchisors values are inconsistent with those of the brand. Further, research by Vough (2012) suggests that identification is likely to be strongest for more proximate targets, and targets which form the key locus of work – in this case franchisors and the franchisee network. We therefore suggest that franchisee network identification and

franchisor identification will be the most dominant forms of identification and have the strongest impact on emotional (affective) commitment and performance outcomes, given the established link between affective commitment and identification (Van Dick, 2004)³.

OUTCOMES OF ORGANIZATIONAL IDENTIFICATION

Although, as highlighted earlier, the concept of organizational commitment has suffered from a lack of conceptual clarity (Herrbach, 2006) leading to debates as to the relationship and distinction between organizational identification and organizational commitment (Meyer & Herscovitch, 2001), there is evidence to suggest that organizational identification is associated with organizational commitment (e.g. Lam & Liu, 2014). Whilst different forms of organizational commitment have been identified (see, for example, Meyer & Herscovitch, 2001), we focus here on affective commitment, as it is suggested that this is the form of organizational commitment which is most likely associated with organizational identification (Lam & Liu, 2014). Organizational identification can enhance commitment due to the sense of belongingness with the organization that it creates (Ashforth & Mael, 1989). We suggest that identification with both the franchisor and franchisee network should enhance organizational affective commitment, as identification with either focal group, should enhance the sense of belonging and psychological attachment the franchisee experiences. As a nested configuration of focal groups, whereby membership of one group (franchisee network) requires membership of the other (franchise organization), it would be

³ Whilst for the purposes of this paper we focus on the performance impacts of two types of identification, franchisor identification and franchisee network identification, we empirically tested for the presence of all four types of identification within our sample using exploratory (principle component) factor analysis. Our analysis found evidence of three distinct forms of identification: parent identification, franchisor identification, and franchisee network identification. All items had factor loadings above 0.6, well above the commonly accepted threshold of 0.40 (Kaya, 2006). It should be noted that we were unable to distinguish between franchisor and brand identification. However, this is perhaps not surprising within the context of our small sample size and given, as argued by Lawrence and Kaufmann (2019) that brand identification will only diverge from franchisor identification during periods of instability, or in circumstances where the franchisor is believed to be an inadequate custodian of the brand. Thus, under 'normal' conditions, brand and franchisor identification are likely to be aligned.

expected that identification with one group reinforces identification with the other (Meyer et al., 2006), unless the values of each group are incongruent. We assume congruence of values given that franchisors seek to recruit franchisees whose values are congruent with their own (Watson et al., 2016; Zachary et al., 2011), and thus, *ceteris paribus*, values will be aligned, and identification will be reinforced between the groups. We thus hypothesize that both franchisor and franchisee network identification will positive impact organizational affective commitment:

H1a: Identification with the franchisor is positively related to organizational affective commitment.

H1b: Identification with the franchisee network is positively related to organizational affective commitment.

Whilst we suggest that both forms of identification will positively influence organizational commitment based on an assumption of value congruence between the franchisor and the franchisee network, as noted by Lawrence and Kaufmann (2019) it is possible for identification between different focal referents within a franchise organization to differ. It is therefore important to consider the interaction effects of identification in both congruent (identifications aligned) and incongruent circumstances. As highlighted by Horton and Griffin (2017), multiple identifications can lead to an interactive effect, as they may potentially complement or compete with each other. It is perhaps unsurprising therefore that there is increasing interest in how alignment of different types of identification impacts outcomes Greco et al. (2022). For example, it has been suggested that if employees identify more strongly with their work group than with their organization, they may seek to cover up mistakes (Wieseke et al., 2012). Furthermore, strong work group identification paired with weak organizational identification can foster negative head office stereotypes (Wieseke et al., 2012), and reduce affective commitment. We therefore consider the impact of alignment, and we propose that alignment (congruence) of identities will lead to greater affective commitment compared with situations where one form of identification is much stronger than the other, and hypothesize:

H1c: Congruence between franchisor identification and franchisee network identification will positively influence organizational affective commitment.

Affective commitment has been associated with a number of positive outcomes, most notably work efficiency and performance (Meyer et al., 1998; Fiorito et al., 2007; Ohana & Meyer, 2016). It is suggested that individuals with higher affective commitment will be more motivated to exert effort (Meyer et al., 2006). More specifically within the context of franchising, Mignonac et al. (2015) find that franchisees' emotional attachment to the franchise organization positively affect franchisees' financial performance and the future development of the system. We therefore hypothesize:

H2: Franchisees' affective commitment to the franchise organization is positively related to the performance of the franchise unit.

Furthermore, where franchisees are affectively committed to the franchise organization, they may prefer to remain within the system. Indeed, Mignonac et al. (2015) suggest that affective commitment decreases franchisees' intent to leave the franchise system. Hence, we hypothesize:

H3: Franchisees' affective commitment to the franchise organization is negatively related to franchisees' intention to leave the system.

ANTECEDENTS TO ORGANIZATIONAL IDENTIFICATION

Although the wider organizational literature has considered the factors that drive OID, to our knowledge no study to date has explored the antecedents to OID within a franchise context, nor in the specific context of multibrand franchisees. Indeed, within the broader OID literature, research on OID antecedents in contexts where individuals may be beholden to multiple organizations is limited (Hughes & Ahearne, 2010). We draw on the integrative framework of OID antecedents

developed by Weisman et al. (2023) in order to develop our hypothesized antecedents in this study. According to Weisman et al. (2023, p. 2032), studies on the antecedents of OID can be categorised into four groups, “each of which has a distinct conceptualization of the “organization” and considers distinct antecedents of [OID]”: (1) organizational characteristics, (2) managerial policies and practices, (3) interpersonal interactions, and (4) personal attributes. As the authors explain, *organizational characteristics*, such as organizational prestige and reputation, attract individuals to view themselves as part of the organization and promote the development of OID; *managerial policies and practices*, such as organizational communication as well as supportive policies and practices, can act as the link for developing individual relationships with the organization; *interpersonal interactions*, such as interactions with peers, can shape OID; finally, *personal attributes*, such as orientation toward work, can affect the extent to which individuals need and desire the organization to become part of their social identity.

Franchisor Identification Antecedents

A number of studies have found that the prestige of an organization has a positive influence on OID (George & Chattopadhyay, 2005; Mael & Ashforth, 1992; Smidts et al., 2001). It is argued that employees (or in this case franchisees) will feel proud to belong to an organization whose values and accomplishments are admired, as it may bring them some form of ‘reflected glory’ (Dutton et al., 1994). The influence of prestige on identification within a franchising context is likely to be strong, given that franchisees operate their own business under the brand name of the franchisor. Indeed, it has been suggested that prestige has the most pronounced effect on identification where it is felt that it is important that external stakeholders, such as customers, view the organization in a positive light (Smidts et al., 2001). Further, as noted by Zachary et al. (2011) franchisors have to compete with each other to attract franchisees, and therefore will seek to develop a positive external image relative to other systems. We thus hypothesize:

H4: The perceived prestige of the franchise organization positively influences franchisees' identification with the franchisor.

In distribution channels in general, and franchisee-franchisor relationships specifically, communication plays a critical role in relationship development and maintenance (Chiou et al., 2004; Croonen, 2010; Watson et al., 2020). The importance of good franchisor-franchisee communication has been stressed by a number of studies, and has been associated with greater satisfaction, trust, and intention to remain in the system (Chiou et al., 2004). Further, it has been argued that in multibrand sales contexts, high quality communication from a manufacturer with retail salespeople can increase the perceived attractiveness of that manufacturer and may provide an opportunity to remind the salespeople of the distinctive attributes of the manufacturer's brand to ensure continued cognitive consideration for the manufacturer's brand (Badrinarayanan & Laverie, 2011). In contexts where individuals are dispersed across a number of workplaces, communication may play an important role in creating a sense of shared meaning (values) which can strengthen identification (Wiesenfeld, 1999). Quality communication – that is communication which is timely, meaningful and sufficient (Badrinarayanan & Laverie, 2011) – can enhance both social categorization and self-worth (Dutton et al., 1994). Identification is facilitated as the organization becomes “more salient and transparent as an object with which to identify” (Smidts et al., 2001, p. 1052). We therefore hypothesize, in keeping with other studies that have found a positive association between communication quality and OID (Badrinarayanan & Laverie, 2011; Bhattacharya et al., 1995; Smidts et al., 2001), that:

H5: The perceived quality of franchisor communication with franchisees positively influences franchisees' identification with the franchisor.

It has been suggested that, just as communication facilitates identification, the people management environment more broadly can help foster OID (Edwards, 2009). In this regard the concept of *perceived organizational support* (POS), defined as “the extent to which the organization values their [employee] contributions and cares about their well-being (Eisenberger et al., 1986, p.

501), has been found to influence identification. It has been argued that an individual's willingness to engage in (identify with) an organization is dependent on information the individual has about how the organization treats its members (Edwards, 2009). Hence, when the level of POS is sufficient, the employee will "incorporate organizational membership into self-identity and thereby develop a positive emotional bond" (Eisenberger et al., 1986, p. 501). Thus, we hypothesize that supportive treatment of franchisees will encourage them to identify with the franchisor:

H6: The perceived organizational support from the franchisor positively influences franchisees' identification with the franchisor.

Franchisee Network Identification Antecedent

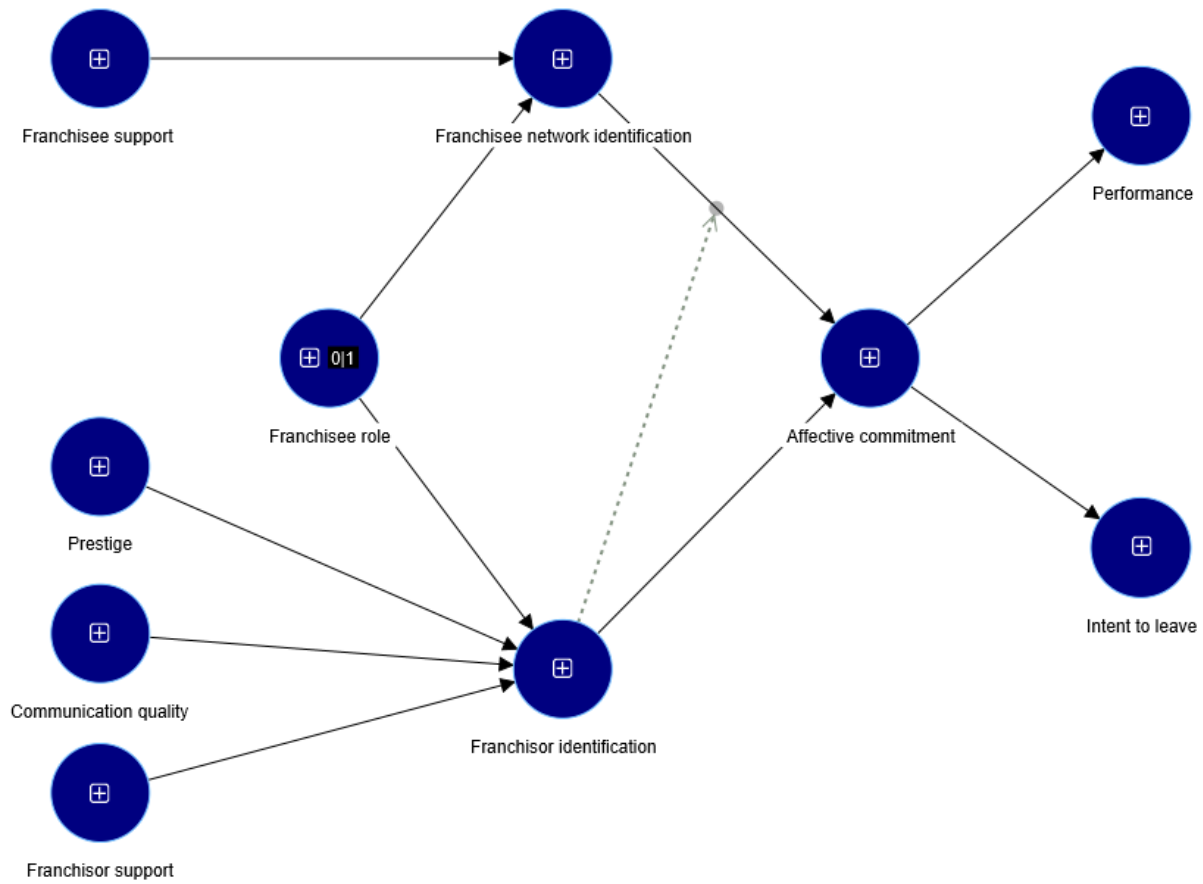
Lawrence and Kaufmann (2011, p. 297) argue that franchisees are not, as is often assumed, "lone economic and/or psychological actors that interact exclusively in a direct dyadic relationship with the franchisor", but rather that strong communities can emerge between fellow franchisees. Whilst their research focuses on identification within formal franchisee associations, more broadly their research highlights how franchisees may identify more strongly with each other than with their franchisor. However, as noted earlier, inter-franchisee relationships have received limited attention in the literature, yet, as Meiseberg et al. (2017) find, the strength of franchisee networks has been found to impact franchisee performance. Strong franchisee networks (or "advice ties") can confer "privileged access to resources such as knowledge, information, and best practices that help individuals to become more productive" (Meiseberg et al., 2017, p. 1227). The support offered by peers is likely to influence identification with them, given the "appealing role-based identity of mutual support" (Sluss & Ashforth, 2007, p. 15), and thus just in the way POS influences organizational identification, so too will co-workers' (or in this case co-franchisees') support. We therefore hypothesize:

H7: Franchisee (community) support positively influences franchisee network identification.

CONTROL VARIABLES

While single-unit franchisees tend to be active managers of their units, for multibrand franchisees this also attracts investors, or passive franchisees, that is to say franchisees who invest in the franchise opportunity, but are not active in the management of their units. As Vázquez (2009) notes, passive franchise ownership has received little attention in the franchising literature, despite the fact that this is a common phenomenon. Yet, it appears probable that the extent to which a franchisee is actively engaged in the business will have implications for relational and organizational outcomes. Indeed, Shane (1998) found that chains which permitted passive ownership were less likely to survive compared with those that did not. Thus, we consider ownership format to be a form of work orientation, and important personal attribute (following Weisman et al's (2023) antecedent dimensions) that may influence the extent to which franchisees have a desire to identify with the organization. We therefore thought it important to control for the extent to which multibrand franchisees are active or passive, whereby it is expected that those franchisees who are active will have stronger identification (at both franchisor and franchisee network levels) than those who are merely passively engaged in the management of their outlet(s). Figure 1 summarizes the overall theoretical model that will be empirically tested.

Fig 1 Theoretical Model



METHODOLOGY

Sampling Procedure

To test the hypotheses, we undertook a quantitative survey of multibrand franchisees. The starting point for our final sample was a custom-order cross-industry commercial listing (from *FranData*) of 3,258 franchises who own units of more than one brand. An extensive manual effort was made to identify the unique addresses of the listed franchisees' offices or headquarters, narrowing the list to 2,112 franchisees and their mailing addresses. The questionnaires were mailed at the end of February 2020. 143 questionnaires were returned as undeliverable, thus reducing the final sample to 1,969 mailed questionnaires. Unfortunately, the first mailing wave coincided with the

initial weeks of the COVID-19 outbreak during which time franchisees struggled to adjust operations to the pandemic.

The initial mailing yielded only 43 useable responses. Given the uncertainty at the time with regards to how long the pandemic would last, a second mailing was sent out in September 2020. However, the second wave yielded merely 20 additional questionnaires, and thus a total of 63 returned questionnaires were used for our analysis. The average profile of respondents is that of a 57-year-old male franchisee with 20 years of experience and 22 outlets, mainly in food/restaurant and lodging. The overall survey response rate was 3.2 percent. While the response rate is quite low, the sample size itself is comparable with previous franchise studies published in premier journals. For example, Falbe et al. (1999) counted a sample of only 50 respondents, and Gillis et al. (2011) had a sample size of 68 franchisors. Nonetheless, despite the challenging timing of our empirical data collection during the first year of the COVID-19 pandemic, our study's sample size represents a potential limitation of this study. Hence, to further evaluate the representativeness of the population provided by our data, we first checked whether there are statistically significant differences between the franchisees that responded to the survey and those that did not. We assumed that franchisees that responded late are more similar to companies that failed to respond to the survey than those that responded early (Armstrong & Overton, 1977). Consequently, we compared the means of the variables among early versus late respondents for key variables in our study (*franchisee support, prestige, communication quality, franchisor support, franchisee network identification and franchisor identification*) and found no significant differences. We therefore conclude non-response bias is unlikely to be an issue.

To address concerns in relation to common method bias, we implemented a number of procedural remedies (MacKenzie & Podsakoff, 2013; Tehseen et al., 2017), including: drawing on the literature for established scales, pretesting the questionnaire, guaranteeing anonymity, designing the questionnaire with separate sections to create psychological distance between predictor and

criterion variables, and the inclusion of reversed questions. As a statistical check, we conducted the Harman test (Podsakoff et al., 2003), with no single factor emerging from the analysis, nor accounting for more than 50% of the variance. An additional test for CMB can be obtained through a VIF analysis of the structural model; if VIFs of the non-observable variables (constructs) are smaller than 3.3, CMB is not likely to be an issue (Kock & Lynn, 2012; Kock, 2015). None of the VIFs were higher than 2 in our model. Drawing on both of these checks, we concluded therefore that common method bias was not a concern in our data.

Instrument and Measures

We developed a multi-section survey instrument consisting of several established scales for data collection which were adapted to the franchise context of the study. They were all multi-item scales and used 5-point Likert-type responses, typically ranging from 1 (strongly disagree) to 5 (strongly agree). All the items included in the scales are shown in the Appendix. To measure *franchisor identification* we adapted the organizational identification scale developed by Mael and Ashforth (1992) to measure franchisor identification. This scale was selected as it has been substantially used and validated (Badrinarayanan & Laverie, 2011; Hekman et al., 2009) in a number of contexts. Three items were removed from the scale in order to improve the factor structure while increasing parsimony of the scale.

To measure *community (franchisee network) identification*, we adapted the brand community scale developed by Algesheimer et al. (2005), variants of which have been used by a number of studies (e.g., Zhou et al., 2012; Füller et al., 2008). We sought to measure the degree to which a franchisee construes himself to be a member of the franchisee community of a particular brand, i.e., the concept of belongingness to that community. The scale includes a cognitive element about the self-awareness of the franchisee's membership within the community and an emotional component related to involvement with the group.

We measured *affective commitment*, that is the emotional attachment to the organization based on sharing its goals and values, using the scale initially proposed by Meyer et al. (1993) and validated in a number of studies (e.g., Vandenberghe & Bentein, 2009; Mignonac et al., 2015).

Three different constructs were used to measure the output of organizational identification and commitment. First, *performance* measures the franchisee's perception of its performance compared to other similar franchisees, using the same scale as Samaha et al. (2011) and Mignonac et al. (2015). The second output measure is *intent to leave*. We used the 2-item scale developed by Mignonac et al. (2015) that measures the perceived likelihood that a franchisee will voluntarily terminate the relationship when their current franchise agreement expires. Similarly, a third output measure is *intent to grow (i.e. purchase more units)*. We used the 3-item scale developed by Mignonac et al. (2015) that measures the intent to buy additional units of the franchise organization in our robustness check.

We considered five antecedents of organizational identification. From the franchisor's side, we included the perceived *prestige* of the franchisor. We used two items from the scale used by Kraus et al. (2015) which asks whether the franchisor is well-known, and prestigious from the franchisee's perspective. A second antecedent is the *communication quality* of the franchisor. The scale was taken from Badrinarayanan and Laverie (2011). They adapt previous scales on communication quality in sales settings to the manufacturer-retailer context, which is very similar to the franchisor-franchisee relationship. The third antecedent is perceived *franchisor support* that measures the extent to which franchisees believe that their franchise organization values their contribution and cares for their well-being. We used a 2-item scale taken from Edwards and Peccei (2010), adapting the wording to the franchise context. From the franchisee network perspective, the fourth antecedent is *franchisee (community) support*. This variable reflects the aid that the franchisee perceives from his peers in the franchise organization. We used items from the scale previously validated by Lee (2013).

Finally, we introduced a control in relation to the franchisee's role within the franchised unit. This is a dummy variable that takes the value of 1 if the franchisee had either a purely strategic or a passive role (silent or nominal partner) and 0 otherwise (i.e. active franchisees at operational levels). Table 1 presents the descriptive statistics for the data.

Table 1 Descriptive Statistics (N: 63 cases) and Pearson Correlations of Latent Variables (Square Root of AVE in Italics on the Diagonal).

	Mean	SD	1	2	3	4	5	6	7	8	9	10
1) Affective commitment	3.514	0.945	<i>0.855</i>									
2) Communication quality	3.581	1.001	0.587	<i>0.942</i>								
3) Franchisee network ID	3.575	0.792	0.626	0.325	<i>0.835</i>							
4) Franchisee role	0.233	0.423	0.06	0.012	-0.092							
5) Franchisee support	3.879	0.990	0.556	0.321	0.813	-0.026	<i>0.97</i>					
6) Franchisor identification	3.839	0.811	0.517	0.383	0.164	-0.001	0.254	<i>0.848</i>				
7) Franchisor support	2.992	0.951	0.629	0.602	0.412	-0.042	0.31	0.204	<i>0.938</i>			
8) Intent to leave	2.694	1.435	-0.544	-0.605	-0.184	-0.189	-0.174	-0.369	-0.544	<i>0.96</i>		
9) Performance	3.426	0.895	0.395	0.312	0.568	-0.07	0.497	0.028	0.299	-0.253	<i>0.916</i>	
10) Prestige	3.742	0.858	0.419	0.505	0.159	-0.081	0.192	0.43	0.271	-0.445	0.261	<i>0.876</i>

ANALYSIS AND RESULTS

We employed a partial least squares (PLS) approach for structural equation modeling (SEM), using the *SmartPLS 4* statistical package (Ringle et al., 2022). Several reasons support the use of PLS-SEM instead of covariance-based methodologies. First, PLS-SEM is more appropriate for studies of an exploratory nature, where the aim is to estimate new relationships among measures of theoretical concepts (i.e. new theoretical developments) (Hair et al., 2019). Second, PLS offers more straightforward estimations (i.e. prevents convergence problems) and lowers biases compared to covariance-based methodologies when the number of observations is relatively small (our sample has 63 cases) or in cases such as ours, where the model is complex (Chin, 2010; Guenther et al., 2023). Third, our data violates the normal distribution assumption required by CB-SEM (Hair et al., 2019). Since PLS is a nonparametric technique, we are not constrained by the normal distribution assumption (Reinartz et al., 2009; Sarstedt et al., 2016). Fourth, PLS is better able to cope where there are relatively few items linked to a particular construct (CB-SEM requires 3-4 as a minimum; Reinartz et al., 2009). Following Hair et al. (2014), we simultaneously estimated the measurement and structural models described further below.

Measurement Model

The measurement model analysis was carried out in three stages (Fornell & Larcker, 1981). First, based on an initial exploratory factor analysis, a confirmatory factor analysis was conducted. The value of factor loadings (λ) is an indicator of the individual reliability of the items. All of the loadings exceed 0.7 and therefore meet the required threshold, and we deemed the indicators reliable.

Second, we analyzed the composite reliability (CR) and average variance extracted (AVE) to assess the internal consistency of each construct. Only one CR value was larger than 0.95, which is out of the typically accepted range 0.7 - 0.9 (Nunnally & Bernstein, 1994). However, all AVEs are above the

recommended value of 0.5 (Fornell & Larcker, 1981). The Cronbach’s alpha criterion also leads us to the same conclusion because all values are above the 0.7 threshold.

Third, discriminant validity was assessed through the Fornell-Larcker criterion and the heterotrait-monotrait (HTMT) ratio. Regarding the former, Table 1 shows that the square root of the AVE of all constructs (in italics along the diagonal) is always greater than the correlation of each construct with any other (values below and to its left), thus fulfilling the Fornell and Larcker (1981) criterion. Henseler et al. (2015) show the higher sensitivity of the heterotrait-monotrait ratio of correlations to assess discriminant validity in variance-based SEM. In a well-fitted model, heterotrait correlations (between items of different constructs) should be smaller than monotrait correlations (between items of the same construct), implying that the HTMT ratio should be below 1. All values were found to be below 0.90, and thus fulfilled the criterion (Henseler et al. 2015), with the exception of franchisee *support* and *franchisee network identification* (0.94). However, given they meet other tests of discriminant validity, we retain them in the analysis as separate variables, and conclude that the constructs are fair estimates of the theoretical concepts. Table 2 displays the item factor loadings and reliability statistics.

Table 2 Item Factor Loadings and Reliability Statistics

Item	Factor Loadings	Cronbach alpha*	Composite reliability ρ_A	Composite reliability ρ_C
Performance 1	0.91	0.93	0.94	0.95
Performance 2	0.94			
Performance 3	0.93			
Performance 4	0.88			
Franchisee network ID 1	0.74	0.78	0.81	0.87
Franchise network ID 2	0.86			
Franchisee network ID 3	0.90			
Franchisee support 1	0.97	0.94*	0.94	0.97
Franchisee support 2	0.97			
Affective commitment 1	0.94	0.93	0.94	0.94
Affective commitment 2	0.89			
Affective commitment 3	0.86			
Affective commitment 4	0.79			

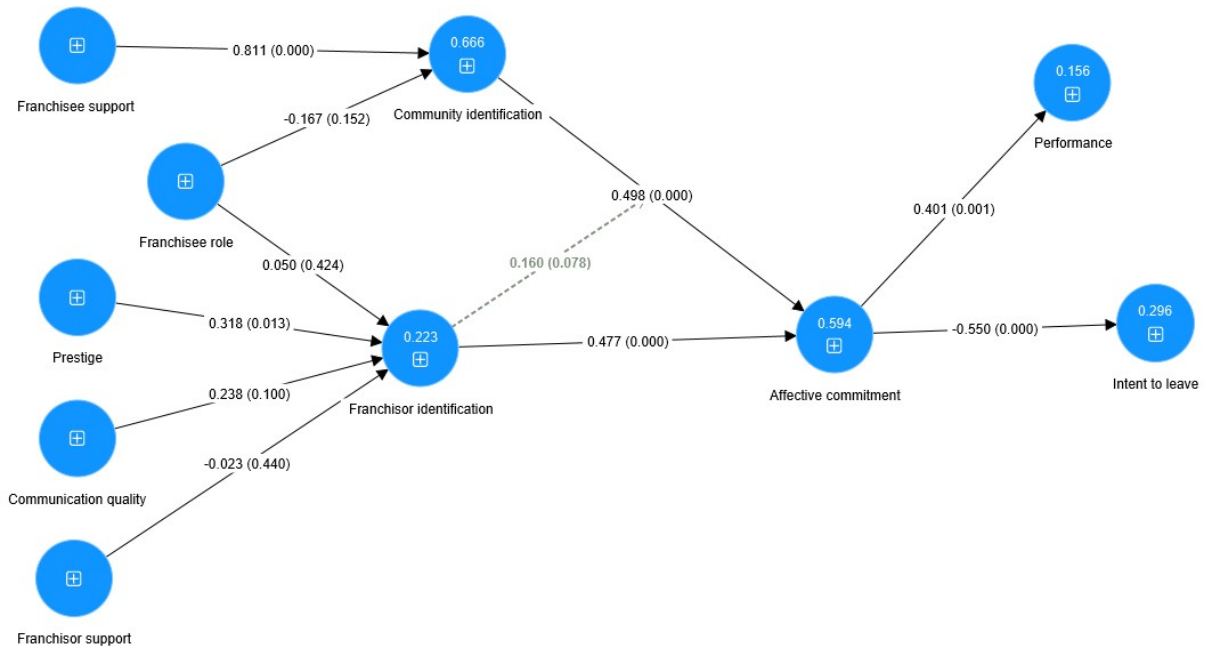
Affective commitment 5	0.87			
Affective commitment 6	0.76			
Communication quality 1	0.92	0.94	0.94	0.95
Communication quality 2	0.97			
Communication quality 3	0.94			
Franchisor support 1	0.96	0.87*	0.96	0.93
Franchisor support 2	0.92			
Intent to leave 1	0.96	0.92*	0.92	0.95
Intent to leave 2	0.96			
Prestige 1	0.80	0.72*	0.93	0.87
Prestige 2	0.95			
Franchisor ID 1	0.92	0.81	0.85	0.88
Franchisor ID 2	0.82			
Franchisor ID 3	0.80			

* Spearman-Brown statistic is provided for 2-item constructs according to Eisinga et al., (2013).

Structural Model

We began our assessment by analyzing the collinearity of the endogenous variables of the structural model. All Variance Inflation Factors (VIF) are smaller than 1.970 and the average VIF in all regressions is smaller than 1.481. These values are far from 4 or 10, which are the typical threshold indicating relevant collinearity problems (O'Brien, 2007). Next, we analyzed the path coefficients or standardized regression weights (β) and the variance explained (coefficient of determination, R^2) to determine the explanatory power of the model (Hair et al. 2014). We used a bootstrapping technique (10,000 re-samples) to generate standard errors and t-statistic values, which allowed us to evaluate the path coefficients. Table 3 presents (1) the path coefficients, along with the standard deviations (in brackets) and their significance, (2) the coefficient of determination (R^2). Figure 2 also summarizes the results.

Fig 2 Structural Model Results



Coefficients (*p* values)

Third, due to our small sample (63 cases), we performed a post-hoc statistical power analysis of all endogenous constructs, using the statistical package G+ Power 3 (Faul et al. 2009) and Smart PLS 4. Statistical tests confirmed that the R^2_{adj} are significantly different from zero for all of the endogenous constructs. Further, we determined that the statistical power met the commonly accepted standard of 0.80 (Cohen 1988) for *intent to leave*, *affective commitment*, *franchisee network identification*, and *performance*, with only the statistical power for the main interaction

effects of *franchisor identification* slightly below at 0.76. Thus, despite the small sample size, we have adequate statistical power to be confident that the statistically significant relationships we find are representative of the population.

The results in Table 3 show that both identifications with the franchisee community and the franchisor are significant in explaining the affective commitment of the franchisee, supporting H1 and H1b. The interactive effect of franchisor and franchisee network identification is of marginal significance, suggesting partial support for H1c. In turn, affective commitment has two statistically significant effects on the outcome. On one hand, franchisees perceive that their performance is higher than their peers, the higher their affective commitment (and identification) with the franchisor, which supports H2. On the other hand, affective commitment also negatively affects the intention to leave, supporting H3. Lastly, among the antecedents, franchisor prestige is the only significant explanation why the franchisee identifies with the franchisor, thus supporting H4, although communication quality (H5) is found to be of marginal significance. H6 remained insignificant and is not supported. No significant differences were found in the strength of identification of those franchisees who are actively involved in the operations of their franchise outlet compared with those who had a more strategic or passive role. We found a statistically significant antecedent for franchisee network identification with their community of peers: the support they receive from their peers (H7). As predicted, the support multibrand franchisees obtain from the franchisee network promotes identification. When interpreting this result, however, we should be mindful of the discriminant validity problems observed between these two variables. Although we should be cautious with this result, the influence of franchisee network identification on affective commitment is significant and robust ($\beta=0.498$; $p<0.01$) and larger than the effect of franchisor identification ($\beta=0.477$; $p<0.01$).

Table 3 SEM Path Analysis (N: 63 cases)

Endogenous variables	Regressors	Path coefficients (Standard deviation)^a
<i>Performance</i>		
	<i>Affective commitment</i>	0.401*** (0.128)
	R Square Adjusted	0.142
<i>Intent to leave</i>		
	<i>Affective commitment</i>	-0.550*** (0.091)
	R Square Adjusted	0.284
<i>Affective commitment</i>		
	<i>Franchisee network identification</i>	0.498*** (0.129)
	<i>Franchisor identification</i>	0.477*** (0.104)
	<i>Franchisee network identification * Franchisor identification</i>	0.160* (0.113)
	R Square Adjusted	0.574
<i>Franchisee network identification</i>		
	<i>Franchisee support</i>	0.811*** (0.055)
	<i>Franchisee role</i>	-0.167 (0.163)
	R Square Adjusted	0.655
<i>Franchisor identification</i>		
	<i>Franchisor support</i>	-0.023 (0.155)
	<i>Communication quality</i>	0.238* (0.185)
	<i>Prestige</i>	0.318** (0.143)
	<i>Franchisee role</i>	0.05 (0.263)
	R Square Adjusted	0.169

*** p<0.01; ** p<0.05; * p<0.10

^aThe standard deviation (and t-value) is computed using a bootstrapping technique with 10,000 subsamples (Henseler et al. 2015).

This also makes the total effect of *franchisee network identification* ($\beta=-0.274$; $p<0.01$) on intent to leave more determinate than the total effect of franchisor identification ($\beta=-0.262$; $p<0.01$). As a robustness check, we repeated the analysis using intention to grow as the second performance measure (as a substitute for intent to leave). The significance of the path coefficients is similar to the model we present.⁴ Given the consistency of our results across both models, we consider our findings to be quite robust.

Whilst the results from the moderation effect were only of marginal significance, it was felt this warranted further exploration to better understand how congruence and divergence between franchisor identification and franchisee network identification impacted affective commitment, as simple moderation alone cannot provide insights into the effects of different combinations of the two variables. We therefore employed polynomial regression using the technique outlined by Shanock et al. (2010). This sophisticated statistical technique is particularly relevant when seeking to understand how different combinations of two predictor variables relate to an outcome variable, and where the discrepancy or incongruence between the two predictor variables is a key consideration (Shanock et al., 2010; Watson et al., 2016). As proposed by Shanock, we first centered the predictors (*franchisee network identification* and *franchisor identification*) around the midpoint of their scales. As can be seen from Table 4, the response surface analysis suggests that the relationship between the predictor variables and affective commitment is linear (as indicated by the significant line of agreement, a_1). The positive coefficient indicates that as both franchisor and franchisee network identification increase, so too does affective commitment. The significant and negative a_4 (line of incongruence) suggests that affective commitment decreases as the level of discrepancy between franchisee network identification and franchisor identification increases. The

⁴ The second model, using intention to grow, is not presented for reasons of space.

non-significant a_3 suggests that the direction of discrepancy is not important, rather just its presence. We thus find support for H1c.

Table 4 Results of the Polynomial Regression

	Beta	Standard Error
Constant	2.968***	0.140
Centered Franchisee ID	0.397**	0.186
Centered Franchisor ID	0.610***	0.131
Centered Franchisee ID squared	-0.192**	0.083
Centered Franchisor ID squared	-0.132	0.080
Centered Franchisee IDxFranchisor ID	0.293*	0.131
R square adjusted	0.592	
Surface analysis tests		
a_1	1.01***	
a_2	-0.03	
a_3	0.21	
a_4	-0.62***	

DISCUSSION OF STUDY FINDINGS

Through an integration of multiple streams of recent research, we set out to extend our knowledge of organizational identification by exploring the antecedents and outcomes of multiple identification in the unique context of franchising. The literature on organizational identification has explored identification in a large range of different organizational settings, in terms of sectors and cultural contexts. However, studies which have considered organizational identification outside of an employee setting are relatively rare. Through our examination of organizational identification by multibrand franchisees – quasi independent entrepreneurs operating within more than one ‘super-organization’ – we provide new insights into the different forms of identification that might be experienced and their impacts, outside of employee-employer contexts, and where an individual is beholden to more than one master. Our findings suggest, in keeping with more traditional contexts, that identification plays an important role in how organizational members perform. More specifically, we find that franchisee network identification and franchisor identification are positively related to franchisees’ affective commitment to the franchise system, and in turn their performance, and negatively related to their intention to leave.

The potential for organizations to comprise multiple identities is an area of growing interest among organizational identity scholars (Foreman & Whetten, 2002). Whilst unfortunately the sample size of the survey data collected meant we were unable to explore the antecedents and outcomes of all of our hypothesized forms of identification, an important contribution of our study is the confirmation of the existence of multiple levels and forms of identification in franchise systems. We find evidence that multibrand franchisees experience three forms of identification: *parent identification*, *franchisor identification* and *franchisee network identification*. Of these, *parent identification* is likely to be a particular feature of multibrand franchisees, who may operate different franchise brands owned by the same parent company. Despite the increasing complexity of franchisor corporations, the relationship between the brands and their corporate owners is an area

which has received little attention in the franchise literature, but given our findings, this could be a fruitful area for future research. Although we do not find evidence that the fourth of our hypothesised forms of identification, *brand identification* is distinct from *franchisor identification*, this finding is not surprising, given that the franchisor owner and the brand are often seen as one and the same, until changes in ownership or the culture of the organization occur (Lawrence & Kaufmann, 2019). Thus, brand and franchisor identification may only emerge as distinct entities when the relationship is troubled – indeed, the presence of distinct identities could be an indication of turmoil within the system. The findings suggest in keeping with Bednar et al. (2020) that identification may be dynamic. Exploring identification before and after an event (such as a change in franchisor) could thus provide insights into the circumstances and consequences of divergent brand and franchisor identification and be a relevant direction for future research.

Whilst we did not have sufficient sample size to explore all forms of identification associated with franchise systems, our findings in relation to the impact of congruence (and discrepancy) between franchisor and franchisee network identification (H1c) emphasize the importance of congruent identities. Our results show that where franchisees identify more strongly with either the franchisor or the franchisee network this negatively impacts affective commitment. Thus, in keeping with other studies of multiple identification (Wieseke et al., 2012), we find that dual identities have an interactive effect on outcomes such as affective commitment. The findings highlight for franchisors the importance of ensuring that values within the system are aligned, to help promote congruence in identification. In this regard, careful selection of franchisees, and maintenance of positive franchisor-franchisee relationships are likely to be key.

IMPLICATIONS FOR RESEARCH AND PRACTICE

Our study extends the multiple identification literature through our examination of how multiple identifications may compete or complement one another, an aspect which has received

limited empirical attention (Marstand et al., 2021). Therefore, we contribute to knowledge of how multiple identifications may interact. Given our sample size, we focus on two key forms of identification within the franchising context; franchisee network identification and franchisor identification. Interestingly, no one form of identification appears to be more important than the other, but divergence in identification between these two focal groups has a negative impact on affective commitment, and in turn performance. By employing polynomial regression with response surface analysis we are able to provide more nuanced insights into how divergence and convergence of these two focal identifications impact affective commitment, compared with simple moderation analysis.

Amongst our hypothesized antecedents of franchisor identification, we found franchisor prestige as the only significant explanatory factor. This implies that franchisees place great value in the franchisor's reputation and value respect in the franchisor-franchisee relationship. It may also reflect the significance they place on their own self-respect within the network in the process of identification. Indeed, several studies have found that the more employees perceive their organizations to be prestigious, the greater the likelihood that there will be an increase in their self-esteem through identification (Bartels et al., 2007). As Fuller et al. (2006) explain, the literature suggests that organizational identification is not just based on perceived external prestige (i.e. individuals' assessment of organizational status), but it is also based on perceived internal respect (i.e. individuals' assessment of their own status within the organization). Fuller et al. (2006) argue that individuals tend to identify with prestigious organizations because their membership within these organizations strengthens their self-esteem and their need for self-enhancement. Our findings, thus, suggest that franchisor prestige may enhance franchisees' self-respect, and thus influences franchisor identification. The lack of support for some of our hypothesized antecedents of identification (e.g., the perceived quality of franchisor communication with franchisees, and the perceived organizational support from the franchisor) may be the result of complexities in the identification process within franchise systems. One explanation for this is that the lack of a direct

relationship may suggest an indirect influence via factors hitherto not considered. It is also worth noting that for single brand franchisees, the drivers for identification may be different than for multibrand franchisees. For example, multibrand franchisees have access to multiple franchisor partners which may mean they are less reliant on franchisor support services from any single brand.

The positive influence of franchisee support on franchisee network identification found in this study provides insights into the crucial role of franchisee-franchisee relationships. Although there has been substantial research on the franchisor-franchisee relationship, less is known about the relationships maintained between franchisees (Watson et al., 2020). Extant literature indicates that identification should encourage behaviors that align with organizational values and norms (Fuller et al., 2006). The findings from this study demonstrate that both franchisee support and franchisee network identification may be instrumental in fostering pro-organizational behaviors amongst franchisees as evident from the ensuing effect of franchisee network identification on organizational affective commitment.

Our research has practical implications for franchisors. Whilst franchisors may consider that identification with the franchise organization is of primary importance, given the relationship with affective commitment and performance outcomes, our results highlight that franchisors should also seek to promote identification among the franchisee network to enhance performance outcomes. As Lawrence and Kaufmann (2011, p. 298) note, franchisee communities can “act as rich repositories of institutional knowledge”, and thus, providing opportunities for franchisees to share their experience and promoting peer learning are important. Research by Watson et al. (2020) suggests that mentoring opportunities can foster franchisee interconnectedness, and Franchisee Advisory Councils (FACs) can help enhance information and knowledge flows between franchisees. Combined, the findings suggest that instead of promoting intra-network competition, systems which seek to develop a sense of ‘family’ may benefit from enhanced franchisee network identification, which when accompanied by strong franchisor identification will lead to improved performance outcomes.

LIMITATIONS AND FUTURE RESEARCH

From a data collection perspective, the small sample size in this study may limit generalization of the findings. Hence, it will be useful for future research to undertake large scale comparative studies. These may include longitudinal studies examining the long-term effect of multiple identification, especially given that, as noted by Bednar et al. (2020), identification may be dynamic, and the identification trajectory may have important implications for an individual's cognitive, affective and behavioral response. Within the context of franchising, it could be interesting to explore franchise systems which have experienced changes in management, or those recently acquired by private equity companies to explore if divergences in franchisor and brand identification emerge, and the consequent behaviors. Qualitative methodologies (such as ethnographic studies) may also be employed to provide greater in-depth understanding on how franchisees manage challenges associated with multiple identities.

With respect to the framework developed in this study, opportunities abound to extend our framework of the identification process in various ways. There is a need to understand what drives the antecedent factors of franchisor and franchisee network identification (i.e. what are the drivers of franchisor, franchisee and franchisee network attributes?), and for different types of franchisee – single unit/single brand, multi-unit, as well as the context here – multi-unit/multi brand. For example, organizational visibility and employee status level have been found to be related to perceived external prestige (Fuller et al., 2006) and fairness and procedural justice are associated with perceived organizational support (Zhang et al., 2012). These findings could provide insights on factors that can act as drivers of franchisor, franchisee and franchisee network attributes in the identification process in franchising.

Studies on alternative potential outcomes could further advance knowledge on the identification process in franchising. In addition to affective organizational commitment, Lee et al.

(2015) found organizational identification to be significantly associated with other key attitudes (i.e. job involvement and job satisfaction). Similarly, Karanika-Murray et al. (2015) found organizational identification, through the mediation effect of work engagement, to be positively associated with job satisfaction. Based on these prior studies, future research can explore whether identification relates to other attitudes (such as franchisee involvement and satisfaction), and the potential mediators of the relationship. A deeper exploration in relation to different types of behavior directed at different foci (unit, franchisor, franchisee networks) could provide further insights into how different forms of identification influence different types of outcome.

Altogether, this study provides new insights to the organizational identification literature by exploring the antecedents and outcomes of multiple identification in an organizational work context outside of a traditional employee-employer context. Further, we contribute to the franchise literature by providing new understanding into the importance of both franchisor and franchisee network identification on franchisee behaviors, and provide insights into how franchisors can enhance both franchisor and franchisee network identification within their brands. Since organizational identification plays an important role in influencing conducive organizational behavior, it has been emphasized that managers need to develop insights into the antecedents of identification (Bartels et al., 2007). We hope that this study will spur more scholarly research on organizational identification in franchising, but also in other organizational contexts where multiple identification may create potential conflicts.

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APPENDIX

Scales and Factor Loadings

Constructs	Source	Items	Loadings (λ)
Performance	Adapted from Mignonac et al. (2015)	As compared to other similar franchisees in this franchise organization, our performance is very high in terms of sales growth.	0.91
		As compared to other similar franchisees in this franchise organization, our performance is very high in terms of profit growth.	0.94
		As compared to other similar franchisees in this franchise organization, our performance is very high in terms of overall profitability.	0.94
		Compared to other franchisees in this franchise organization, my outlet(s) is/are performing well.	0.88
Franchisee network identification	Adapted from Algesheimer et al. (2005)*	I am very attached to the franchisees in this system.	0.74
		Other franchisees in this system and I share the same objectives	0.86
		I see myself as a part of this franchisee community	0.90
Franchisee (community) support	Adapted from Lee (2013)*	My fellow franchisees have helped me on the job in various ways.	0.97
		My fellow franchisees are usually willing to offer their assistance or advice.	0.97
Affective commitment	Mignonac et al. (2015)	I really feel a sense of belonging to my franchise organization.	0.92
		I am proud to belong to this franchise organization.	0.88
		I feel emotionally attached to my franchise organization.	0.85
		I really feel as if my franchise organization's problems are my own.	0.79
		I feel like "part of the family" at my franchise organization.	0.86
		This franchise organization has a great deal of personal meaning for me.	0.75
Communication quality		The information this franchise organization provides us with is timely.	0.91

	Adapted from Badrinarayanan and Laverie (2011)*	The information this franchise organization provides us with is adequate.	0.96
		The information this franchise organization provides us with is accurate.	0.94
Franchisor support	Adapted from Edwards and Peccei (2010)*	This franchise organization cares about my general satisfaction at work.	0.96
		This franchise organization really cares about my well-being.	0.92
Intent to leave	Mignonac et al. (2015)	How likely is that you will voluntarily leave your franchise organization when your current franchise agreement expires?	0.96
		How likely is it that you will review your franchise agreement at the end of the current term? (reverse coded)	0.96
Intent to grow	Mignonac et al. (2015)	I intend to own one or several additional units of this franchise organization in the next two years.	0.90
		Within the next six months, I intend to acquire an additional unit of this franchise organization.	0.67
		I don't plan to own additional units of this franchise organization (reverse coded).	0.80
Prestige	Adapted from Kraus et al. (2015)*	People in my industry think this franchise organization is a well-known company.	0.80
		People in my industry think this franchise organization is a prestigious company.	0.95
Franchisor identification	Adapted from Mael and Ashforth (1992)*	When someone criticizes this franchise organization, it feels like a personal insult.	0.92
		I am very interested in what others think about this franchise organization.	0.82
		If a media story criticized this franchise organization, I would feel embarrassed.	0.81
Franchisee role		1: totally passive or slightly active (strategic) role: 0: otherwise (active role in operations)	n.a.

* One or more items removed from original scale to meet reliability/discriminant validity thresholds