

# International franchising governance mode choice: A stakeholder perspective

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## **Abstract**

This article aims to analyze the international franchising governance mode choice through the stakeholder perspective, verifying the influence of internal and external stakeholders on the franchisor decision. A quantitative analysis is employed using Brazilian Franchising Association data related to 463 observations of franchisors operations in each foreign market and databases from the International Monetary Fund and Global Entrepreneurship Index. We find that business groups, government agencies, and host markets' networks of stakeholders influence Brazilian franchisors' choices. The article contributes to the entry mode and franchising literature by including the stakeholder theory in the analysis of international franchising governance mode choice, shifting the one-dimensional focus of the rational models of mode choices to a dynamic approach that considers other franchise system stakeholders.

**Keywords:** *International franchising; Governance Mode; Stakeholder Perspective*

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