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Influence of Competitive Aggressiveness and Autonomy on Franchisees' Outlet Performance and Overall Satisfaction: A Qualitative Analysis

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Abstract

Over the past few years, the relevance of the Nigerian franchise industry has taken the turn for the worse as millions of dollars of potential revenues and profits have been lost. Meanwhile, many scholars have observed that the personality characteristics, such as competitive skills and the level of control at the disposal of franchisees may have a role to play in the success of their outlets. No prior empirical study has investigated the influence of competitive aggressiveness and autonomy on franchisees' business outcomes and overall satisfaction in Nigeria. The objective of this study is to explore the influence of these two entrepreneurial orientation factors on franchisees' business performance and overall satisfaction. Face-to-face in-depth interview involving 26 franchisees was used to collect data from across different franchise brands in Nigeria. It was found that each of the two factors investigated has different level of influence on franchisees' business performance and overall satisfaction. The study provides a rare exploratory insight into these two factors and relate them to franchisees' performance in Nigeria, thereby strengthening theory in the subject. The study offers some recommendations that will potentially help to improve franchising practice in the country and possibly around the world.

Key Words: Competitive Aggressiveness, Autonomy, Franchisees' Performance, Franchisees' Overall Satisfaction

Introduction

Early signs, particularly between the year 2001 and 2010, of growth of the franchise industry made many pundits to conclude that Nigeria was a viable market for franchise development (Agu, 2013; Sotos & Hall, 2007). A survey by the US Commercial Service in 2010 valued the market size of the industry at about US$25 billion (Agu, 2013). It was also thought that the Nigerian franchise industry is a potential market of over US$100 billion in annual sales (Agu, 2013) arguably with a capacity to create thousands of jobs. As a confirmation of the proven potentials of the country's franchise industry, it was reported that between 2010 and 2011 alone, the International Finance Corporation (IFC) invested a total of US$28.5 million in two of the country's franchised quick service restaurants – Food Concept PLC and Tantalizers (Agu, 2013). Up till early 2012, the country's franchise industry was experiencing explosive growth, prompting many experts to predict that the industry will record much greater growth over several years in the future (Ndumanya & Quadri, 2014).

However, over the last couple of years beginning from late 2012, the Nigerian franchise industry has witnessed a steep decline in relevance. The financial performance of Mr Bigg's – the largest (by number of outlets) and leading franchise system in Nigeria has been below par since 2013. Its revenue was down 20% while profits dropped by a staggering 63% at the end of 2014 (UAC, 2015). Its efforts to shore up performance by divesting 49% stakes to Famous Brands of South Africa in 2013 – in the hope of leveraging the latter's expertise – has not helped much as it continued to record loses with sales revenues going down further by 19% (year-on-year) while profit before tax recorded a further decrease of 88% (from US$189,500 to US$21,500) in the first quarter of 2015 (UAC, 2015). The half-years 2016 report of the parent company – UAC Nigeria (where it still constitutes substantial percent of the portfolio) showed that sales were down 2% while profits decreased again by 16% (UAC, 2016). The number of outlets also shrunk considerably from almost 300 in 2012 to under 150 currently (UAC, 2016). This is more than 50% closure rate within a span of 4 years. Further, Tantalizers which is the second largest franchise system, has also been operating on a losing streak since 2012. The company which was doing so well and attracted the IFC to invest in it in 2010 has declared loses in the last four years consecutively (N303.3m in 2012, N564.8m in 2013, N784.2m in 2014 and N707n in 2015) totalling N2.36 billion (US$118,032,786) (Nairametrics, 2015, 2016). Many industry observers believe that this situation has forced IFC to declare its loan to the company a bad debt.

The poor performance of the systems as well as paucity of studies on franchising practice generally (Dant, Grunhagen, & Windsperger, 2011) stimulated the interest of the researchers to investigate the likely factors that may have bearing on outlets' performance. Meanwhile, many scholars have speculated that the personality characteristics of franchisees are likely to play a key role in the performance of their outlets (Dant, Weaven, & Baker, 2013; Soontiens & Lacroix, 2009; Weaven, Grace, & Manning, 2009). A key aspect of franchisees' personal quality that most previous studies have focused on is their entrepreneurial orientation (Chien, 2014; Dada, Watson, & Kirby, 2015). Entrepreneurial orientation (EO) is basically an 'entrepreneurial strategy-making processes' that managers and decision makers in organizations use to create corporate purposes, maintain vision and assure competitive advantages for their entities (Rauch *et al.*, 2009:769).

The relevance of EO to organizations of all types especially a business firm are well noted in the literature. EO makes it possible for a firm to achieve and maintain a healthy degree of market relevance as it is about market-driving activities and innovation of products and services that may delight customers (Cools & Van den Broeck, 2008; Lumpkin & Dess, 2001). Firms with high EO have better capacity to sustain visions, realize their goals and achieve enduring competitive advantage (Rauch *et al*., 2009). Alliance firms that are high on EO tend to lead others, readily accept new ideas, enjoy first-mover advantage and are more enthusiastic about their business success (Jiang *et al*., 2014).

However, while this all-important concept (i.e. EO) has received reasonable research attention in other forms of entrepreneurial settings such as SMEs (Arshad, Rasli, Arshad, & Zainc, 2014), family business (Chien, 2014), women-owned businesses (Mahmood & Hanafi, 2013) and large corporations (Zur, 2013), only a few studies have attempted to understand the relevance of the concept in a dyadic business relation like franchise, especially from the perspective of franchisees. The few EO studies that are contextualized in franchising concentrate mainly on the concept's relevance to franchisor organizations (e.g. Dada & Watson, 2013; Swierczek & Ha, 2003). Nonetheless, franchisees are usually expected to demonstrate appreciable entrepreneurial skills and capabilities in the running of their outlets (Dada, Watson & Kirby, 2015). Additionally, in many, if not all of the few EO studies so far conducted in the context of franchising, full complement of the elements that make up the construct as reported in the literature are rarely investigated (Chien, 2014; Dada *et al*., 2015). For example, albeit both competitive aggressiveness and autonomy are among the generally known dimensions of entrepreneurial orientation (Rauch *et al*., 2009), their respective influence on franchisees' business outcomes have received little or no research attention. As a theoretical relevance, such a study will help to verify the argument of Rauch *et al*. (2009) that each of the dimensions of entrepreneurial orientation may affect firm performance differently and hence should be studied independently. More specifically, given that franchisees are expected to demonstrate competitive skills (Boulay & Stan, 2013; Dada *et al*., 2015) just like innovativeness and proactive tendency, it is curious that no known study has attempted to specifically investigate the effect of such skills on their business outcome. More so, although it is generally known that business format franchise model provides little room for control and self-directed behaviours for franchisee (Frazer, Merrilees, & Wright, 2007; Lagarias & Boulter, 2010), many scholars have recommended that franchisees should be given adequate room for independent action in running their outlets (Lagarias & Boulter, 2010) as most of them join the franchise system with the expectation that they would be allowed some freedom to realize their entrepreneurial ambition (Frazer, Weaven, Giddings, & Grace, 2012). The extent to which such freedom contribute to franchisees' business performance is yet to be empirically known and that is a key focus of this study. Overall, the study attempts to achieve two main objectives viz.

i. To examine the influence of competitive aggressiveness on franchisees' business performance and overall satisfaction.
ii. To analyze the influence of autonomy on franchisees' business performance and overall satisfaction.

Literature Review

Franchising is a business relationship wherein one party (franchisor) permits the other (franchisee) to run a replica of a business system that has been proven to have a measure of success (Duckett, 2008). Usually, as a price for the opportunity to benefit from a proven business system, franchisees are often required to pay some fees such as the initial franchise or license fee and regular royalties which in most cases is an agreed percentage of sales revenues (Aliouche & Schlentrich, 2009).

There are two variants of franchising, namely: product distribution franchising and business format franchising (Gillis, 2007). Product distribution franchising involves only the licensing of a brand name to a third party firm to transact an independent business (Killion, 2008). Example of this arrangement can be seen in the relationship between Coca-Cola and its numerous bottlers around the world. Oil and gas retailing industry is another good example of product distribution franchise. Other examples can be found in the automotive industry where an auto dealer is allowed to run his own independent dealership using the name of the auto manufacturers whose cars he/she distributes.

Business format franchising which is the focus of this study, is a continuing business partnership whereby the franchisor (a firm with a reputable brand and proven business concept) grants the franchisees (an independent individual or firm), the rights to undertake an independent business using the franchisors' brand name and complete business processes (Aliouche & Schlentrich, 2009). In return for these rights and the benefit therefrom, the franchisee would pay some applicable fees such as franchise (licence) fees, management fees, regular royalty and advertising contribution (Lindblom & Tikkanen, 2010; Michael, 2000; Shane, 2005; Sorenson & Sorensen, 2001).

Measures of Franchise Business Performance

While studies on franchisors' performance usually measure organizational outcomes by such terms as sales & profits growth, outlet growth and system survival (Nijmeijer, Fabbricotti, & Huijsman, 2014) as most of them are publicly quoted company whose data is available, it is usually difficult to access the financial records of franchisees who are mainly MSMEs and privately owned. Hence most studies focus on obtaining franchisees' subjective assessment of their financial performance and non-financial aspects of performance such as overall satisfaction (Altinay, Brookes, Madanoglu, & Aktas, 2014). Indeed, overall satisfaction in particular has been recognized to be better determinants of franchisees' business outcomes and commitment as well as the long-term health of a franchise system (Lucia-Palacio, Bordonabe-Juste, Madanoglu, & Alon, 2014).

Franchisees' Overall Satisfaction: Research in franchisees' overall satisfaction is presumed to be rooted in the concept of consumer satisfaction (Bordonabe-Juste & Polo-Redondo, 2008), as franchisees are usually seen not just as business partners to franchisors but also in many ways as their customers (Abdullah *et al.*, 2008; Frazer & Winzar, 2005). In the marketing literature where overall satisfaction has its root, it is defined as the degree of fulfilment or contentment with key aspects of business relationship with the other party (Chiou, Hsieh, & Yang, 2004; Eser, 2012).

Given the above background, franchisees' overall satisfaction can thus be defined as the pleasurable fulfilment, feeling of contentment arising from the conscious appraisal or cognitive evaluation of every aspects of franchisees' overall experience with joining the franchise system. Fulfilment could be both financial and non-financial. In effect, franchisees' overall satisfaction is the affective state of being rewarded higher than or at least equal to the opportunity cost of joining a franchise system instead of starting an independent business.

Many scholars have indeed argued that franchisees' overall satisfaction is an important measure of franchise unit performance in the sense that most measures of franchisees' overall satisfaction include both financial and non-financial indicators, making it a robust and all-inclusive determinant of performance (Abdullah *et al*., 2008).

Empirical Literature on Competitive Aggressiveness and Autonomy

Competitive Aggressiveness indicates a firm's or an individual's intense drive to outshine and get ahead of rivals within the market or industry, and it is often 'characterized by a combative posture and a forceful response to competitor's actions' (Lumpkin & Dess, 2001:431). Similar to their findings on risk-taking, Campo *et al* (2012) found that albeit aggressiveness is a vital character of an entrepreneur, it does not always lead to superior organizational performance.

This is in line with Porter (1979)'s observation that excessive competitive rivalry among firms in an industry reduces the profit margin that each firm could make.

Autonomy refers to a firm's or group's capacity to act independently towards the realization of set objectives such as initiating a new venture and exerting every necessary action to make it successful (Lumpkin & Dess, 2001; Rauch *et al*., 2009). Autonomy is often associated with setting ones' own goals and evolving ones' own plan of action towards achieving set goals (Rauch & Frese, 2007), characterized by tendency to avoid or even rebel against environment that constrains independent actions. It is also sometimes seen as the capacity to function effectively in an independent environment (Campo, Parra, & Parellada, 2012). In franchising, it has been noted that since most franchisees join the network as a means of realizing their entrepreneurial ambition (Frazer *et al*., 2007), mounting too much constraints on the operations of their outlets has the potential to invoke a sense of disappointment in them (Cochet, Dormann, & Ehrmann, 2008) and consequently, the risks of undesirable behaviours. Indeed, in their study of the challenge of autonomy and dependence in franchised channels, Dant & Gundlach (1999) concluded that franchisees that are granted autonomy are more motivated to perform than others who are given none. Similarly, Cochet *et al*. (2008)'s study on capitalizing on franchisees' autonomy, involving a sample of 208 German franchisees concluded that granting franchisees autonomy can enhance chain-wide adaptation and improve franchisees' overall satisfaction. In the same vein, Davies *et al* (2011)'s study that culminated into the development of their famous model of trust and compliance in franchising found that a major cause of conflict and franchisees' dissatisfaction is lack of autonomy and that franchisees' autonomy is necessary to reduce distrust and non-compliance. However, many scholars have warned that care must be taken by franchisors in granting autonomy to their franchisees. For example, Cochet *et al* (2008) stressed that in order to counterbalance and leverage the benefits of giving a room for independent actions through the granting of autonomy, franchisors need to put an excellent relational governance structure in place. Davies *et al* (2011) similarly advised that autonomy must not be granted blindly as it has the potential to increase agency costs if it is not properly managed through alignment with a mutually beneficial goal.

Methodology

The Design of the Study

The objective of the study is to explore and gain a deep insight into the relevant issues – competitive aggressiveness and autonomy as influences on franchisees' business performance and overall satisfaction. The data collection approach adopted for the investigation was qualitative, specifically face-to-face in-depth interviews. The approach is seen to be most appropriate for an emerging research area like franchising (Dant *et al*., 2011; Ketchen, Short, & Combs, 2011) where not much is understood especially on the application of the business model in different contexts (Dant *et al*., 2011).

Population and Sample Selection

There are currently about 420 franchise outlets in Nigeria with about 350 franchisees operating in such diverse industries as retailing, hotels & hospitality, quick service restaurants/food & beverages, transport, education & IT, and so on (Ndumanya & Quadri, 2014; Olotu & Awoseila, 2011; The Nigerian Franchise Directory, 2013).

Consistent with the qualitative nature of the study, the non-probability sampling techniques of purposive, and in a few cases, snowballing were used to select appropriate subjects for the investigation (Alharbi, 2014; Altinay, Brookes, Yeung, & Aktas, 2014; Brookes & Altinay, 2011; Frazer *et al*., 2012). Efforts were made to first contact and get the consent of key informants to participate in the study. The specific types of respondents sought and were reached with the sampling methods include: owners, that is, franchisees (or their knowledgeable representative like unit manager) of fairly older outlets (more than three years in operation) as they are likely to have reasonable experience with the focal issues of the investigation and have probably seen the intricacies of the business model generally; owners of well-performing franchise outlets; owners of poorly performing franchise outlet; former franchisees; franchise outlet owners in different parts of Nigeria as experience and observation reveal that there exist some differences in business sophistication and entrepreneurial behaviours of people form these different zones.

Data Collection

Using contacts of the franchisees found on the websites of most of the franchise systems and subsequently a few walk-in to some outlets, the researchers initially contacted 50 franchisees for possible participation in the face-to-face interviews. Eventually, a total of 26 franchisees were interviewed and this number is considered to be a reasonable sample size for a study of this nature as it is within the recommended range of 20-30 deem adequate to reach saturation (Corbin & Strauss, 2008; Creswell, 2007).

To guarantee consistency throughout the interviews and enhance the overall reliability of approach (Yin, 2014), the case study protocol was used as a guide. The protocol spells out the steps and procedures that must be undertaken before, during and immediately after each interview. The interview questions which were prepared based on the objective of the study, were designed to seek participants' responses to broad questions relating to the focal issues of the study. Other appropriate follow-up questions were asked as successive interviewees told their stories.

All interviews were conducted within the franchisees' business premises and tape-recorded haven obtained their informed consent to do so. Each interview lasted for between one to one-and-half hours. Notes were taken throughout the interviews. In line with the suggestion of Corbin & Strauss (2008), memos were also written by the researcher immediately after each interview. This was done to capture the thoughts and impressions of the researchers with regards to what the participants said. The memos do not form part of the data but merely an instrument to reflect and interpret both the spoken and unspoken words of the respondents.

Techniques of Data Analysis

The interviews were subsequently transcribed with the help of a manual transcription software called *Transcriber Pro* (version 1.0.3.1). In order to ensure that what has been transcribed is exactly what the respondents said, the researchers carefully went through each transcription while listening to the tape again. The transcribed interviews were sent to the respective interviewee for confirmation. All 26 came back affirmed with minor correction.

With the analytical codes developed in advance based on existing literature (Doherty, Chen, & Alexander, 2014), the transcribed interviews were categorized using Corbins & Straus (2008)'s step-wise advice. On the basis of the themes and sub-themes (and in some instances, sub-sub themes) that emerged, data was loaded into the latest version of NVivo (version 11). NVivo is one of the most popular data analysis software commonly used in qualitative research (Myer, 2013:177). The researchers used the software to visualize data, uncover connections, justify findings and assist in report writing.

In all, there were two themes and several within theme issues that emerged as table I shows.

Table I: Themes and within theme issues explored

Main Theme	Issues within theme
Competitive Aggressiveness	Personal assessment of franchisees' outlet's performance relative to competing brands
	Franchisees personal view of competition
	Influence of competition on outlet performance and overall satisfaction
Autonomy	The experience of franchisees in terms of freedom for independent action
	Extent to which opportunity for independent action (i.e. autonomy) influence franchisees business performance and overall satisfaction

Source: Author's compilation.

Results and Findings

A total of twenty six (26) franchisees participated in the study. The participating franchisees are hereafter referred to as informants. The informants were drawn from across six franchise systems herein labelled simply as SYS1, SYS2, SYS3, SYS4, SYS5 and SYS6, cutting across six industrial sectors including quick service restaurants (QSR), retailing, transportation, telecommunication and mobile devices, and ice-cream vending. Table II gives detail business profile of the informants.

Due to the dominance of QSR sector which represents nearly 85% of the players in the Nigerian franchise industry (The Nigerian Franchise Directory, 2013), about two-third (18) of the informants were drawn therefrom. Three (3) of the interviewees come from the retail sector, two (2) sell ice-cream and related products, two (2) are from mobile phone sector and 1 runs a transportation firm. Nearly 50% of the respondents are from South West (particularly Lagos) – the commercial hub of the country where more than 50% of all franchise units in Nigeria operate. Other franchisees are from such other cities as Abuja (North Central), Port Harcourt (South South), Ibadan (South West), Abeokuta (South West), Kaduna (North West), Kano (North West), Jos (North Central), Lafia (North Central), Enugu (South East), Asaba

(South South) and Lokoja (North Central). Effectively, five of the six geo-political zones of the country are represented in this study. Security challenges did not permit the researcher to visit and interview franchisees in the sixth zone - the North-East where insurgent activities was going on.

Table II: Business Profiles of Informants

S/N	Informants/ Panelists	Designation	Organization	Unit Size	Sector	Location	Years in Business
1.	Informant 1	Franchisee	SYSTEM 1	Small	QSR	S/West	4Years
2.	Informant 2	Franchisee	SYSTEM 2	Medium	QSR	N/Central	4Years
3.	Informant 3	Franchisee	SYSTEM 2	Small	QSR	N/Central	3Years
4.	Informant 4	Franchisee	SYSTEM 1	Medium	QSR	S/South	5Years
5.	Informant 5	Franchisee	SYSTEM 1	Medium	QSR	S/East	3Years
6.	Informant 6	Franchisee	SYSTEM 1	Medium	QSR	N/West	7Years
7.	Informant 7	Franchisee	SYSTEM 1	Large	QSR	S/West	6Years
8.	Informant 8	Franchisee	SYSTEM 1	Medium	QSR	S/West	6Years
9.	Informant 9	Franchisee	SYSTEM 3	Large	Retail	S/West	5Years
10.	Informant 10	Franchisee	SYSTEM 2	Medium	QSR	S/South	4Years
11.	Informant 11	Franchisee	SYSTEM 1	Large	QSR	N/Central	8Years
12.	Informant 12	Franchisee	SYSTEM 2	Medium	QSR	N/Central	7Years
13.	Informant 13	Franchisee	SYSTEM 1	Medium	QSR	S/West	6Years
14.	Informant 14	Franchisee	SYSTEM 2	Small	QSR	S/West	6Years
15.	Informant 15	Franchisee	SYSTEM 1	Small	QSR	S/West	7Years
16.	Informant 16	Franchisee	SYSTEM 1	Medium	Mob.-Tele	S/West	6Years
17.	Informant 17	Franchisee	SYSTEM 3	Medium	Retail	S/West	10Years
18.	Informant 18	Franchisee	SYSTEM 4	Medium	Ice-C	N/Central	5Years
19.	Informant 19	Franchisee	SYSTEM 5	Medium	Trpt	S/East	4Years
20.	Informant 20	Franchisee	SYSTEM 2	Small	QSR	N/West	8Years
21.	Informant 21	Franchisee	SYSTEM 3	Large	Retail	N/West	6Years
22.	Informant 22	Franchisee	SYSTEM 1	Medium	QSR	S/South	8Years
23.	Informant 23	Franchisee	SYSTEM 4	Medium	Ice-C	S/West	5Years
24.	Informant 24	Franchisee	SYSTEM 1	Large	QSR	S/West	9Years
25.	Informant 25	Franchisee	SYSTEM 6	Medium	Mob-Tele	S/West	4Years
26.	Informant 26	Franchisee	SYSTEM 2	Medium	QSR	S/West	6Years

Source: In-depth Interview, 2016

Competitive Aggressiveness, Franchisees' Business Performance and Overall Satisfaction

Analysis of the in-depth interviews reveals that most of the respondents are equally split as to whether or not their outlets perform better than their competitors. However, it is clear from the informants overall stories especially the trajectory of performance and researchers' own observation that those who seem competitive perform better than average franchisees. Table III shows the two groups of assessments.

Table III: Sample Responses on Franchisees' Assessment of Relative Performance.

We perform better	Our competitors perform better
"I am pretty sure we are doing better than them. We are surrounded by other restaurants and we still get a lot of patronage from our customers". (Informant 15)	"Even though I do not know how our main competitors are doing now, I know that our sales have been slacking". (Informant 2).
"…is an established national brand, so competitors are hardly seen or felt. It's of recent that ice cream is being offered in some restaurants and shopping malls but we still dominate the neighbourhood markets". (Informant 18).	"No! Our outlet do not do better. We are struggling to compete". (Informant 6).
"Business has been good. Well, we are actually taking business from the existing malls…those that were there before we came in". (Informant 17).	"We have been trying our best in terms of competition but it's not been easy. For sometimes now, all we have been trying to do is to keep our expenses and cost of operations down. It's difficult to sell as much as we used to now". (Informant 11).
"Of course we do better than our competitors. Although competition has been very tough. Everybody is trying to fill there buses every day and because the economy is bad, fewer people travel now". (Informant 19)	"The competition has really dealt with us. We used to be the only one in this area. But now, I think there are about 7 different restaurants on this street alone. Initially, we competed well as many customers stayed with us. But as time went on, it became tough and we lost a lot of our customers". (Informant 8).

Source: In-depth Interview, 2016

The experience of Informant 20 confirms Porter (1979)'s position that competition is good to some point beyond which it becomes excessive and may then lead to poor result for all parties,

…my take is that to every business person, competition is a necessary evil. Without it, you relax. With too much of it, you will burn out. But I think that the one we have been having has stimulated us to do well.

Moreover, the general indication is that regardless of level of current performance relative to competitors, respondents share the view that competition is good as it brings out the best in an entrepreneur. This perspective also seem to underscore the influence of competition on respondents' performance as highlighted in the following assertion by informant 10, 15 and 18 respectively.

I am a believer in the notion that competition is good. I mean, the world is such that you cannot achieve extraordinary result unless you have some external push. You will never think of running until someone gives you a run for your money.

I want to believe that that competition has strengthened us. We probably wouldn't have been able to perform as much as we have if there were no competitors around here.

I think competition is good. It makes you to perform at your very best. Just that for us, we have a unique approach that make customers keep coming to us. Our prices are lower and always lowest, and we offer quality and excellent value.

In brief, while some respondents demonstrate evidence of competitive aggressiveness, others are more laid back and tend to blame the external conditions – franchisors and the economy. Those who appear competitive are apparently achieving better business performance than those who do not.

Autonomy, Franchisees' Business Performance and Overall Satisfaction

Most informants confirm that they are allowed some autonomy or control in the running of their outlets. Table IV contains respondents' quotations highlighting this reality.

Table IV: Sample Responses on Room for Franchisees' Independence.

Informants	Sample Quotations
Informants 18	"Yes, we run an independent operations here. Of course the truth is we have to work hand in hand with our franchisor at all times. But if you mean whether we have all our operations under control, yes is the answer".
Informants 19	"We have some control over some of our operations. Like we determine our routes. It makes sense that we are able to do that because we know better which route will give us more passengers and help us to make more profit".
Informants 2	"Of course I know I have to always act within the bounds of the policies and regulations of the franchisors, I run things here and I believe that the destiny of this place lies in what I do and what I do not do".
Informants 7	"I don't want to put the success of my business in the hands of external forces. I have been in business for long to know that when you don't take charge, when you wait to blame others, you will eventually fail".

Source: In-depth Interview, 2016

All the informants, including those who currently do not receive adequate autonomy from their franchisors, desire to have more autonomy in the management of their outlets. They believe that such a reasonable space would help them to take quick decisions that are appropriate for the smooth running of their businesses. Specifically, franchisees that participated in this study think that more autonomy will help them to more easily address localized problems as well as take advantage of opportunities. Indeed, the experience of many respondents indicated to the researchers that autonomy surely has influence on franchisees' business performance and satisfaction. The quotations in table V confirm this point.

Table V: Sample Responses - Influence of Franchisees' Autonomy on Business Performance.

Informants	**Sample Quotations**
Informants 14	"If you are in control, you take action immediately to solve problems. But where you always have to seek approval, the problem may get out of hands and that actually happened to us".
Informants 4	"I think that allowing us some control especially in terms some basic raw materials and where to buy from can help. A situation where you have to always wait for the head office to give and dictate everything, every minor things slow us down and make it difficult to operate smoothly sometimes".
Informants 22	"I used to think that they are the ones to control everything so I relaxed and was not doing everything I should be doing to run the outlet. I later discover that I didn't have to wait for them for everything and so I take charge now. I am beginning to see difference and trust me it's a positive difference".
Informants 7	"I have been in business for long to know that when you don't take charge, when you wait to blame others, you will eventually fail".

Source: In-depth Interview, 2016

In essence, most of the franchisees that participated in this study believe that a reasonable amount of autonomy is good for franchisees' business performance. Many systems in Nigeria do give their franchisees some autonomy and the experiences of those so given show that it is having positive impact on their outlets efficiency and overall satisfaction.

Discussion

This research effort was motivated by the desire for insights that could improve the fortunes of the Nigerian franchise industry and make it relevant again as a key route to entrepreneurship and a major contributor to the economy of the country. The choice of the focal issues of investigation is rooted in the observation that the personality characteristics such as competitiveness of franchisees and the amount of control (autonomy) that they have in the running of their outlets might play a role in their business performance and overall satisfaction (Soontiens & Lacroix, 2009). Hence, the main objective was to examine the influence of such least investigated elements of entrepreneurial orientation (EO) as competitive aggressiveness and autonomy on franchisees' business performance and overall satisfaction. Through face-to-face semi-structured in-depth interview with franchisees, the findings of this study are thus discussed.

The narrated experiences of the franchisees largely demonstrate that competitiveness has a positive influence on their business performance and overall satisfaction. This findings is inconsistent with the conclusion of Campos *et al*, (2012) who submit that although competitiveness is a vital character of an entrepreneurial firm or individual, it does not always lead to improved organizational performance. The possible explanation for the conflicting findings may be the fact that the Nigerian business environment is a highly competitive space and survival requires that business owners possess a good measure of competitive skills. Thus, people from this society are likely to believe that not having this skill could result in poor business performance while those who possess the skill tend to exaggerate its impact on their performance. As evidenced in this study, franchisees whose outlets are not doing well tend to ascribe it to high competition from other brands while those that are achieving superior results tend to rate themselves as being highly competitive. It also emerged from the analysis that franchisees that self-identify as being competitive and perform better than others appear to be more satisfied overall and express intention to continue business relationship.

Similarly, it was found that franchisees' business performance as well as overall satisfaction improve when they have reasonable degree of independence in the running of their outlets. Evidence indicates that many franchisees including those whose systems do not grant adequate independence to franchisees are in support of more franchisees' autonomy. The franchisees that have reasonable independence in the operation of their outlets generally express satisfaction in their business relationship. This findings is consistent with Davies *et al* (2011) who found that a major cause of conflict and franchisees' dissatisfaction is lack of autonomy and that franchisees' autonomy is necessary to reduce distrust and non-compliance. This study also provides evidence in support of Cochet *et al* (2008)'s conclusion that mounting too much constraints on the operations of franchisees' outlets has the potential to evoke a sense of disappointment in them.

Limitation, Conclusion and Implication for Franchising Practice

This study used the approach of qualitative inquiry and therefore generalization may be limited to the context in which it was carried out. However, the researchers took rigorous measures to guarantee reliability and validity of methods. The objective was to explore and gain deep insights into the practice of franchising in Nigeria especially as relate to the influence of competitive aggressiveness and autonomy on franchisees' business performance and overall satisfaction.

Analysis of the in-depth interviews revealed key findings that informed several conclusions and thereby some recommendations for improving franchising practice in the country.

The study finds that franchisees who are *competitively aggressive* tend to achieve better business results than those who are not. The implication of this result for practice is that for franchisors, it will be worth including personality test, especially test of competitiveness in their partner selection scheme. Even in a passive franchise arrangement where franchisees do not have to actively run their outlets, franchisors will need to be actively involved in the recruitment and selection of outlet managers so as to ensure that whoever has the responsibility for operating the outlet has the right mix of competitive skills that are necessary for assuring improved business performance.

Finally, the narrated stories of franchisees revealed that having a level of *autonomy* in the operation of their outlets has a positive influence on their business performance. What this means for practice is that excessive control and authoritarian style of leadership by franchisors may hurt outlet performance. Therefore, it is recommended that a reasonable space must be given to franchisees to run their outlets. It does not mean that system uniformity would be sacrificed as it continues to be important and must be protected. It does however mean that franchisees require some independence to address local issues, explore and take advantage of emerging opportunities in their operational base.

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