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경영학 석사학위논문

The Effect of International Experience on Entry Mode Choice

: Evidence from Korean Franchisors

한국 프랜차이즈 기업의 국제화 경험이
해외시장 진입방식에 미치는 영향

2018 년 2 월

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Abstract

The Effect of International Experience on Entry Mode Choice : Evidence from Korean Franchisors

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This study reexamined the validity of the internationalization process model and Agency theory in studying internationalization of service firms to reconcile mixed findings from previous research on prior international experience and entry mode choice. This study proposes two sets of competing hypotheses to analyze the effect of international experience on entry mode choice of service firms. By using data on foreign market entries by Korean food service franchisors, this study proved that franchisors that have greater and more dissimilar experience are more likely to choose master

franchising rather than foreign direct investment. This study lends credence to the Agency theory and the Organizational Learning theory in international franchising literature. In addition, this study adopted a new measurement of international experience to examine the similarity of prior experiences acquired by franchisors. Furthermore, this study suggests that franchisors need to be cognizant of the pitfalls of myopic managerial thinking when they consider entering new foreign markets.

Keyword:

International experience, Entry mode choice, Internationalization Process, Agency theory, Organizational Learning, International franchising, Korean food service franchisors

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1. Introduction

Experience has long been considered as a key factor of entry mode choice of multinational enterprises (MNEs), since Johanson and Vahlne (1977) suggested that foreign expansion is an incremental process of knowledge accumulation, which only can be developed by prior experiences. However, despite the importance of the service sector in world markets and the growth of foreign investments in this area during the last decade, the research on experience factor in the service sector within an international context is still limited compared with research on the manufacturing sector.

Several studies tried to prove that prior it enhances the desire for control of service firms. Agarwal and Ramaswami (1992), Contractor and Kundu (1998) endorse the assumption of a linear relationship between international experience and ownership level in service industries as they conclude that companies with more experience tend to prefer equity-based entry modes. Baena (2013) found that franchisors possessing significant international experience will opt for direct investment as their entry mode.

On the contrary, Erramilli (1991) found that a U-shaped relationship between experience and desire for high level control. Similarly, Fladmoe-Lindquist and Jacque (1995) examined the likelihood of using franchising in service industries and found that service firms are more likely to franchise the more experience they have gained in international business. Sanchez-Peinado and Pla-Barber (2006) also found a negative relationship between international experience and the choice of higher-control entry modes.

These mixed findings arise from the different manner in which researchers have operationalized international experience. Three different measures have been adopted by researchers ; length, scope, and intensity. The length of international experience refers to the firm's time based experience (Luo, 1999), which is operationalized by the number of years that the firm has been operating in a particular country (Gao et al., 2008), region (Brouthers et al., 2003) or internationally (Erramilli, 1991, Contractor and Kundu 1998). The scope of international experience refers to the geographic diversity of the firm' s international experience (Erramilli, 1991), which is typically operationalized by the number of foreign countries in which the firm operates (Carlsson et al., 2005). Lastly, intensity of international experience is defined as the international experience that a firm accumulates per unit of time and operationalized as the number of subsidiaries established in the host country (Jung et al., 2008), region (Barkema and Drogendijk, 2007) or internationally (Fladmoe-Lindquist and Jacque, 1995 ; Baena, 2013). Clarke et al. (2013) noted the fact that focusing on only one of the dimensions of international experience, such as scope or length, may result in mixed findings by understanding international experience mistakenly. In this study, international experience is treated as a multidimensional construct.

Another factor resulting in mixed findings is arbitrary combination of sampled service firms without consideration of the differentiating service characteristics. Several researchers have argued that there is tremendous variation within service sector in the way that services are produced. Specifically, Domke-Damonte (2000) revealed that the extent to which the

results of the study are due to differences in types of services by examining the throughput technology as a moderator between the firm's international strategy and entry mode choice and its corresponding impact on the level of control and resource commitment sought by the firm. Results suggest that the probability of using specific control entry modes are different depending on throughput technology that firms use. Notwithstanding this implication, studies which explored the effect of experience selected a combination of disparate industries as a sample (Erramilli, 1990 ; Erramilli and Rao, 1993 ; Fladmoe-Lindquist and Jacque, 1995).

Inconsistent measures of international experience and arbitrary sample selections lead to disagreement on which theoretical framework should be used to explain the effect of experience on entry mode choice of service firms. As Johanson and Vahlne (1977) suggested, companies that have accumulated knowledge of foreign cultures and business practice through international experience are better able to cope with the uncertainties associated with international operations and thus, typically perceive high-control modes of entry as less risky than firms without such experience. On the contrary, from an Agency theory perspective, lack of international experience may lead to high uncertainty internally within the potential franchisor organization and difficulties in monitoring franchisee performance resulting in agency problems such as adverse selection and free-riding. Thus, in the beginning of an international expansion, it is less risky for a franchisor to operate a company-owned unit by monitoring its own employees rather than its franchisees, preferring having their own

managers in key positions to act in an ethnocentric way. This study considers competing hypotheses derived, alternatively, from internationalization process model and Agency theory. Furthermore, to specify experience effect on entry mode choice, this study will adopt the heterogeneity concept in international experience.

2. Theory and hypotheses

2.1. International Experience in the Internalization process model

Johanson and Vahlne (1977) developed the Uppsala Internationalization model, highly influenced by Penrose's (1959) theory of knowledge and change in organizations as well as the behavioral theory of the firm. This model depicts the internationalization of the firm as a process of increasing a company's activities as a result of various types of learning (Johanson & Vahlne, 1977). They propose that general and experiential market knowledge as well as resource commitment affects commitment decisions and current business activities. These aforementioned factors increase market knowledge which in turn stimulates further resource commitment to foreign markets in this subsequent cycle (Andersen, 1993). This model implies that firms will increase international operations and involvement within the foreign markets in which they currently operate in. This accumulated knowledge in conducting international operations drives the firm's internationalization by influencing entry mode decision-making (Ruzzier et al., 2006). This model, also referred to as 'establishment

chain' (Johanson & Wiedersheim-Paul, 1975), states that a firm starts international operations with a low-commitment, low-risk mode (i.e. exporting), and gradually increases commitment in international markets as knowledge is accumulated and experience rises.

Notwithstanding scarcity of empirical studies of this model, several studies proved a positive relationship between prior experience and level of ownership in the service sector. Service firms with international experience do not require the help of a local agent, or they need less of such help (Agarwal & Ramaswami, 1992), as they have enough knowledge on how to do business abroad. As a result, internationally experienced franchisors will tend to avoid entering into foreign markets via collaborative agreements with local agents—direct franchisee, master franchisee or equity joint venture—as this entry mode entails sharing the profits with the business partners (Chiao et al., 2010). Baena (2013) also found that franchise chains possessing significant international experience will opt for direct investment in the Latin American market. In sum, an argument that accumulated international experience increases the use of mechanisms for control can be drawn.

Hypothesis 1a-1. Firms that have greater international experience are more likely to choose equity mode as an entry mode.

2.2. International Experience in Agency theory

The domain of Agency theory essentially focuses on relationships, in particular, where one entity, the principal, depends on another entity, the agent. The agent undertakes action on the behalf of the principal with benefits to both parties (Bergen et al., 1992; Eisenhardt, 1989). Any employment relationship is an agency relationship (Harris & Raviv, 1978) and the franchisor–franchisee relationship is considered to be a unique case of agency consideration (Garg, et al., 2005). The agency argument for franchising is well established (Cave & Murphy, 1976; Rubin, 1978; Lafontaine, 1992). The basic assumptions of the agency theory are grounded in human opportunism, bounded rationality, potential goal conflict and perceived risk preferences. Under these premises, there exist the agency problems such as of moral hazard and adverse selection (Shane, 1996). Especially for franchisors, the failure of a franchisee may derail an entire set of service units for a particular country with subsequent loss of strategic position. Franchisees can affect the whole franchisors' network and the brand name by failing to maintain the required quality standards, or making the franchisors' property information known to others. Also they can omit the payment of royalties. Such contracts are long-term in nature and even with carefully worded cancellation clauses, the franchisor may find early termination too costly to litigate. Fladmoe–Lindquist and Jacque (1995) showed that lack of international experience leads to high uncertainty internally within the potential franchisor organization and

difficulties in monitoring franchisee performance. This results in agency problems such as adverse selection and free-riding. It may appear less risky for international service firms to enter foreign markets with a single corporate-owned unit rather than to contract with local franchisees before the host country environment is completely understood. Experience in global markets also helps firms avoid the problem of adverse selection, which results from the inability of the franchisor to verify the claims of potential franchisees about their ability to perform delegated tasks (Sashi & Karuppur, 2002). Firms without global market experience are not able to distinguish low quality potential franchisees who misrepresent their ability in order to be selected from high quality potential franchisees. For these reasons, in the beginning of an international expansion, it is less risky for a franchisor to operate a company-owned unit by monitoring its own employees rather than its franchisees, preferring to have their own managers in key positions to act in an ethnocentric way.

Hypothesis 1a–2. Firms that have less international experience are more likely to choose the foreign direct investment as an entry mode.

2.3. Dissimilar Experience in Organizational Learning

March and colleagues (Denrell & March, 2001; Levitt & March, 1988; March, 1991) highlight the contributions of knowledge acquired from heterogeneous experience to organizational knowledge and intelligence.

Prior international business literatures tend to view overall international experience as an aggregate of qualitatively homogenous encounters, without accounting for heterogeneity across host markets (Verbeke, Li, & Goerzen, 2009). More recent research examines the relationship between other aspects of experience (e.g., similarity and dissimilarity) and outcome (Carlsson et al., 2005; Delios & Henisz, 2003; Perkins, 2014; Trąpczyński & Banalieva, 2016). These studies focus on the distinction between overall international experience and diversity of experience in international markets experienced. Specifically, Zeng et al. (2013) noted that dispersing FDIs across different cultures may allow an MNE to develop a larger set of skills concerning learning in foreign cultures and these skills could facilitate learning in a dissimilar culture. Powell and Rhee (2013) found that greater variance in experiences with regulatory institutional distance across prior multinational operations reduce the negative effects of distance. Drawing on the insights of researchers who have suggested that there is a positive effect of diverse experience, this study expects that the heterogeneity of its experiences that a firm has will be a factor in experience and entry mode choice.

Hypothesis 1b–1. Firms that have dissimilar international experience are more likely to choose equity mode as an entry mode.

2.4. Similar Experience in Organizational Learning

The accumulation of similar experiences help firms to develop effective

routines (Argote, 1999; Baum & Ingram, 1998; Zollo & Winter, 2002). The confidence and efficiency gained from similar past experiences can be linked to the exploitation of what is known and an increased proficiency from repetition. Organizations' prior experience with routinized tasks in a homogeneous context is associated with performance improvements derived from learning-curve benefits in settings as diverse as U.S. aircraft manufacturing (Dutton, et al., 1984), shipbuilding (Argote, et al., 1990), truck assembly (Epple, et al., 1991), shift workers (Epple, et al., 1996), pizza production (Darr, et al., 1995), and cardiovascular surgical procedures (Pisano et al., 2001). Zollo et al. (2002) found that alliance experience with the same partner seemed to be more important to learning than experience with the different partners. The creation of new alliance agreements with prior alliance partners allowed firms to exploit prior learning for alliance formation, and this in turn improved performance as firms avoided additional relationship specific expenditures for aligning incentives, monitoring rights, and instituting formal controls. In the context of entry mode choice, confidence in similar past experiences is reflected in the use of ownership modes that rely less on local partners to close knowledge gaps (Guillen, 2003; Inkpen & Beamish, 1997; Yiu & Makino, 2002).

Hypothesis 1b-2. Firms that have similar international experience are more likely to choose equity mode as an entry mode.

3. Data and Methodology

3.1. Sample and Data

The sample used in this study includes Korean franchising firms in the food service industry which entered foreign market from 2006 through 2016. The food service industry is well suited for this study given its diversity in host nations and frequency of international experience. According to recent survey implemented by Korean government, over eighty nine percent of international franchisors are in food service industry. Data were collected from yearly editions of *Survey on Foreign Market Entries by Korean Food Service Firms*, published by the Korean Ministry of Agriculture, Food and Rural Affairs. The final sample includes 397 entries of 89 firms that operate outlets in at least two foreign countries in 2016. Publicly available company reports and press releases are also used to gather entry mode data.

3.2. Variables

3.2.1. Dependent Variable

A franchisor has several options to enter into a foreign market. The most frequently used methods are making contracts with master franchisors and/or area developers. Direct franchising is another way of

entering overseas markets without committing the franchisor's capital. An aggressive franchisor may also enter foreign markets by owning outlets, thus investing its capital. Joint ventures and foreign direct investments are equity-based entry modes a franchisor can choose (Pak, 2002). These entry modes are categorized as either contractual or equity modes. Master franchising and direct franchising are categorized as contractual mode (coded '0'). Joint ventures and foreign direct investments are classified as equity mode (coded '1').

3.2.2. Independent Variables

International Experience

International experience has been measured in a variety of ways (Li & Meyer, 2009), including total number of foreign investments (Delios & Beamish, 1999; Gatignon & Anderson, 1988), the number of years of worldwide experience (Contractor & Kundu, 1998; Erramilli, 1991; Prasad & Kang, 1996), the geographic spread of the company's international experience (Erramilli, 1991), the ratio of foreign investments to the total number of investment (Contractor & Kundu, 1998), the ratio of a firm's foreign to total sales (Chang & Rosenzweig, 2001; Yu, 1990). Due to the limitations of the franchising industry that franchisors can enter a specific country once, counting the number of foreign countries a franchisor has entered before, can be a good measurement of its international experience. This measurement can also assess a franchisors' geographic scope and diversity of experience.

Similarity of Experience

The similarity of experience is calculated as the variance of cultural distances between scores in each host country minus the scores for Korea. In addition, for models that use Euclidean distance measures, variance in experience was calculated as variance within Euclidean distance-based measures.

Cultural distance was assessed using the guidelines of Hofstede's (2001) work, which is a reworking of Hofstede's (1980) study. This manuscript uses Kogut and Singh's (1988) index on each of Hofstede's dimensions, an approach that has been used very often both in the traditional literature as well as in recent research (Sakarya, Eckman, & Hyllegard, 2007; Slangen & Van Tulder, 2009, Yamin & Golesorkhi, 2010). Therefore, a cultural index was created as follows:

$$CD_i = \sum_{i=1}^4 \{(I_{ij} - I_{ik})^2 / V_i\} / 4$$

where I_{ij} is the index for the i th cultural dimension and the j th country, V_i is the variance of the index of the i th dimension, k indicates Korea, and CD_j is the cultural difference of the j th country from Korea. 169 entries were dropped which didn't have at least three prior entries and could not be evaluated using Hofstede's index.

3.2.3. Control Variables

Firm size

Firms need asset power to engage in international expansion and to successfully compete with host country firms. A firm's resources may influence its entry mode selection as large firms prefer a full control mode of entry (Agarwal & Ramaswami, 1992). Also, firm size is measured as the total number of employees that a parent firm reported. International experience and firm size are often correlated, therefore it is necessary to initially control for the effects of firm size on the dependent variable before conclusions on experience effects are drawn. Data were gathered in disclosure document system operated and supervised by the Korean Fair Trade Commission.

Geographical distance

Geographical distance was calculated as the kilometer distance between capital of the franchisor's home country, Korea, and the capital of the host country. This control variable was used because firms may prefer to invest in foreign operations in countries that are geographically close (Markusen & Maskus, 2002).

Cultural distance

Both the service concept and its management system are an extension of the cultural roots of the franchisor's home-country and their transferability becomes a function of the cultural distance between the foreign and

domestic culture as well as of the service's unique cultural attributes (Fladmoe-Lindquist & Jacque, 1995). Fladmoe-Lindquist and Jacque (1995) proved that the greater the cultural distance, the more likely franchise arrangements were chosen. To prove the relationship between international experience factor and entry mode, cultural distance between the home and host country is controlled for. By controlling cultural distance, also economic and political distance are partially controlled since these phenomena are often intertwined with cultural factors (Erramilli, 1991).

Number of outlets

The international experience of franchise chains is usually defined as the geographical spread of franchising within a foreign country (Hoffman & Preble, 2001). Although the number of outlets as a measurement has a weakness in that it may not reveal the real degree of international expansion, Baena (2012) proved that the greater the franchisor's international experience, the greater the likelihood that they employ direct investment as an entry mode. In contrast, Fladmoe-Lindquist and Jacque (1995) used the number of outlets as the measurement of a franchisor's propensity to franchise. Therefore, it is necessary to adopt number of outlets as a control variable.

3.3. Model

Binary logistic regression models with pooled cross-sectional data are used to test hypothesized relationships using the dependent variable, where 1 indicates that a franchisor used an equity mode : foreign direct investment or Joint venture, and 0 indicates a contractual mode : master franchising or direct franchising.

4. Results

Table 1 presents the descriptive statistics and correlation matrix. It showed no serious risk for multicollinearity. We calculated variance inflation factor values (VIF) to test the extent to which values of the coefficients increased due to collinearity. The relevant variables show several VIF values with the highest value of 1.66. Thus, none have serious risk for multicollinearity.

As illustrated, Model 1 showed the effect of control variables on entry mode choice. Model 2, 3 include the number of prior entries and the variance of prior entries as an independent variable, respectively. Model 2, 3 investigate competing hypotheses, association between international experience and the likelihood that a franchisor choose equity mode. Model 4 includes all control variables and two independent variables. Concerning the obtained results, Model 2, 3 were significant under 1% significance level. Model 4 was significant under 5% significance level. This means

that collectively the set of independent and control variable in the model help to explain master franchising as a foreign entry mode for franchisors willing to expand their business oversea. This leads us to accept hypotheses H1a-2, H1b-2.

5. Discussion and Conclusion

This study proposes two sets of competing hypotheses to analyse the impact of international experience on entry mode choice among franchisors. Findings show that franchisors possessing greater and more dissimilar experience than others will opt for master franchising as their entry mode. This evidence contradicts the previous literature, which proved that more international experience a firm has, the more likely that it will pursue an equity mode of entry (Agarwal and Ramaswami ,1992; Contractor and Kundu ,1998; Baena 2013). This means that franchisors perceive the agency risk as more risky than lack of market knowledge. This is the case for many internationally experienced franchisors, such as Mcdonald's, KFC, and BBQ. This study reveals that when analysing franchising industry, researchers should regard the Agency theory as being the most fundamental theoretical background.

Furthermore, franchisors which learned from heterogenous experience are likely to choose master franchising. This also means that franchisors are become confident when they have experienced culturally similar market, leading to the use of equity mode that rely less on local partners to access local resources. This finding implies understanding of

<Table 1> Descriptive statistics and correlations

	M	SD	Min	Max	1	2	3	4	5	6	7
1. Entry mode	0.40	0.49	0.00	1.00	–						
2. Number of exp	3.28	4.33	0.00	24.00	–.33**	–					
3. Similarity of exp	0.18	0.13	0.00	0.91	–.28**	.13*					
4. Assets	57.23	148.80	0.02	1050.78	.10*	.03	–.12				
5. Years of exp	3.22	3.69	0.00	19.00	–.18**	.55**	.045	.18	–		
6. Number of outlets	75.01	111.68	2.00	531.00	–.15**	.28**	.15*	.33**	.16**		
7. Geographical Distance	4.48	3.42	0.94	18.51	.02	.17**	–.01	.01	.03	.03	–
8. Cultural Distance	1.07	0.42	0.00	1.91	.15**	–.24**	–.03	–.03	–.21	–.09	.29

**: p<0.01 ; *: p<0.05

N= 350

<Table 2> Results of Binary Logistic Regression

Variable	Model 1	Model 2	Model 3	Model 4
Asset	0.005*** (.001)	0.005*** (.001)	.004*** (.001)	0.006*** (.002)
Years of Exp	-0.597* (.035)	0.055 (.040)	-0.432 (.057)	0.013 (.057)
Number of outlets	-.005*** (.001)	-0.002* (.001)	-0.008* (.003)	-0.006 (.003)
Geographical Distance	0.002 (.035)	0.037 (.039)	-0.920 (.064)	-0.058 (.068)
Cultural Distance	0.618** (.301)	0.338 (.324)	0.135 (.487)	-0.065 (.514)
Number of Experience	-	-0.298*** (.067)	-	-0.187** (.087)
Similarity of Experience	-	-	-4.75* (.743)	-4.001** (.634)
Constant	-0.722** (.362)	-0.314 (.378)	0.719 (.650)	1.103 (.686)
-Observations	350	350	181	181
-Adjusted R ²	0.08	0.14	0.19	0.22

*Significant at .10, **Significant at .05, ***Significant at .001

the internationalization process model at a high level of abstraction should be advanced to more precise understanding that clarifies boundary assumptions and influencing factors. Expanding the conceptualization of experiential learning to include learning from heterogeneous experiences at later stages of internationalization revises the research agenda in this area to approach a greater level of precision (Powell and Rhee, 2013). By adopting the heterogeneity concept in international experience, this study draws the explanation for contradicting result of International Process model in the service sector. Also, controlling various measurement of international experience, such as length, scope and the sphere of overseas operation partly strengthened the explanatory power of International Process model in conjunction with Organizational Learning theory. In brief, theoretical contributions of this study are lending credence to the Agency theory and the Organizational Learning theory in franchising literature.

Empirically, this study adopted new measurement in cultural distance by calculating variance of cultural distances that franchisors have entered. Despite the fact that cultural distance has traditionally been identified as key variable in entry mode decisions of MNEs (Demirbag et al., 2009), entry mode studies which include cultural distance as variables often failed to prove proposed hypotheses. Furthermore, the present studies assert that Hofstede's (1980, 2001) conceptualization of culture may not be valid and outdated for examining market conditions of home countries and host countries. However, in this study proved that similarity of prior international experience based on cultural distance index significantly affects the entry mode choice opted by franchisors.

This research also Furthermore, this study suggests that franchisors need to be alert to the pitfalls of myopic managerial thinking. According to survey implemented by Korean Ministry of Agriculture, Food and Rural Affairs, the most important factor the franchisors consider was market size of host country. Franchisors tend to invest aggressively in foreign market which have large market size. This myopic view hinders franchisors from constructing long-term strategic foreign market portfolio. The implication of this research for practice is highlighting the need for analysing prior experience to managers when they consider to enter new foreign markets. By evaluating accumulated prior experience and the similarity of prior experience, franchisors can choose most effective entry mode that can benefit their firms in the future.

6. Limitations and Further Research

Notwithstanding contributions of this study, it is not without its limitation.

In particular, there may be limitation in generalizing the findings of analysis to other service industries and non-Korean franchisors. As mentioned earlier, Domke-Damonte (2000) suggested that the probability of using specific control entry modes are different depending on throughput technology that firms use. In this sense, this study controlled industry effect by setting limit the research scope as food service industry,. However, this impairs the possibility of generalizing the findings. Various service sector, such as hotel and retail industries, should be tested in the future.

Secondly, data on Korean Wave, named Hanryu, which refers to the sudden increase in popularity of South Korean culture around the world in the last ten years, were not available. Hanryu index has developed since 2012. For the reason that this study is dealing franchisors which entered foreign market from 2006 through 2016, this incomplete data can distort the main effect. Considering the fact that food industry is highly affect by popularity of culture, Hanryu index should be included as variables.

Thirdly, this study does not examine the performance of franchisors. This result from lack of financial information in certain foreign market. Using parent company's consolidated financial statements is not sufficient to analyze the performance of franchisors. To have a better understanding of this issue, future research can be carried out by examining the relationships between firm's performance and the mode of entry that franchisors adopted.

Lastly, this study can be advanced by including more variables such as institutional distance. Foreign market industry also can be affected by host countries' government regulation, business practices in host market, and productivity of labor. By using variance of regulative distance and normative distance and combining institution theory, future research can present new perspectives to franchisors.

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국 문 초 록

한국 프랜차이즈 기업의 국제화 경험이 해외시장 진입방식에 미치는 영향

본 연구는 기업의 이전 국제화 경험이 해외진입 시장방식에 미치는 영향에 대한 상반된 선행 연구결과들을 통합하기 위하여 서비스업에서의 국제화과정 모델과 대리인 이론의 타당성을 재검토하였다. 본 연구는 서비스 기업의 이전 국제화 경험이 해외시장 진입방식에 미치는 영향을 분석하기 위하여 두 개의 대립가설을 제시하였다. 한국 외식 프랜차이즈 기업의 해외진출 데이터를 사용하여 경험이 많고 경험들이 이질적인 기업일수록 해외직접투자 방식 보다는 마스터프랜차이즈 방식을 선택하는 경향이 있다는 것을 증명하였다. 본 연구는 프랜차이즈 연구에 있어서 대리인이론과 조직학습이론의 이론적 적합성에 대한 근거를 제공하며, 프랜차이즈 기업의 이전 국제화 경험의 이질성을 측정하기 위해 새로운 변수 측정 방법을 도입함으로써 방법론적으로도 기여하였다. 나아가 본 연구는 프랜차이즈 기업 경영자들이 신규 해외시장 진출 결정 시 근시안적 의사 결정이 초래할 수 있는 위험에 대해 인식하여 함을 시사하고 있다.

주요어:

국제화 경험, 해외시장 진입방식, 국제화과정, 대리인 이론, 조직
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