

**CONCEPTUALIZING FRANCHISEE PERCEIVED RELATIONSHIP VALUE:  
IMPLICATIONS FOR BEHAVIORAL AND PERFORMANCE OUTCOMES**

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**ABSTRACT**

Collaborative relationships in franchised markets are of rising importance to franchisors and franchisees alike. Franchisees have to determine whether to invest in a franchise relationship, to sustain and cultivate a valued relationship, or to dissociate from a low-worth relationship. Franchisors, in turn are coping with increased global expansion and increasing conflict in the franchise relationship, and therefore seek to minimize tension while maximizing profitability in the relationship. The assessment of value formation in franchisor-franchisee relationships is still in its formative stage, and a judicious understanding of how franchisors create and deliver value in the franchise relationship is needed. Therefore, the present research develops a conceptualization of franchisee perceived relationship value, which is conceptualized as a trade-off between perceived benefits and perceived costs, whereby the influence of a franchisor's relationship proneness on the franchisee's perceived relationship quality is moderated by relational norms. Testable research propositions of the related constructs are presented for empirical testing, and implications for both franchisors and franchisees are discussed.