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„Notional Interaction Between Cultural Differences and Reputation of Franchise Companies in Fast-Food Sector: A Case Study in Turkey and Austria"

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Gülçin GÜNGÖREN

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Gülçin Güngören

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1 INTRODUCTION

This study is part of a University of Oklahoma (USA) project on the subject "Reputation of Franchise System". Ipso facto it will contribute strongly with concept of franchising and relates specifically to certain franchising chains in the field of fast food and cafe in miscellaneous countries such as Austria, Germany, Rumania, Turkey...etc. But this study focuses on only two famous and global fast food restaurant chains, namely McDonald's and Burger King, and considers just Turkey and Austria.

In this introduction I initially present the affair of the study in company with a broad background knowledge. Later I explain the meaning of the term 'the reputation of a company' in a short description. Following that the research purpose and the relevant question that I developed for the present study are presented. The framework of the study takes it place at the end.

1.1 Background Knowledge

Lately, many companies have developed strategies for going international or expanding into new foreign markets. As a matter of course it is very widespread as a result of saturated local markets, high competition, general increase of worldwide purchasing power, attractiveness of large emerging markets, the desire of gaining foreign earnings along with domestic, simplification of communication and transportation, free trade areas and trade agreements that facilitate exporting goods or services and setting up factories and plants abroad as well as many other motives. To make their strategies real companies have several alternative entry modes; licensing, joint venture, franchising, exporting, direct investments, strategic alliances. However, these days (international) franchising is the preferred mode especially for fast food companies due to its evident advantages which began to grow rapidly since the 1960s due to the push and pull factors on U.S. -centric companies who tried to penetrate overseas.[1] Today the broadest implementation of international franchising takes place in the fast food (away-from-home eating) industry together with many small and minor food sectors. For example, on account of coming to the saturation point in the U.S. Mc Donald's initially opened new stores (with a "satisfaction guaranteed policy") every eight hours to exploit the opportunities

[1] vgl. Alon, I. / Economic Potential of International Franchising in Emerging Markets, www.franchise-chat.com/resources/franchising_in_emerging_markets.htm (01/04/2012)

in new markets. After a while the distance between McDonald's outlets was two miles in some countries, which might be an indicator of the changing of global food consumption trend.[2]

The U.S. companies, pioneer international franchisors, primarily entered into the culturally-similar, politically stable and economically rich countries such as Canada and Western Europe. Subsequently they looked for the opportunities in emerging markets just after the diminishing of opportunities and decreasing of profits in countries that were culturally alike. In this manner GDP per capita, the level of population and the growth rate of the economy mattered greatly in the development of entry strategies for emerging markets. Eventually these variables have to be analyzed attentively and still others have to be taken into consideration before making any entry decision. Even so, it is not possible to eradicate the prospective risks and threats due to the competitive structure, economic climate, cultural, political and legal forces that the company might encounter in a foreign country. Thus in the event of settling on an erroneous decision as regards these factors, companies or international franchisors might lose their investment capital in total. This might also happen due to poor marketing planning made without considering cultural factors of an individual country that militates strongly the way business is conducted.[3]

On account of the impact of culture, companies opt at first for psychically close countries. It means that the mental/emotional distance between home and host country is quite close which is also a benefit for marketers in the way of time and effort required for developing strategies and marketing plans. However, it is the truth that the greater the cultural disparities due to social perspectives, attitudes, languages, religions…etc. between countries, the more problems occur, particularly in communication which is the sine qua non for companies' achievement. Furthermore, culture has a powerful influence upon the country selection for penetration abroad. It has a strong impact for both creating successful global brands and developing accomplished global brand strategies. Thus and so it is obvious that strategies for both entering into foreign markets and global branding take the culture as a base to build upon, and associate strongly with the international marketing task model which takes account of the macro- and micro-environments of each country.[4]

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[2] Kaynak, E., Küçükemiroğlu, O., Aksoy, Ş. (1996), p. 99-102

[3] vgl. Alon, I. / Economic Potential of International Franchising in Emerging Markets, www.franchise-chat.com/resources/franchising_in_emerging_markets.htm (01/04/2012)

[4] Jobber, D. (2010), p. 874

Nevertheless in recent years, due to the new growing trend of globalization, companies see the world as a single large market where the consumption patterns, needs and wants of people, expectations and experiences of consumers in varied countries don’t differ from each other. Therefore, they prefer to apply as their strategies, due to its benefits, the standardization approach either for entering into the new markets, establishing the brands, developing branding strategies, implementing the production process or for undertaking their other marketing mix elements. On the other hand, they are cognizant that their strategies require more or less local adaptations taking into account the individual cultural values and norms, and today they are faced with the dilemma between standardization and adaptation. This while they wish to maintain a consistent image along with stable communication to convey the company’s message to people. Both of these are closely related with the reputation of a company since both have an influence upon the attitudes that people hold regarding a company. The good reputation of a company also increasingly influences the buying decisions of consumers because it is perceived as a mechanism for assuring product and/or service quality and helps to spawn favorable customer loyalty. Thence it is quite deducible that the reputation of the company might act as a communication tool aside from the brand and image of the company that is associated implicitly with the perception of the people in an individual culture.[5]

1.2 What is Reputation of a Company?

Any name has a reputation attached to it which in a corporate context leans upon the perceptions of the characteristics, performances and behaviours of a company as a reflection of how well or badly a commercial name is viewed by different groups of interested people; namely stakeholders.[6] Thus, with reference to the statements, made by Charles Fombrun, corporate reputation is defined as “the sum of the images the various constituencies have of an organization”[7] or “the perceptions which are held by people inside and outside the company” for which the companies perpetually vie for being better-regarded by developing economic and social practices or as status in terms of the competitive advantage and superior

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[5] Management Extra – Reputation Management (2005), p. 1-2, 8, 12; Dolphin, R. R. (2004), p. 77-92

[6] Larkin, J. (2003), p. 1

[7] Doorley, J., Garcia, H. F. (2007), p. 3

performance.[8] However, in the literature defining corporate reputation has caused a debate. Among the different disciplines the term poses a conceptual confusion since an interest was taken in reputation, but the terms and axioms of the analyses were not necessarily agreed on.[9] Therefore there is no common language, but yet in sociology “prestige”, in economics “reputation”, in accountancy and law “goodwill” and in marketing “image” are preferred to identify the relative standing of an organization.[10] “Also it might be defined in terms of a number of attributes that forms a buyer’s perception whether a company is well known, good or bad, reliable, trustworthy, reputable and believable (Levitt 1965) and might be concerned with how people feel about a company based on whatever information and/or misinformation that they have on company activities, workplace, past performance and future prospects (Fombrun 2000).”[11] Anyway nowadays corporate reputation has an influence on the products and services which are bought, the investments which are made, the job offers which are pursued and the people who choose to be together that infers a value judgement about the established attributes of a company. So, the reputation of a company is qualified as a core and strategic but fragile resource that it is quite a difficult art to nurture, protect and exploit. It also associates strongly with the identity and image of company since it is in the broadest sense an essential part of the marketing process because of being linked with marketing mix elements which determine whether a given company, product, or brand succeeds or fails.[12]

Today, companies feel themselves under constantly increasing pressure through the new growing trend toward globalization. Therefore due to the increase of competition, widening of the world and sectors, they endeavour to be better than their competitors and to maintain their competitive advantage in the marketplace in place of counting what they are producing. Also since it is quite important for audiences, from customers to employees to consumer advocates, to feel good about an organization and to build a good reputation for sustaining an organization through the tough times, managers are progressively conscious of the importance of their corporate image as an intangible asset that is carried by good reputation of the company along with its tangible benefits. In this manner, a powerful reputation, created at any cost, entails a properly active management and long-term resourcing for a company’s survival

[8] Carmeli, A., Freund, A. (2002), p. 51-68

[9] Helm, S., Liehr-Gobbers, K., Storck, C. (2011), pp. 5

[10] Shenkar, O., Yuchtman-Yaar, E. (1997), p. 1361-1381

[11] Fan, Y. (2005), p. 341-350

[12] Larkin, J. (2003), p. 1; Marconi, J. (2002), p. 2

in current competition circumstances since it contributes to the success of the company and reflects the distribution of the ascertainable performance criteria made stronger by an effective communication with and between stakeholders or resource-holders. Additionally, it requires adequate information and accomplished relations inside and outside the business that are based on mutual trust and beliefs, all of which provides a support base for the company in difficult times since reputation aligns the corporate behaviour and the role of the firm in cumulative assorted, demanding, and disillusioned society. As with many things in business life, companies with a better reputation attract more and better candidates for employment, defray less for procurements, acquire free press coverage and accumulate other benefits. These, when considered along with profits, precipitate to the added value for the actual worth of a company as calculated in measures like market capitalization or liquidation value of assets. Herewith it might be understood that reputation of a company can be worth many billions of dollars for many large companies. Their successfully established well-known brands play the role of core component for enforcing reputation since company's brands help to develop and manage the relations between the organization and its stakeholders as well as the general public and communicates with the wide range of audiences beyond the consumers and investors.[13]

1.3 Research Purpose and Questions

As regards the project, this study comprises two different countries together with two world-famous fast-food restaurants chains which entered long before through franchising into these markets and are perceived as global brands by consumers in both countries. Moreover, the previously drawn up questionnaires for the project are also used in this study. This helps to observe the interaction between branding and reputation of a company to the extent of the results from pertained analyses. So, since the study focuses specifically on two countries, Austria and Turkey, the purpose of the study relates fundamentally to the differences among individual cultures in the light of Hofstede's Cultural Model which strongly influences global branding decisions and implementation of the alternative mode franchising for entering into foreign countries prior to developing strategies. As is obvious due to the scope of this study; countries completely different from each other and two distinct global companies with their

[13] Doorley, J., Garcia, H. F. (2007), p. 4; Van Riel C. B. M., Stroeker N. E., Maathuis O. J. M. (1998), p. 313-326; Larkin, J. (2003), p. 1-2; Helm, S., Liehr-Gobbers, K., Storck, C. (2011), pp. 4; Fan, Y. (2005), p. 341-350; Dolphin, R. R. (2004), p. 77-92

well-known brands in the fast-food industry, culture has by hook or crook an effect on the company's reputation which is associated in this study with the achievement of their applied franchising concept along with their global brands known worldwide.

In this manner, in company with the current study, it will be observed the conceptually influences of cultures and cultural differences on the reputation of companies from consumers' view in both countries which leads the study for observing the reputation from the marketing perspective whereby it infers the image of the company. Thus, this study may lead companies to give more attention to the most important attitudes formed by the traditional norms and values of consumers. They will be able to operate more effectively while reinforcing their images and communicating more easily with people from these different cultures since behavior is related to the cultures in their daily life and so reflects its taboos, norms and values. Therefore, considering the purpose of the study, the research question has been formulated regarding the cultural differences that stem from the individual culture and is:

• How Austrian and Turkish cultures might notionally militate on the reputation of the surveyed companies from the view of consumers separately?

To answer this, first the concept of culture has been explained in detail and continued with the Hofstede Cultural Model to show the cultural differences between Austria and Turkey. Afterwards the concept of Franchising and Global Branding has been expressed directed by culture. Later on the analyses have been applied to the data captured by the questionnaires and the results obtained have been presented in the related tables and interpreted.

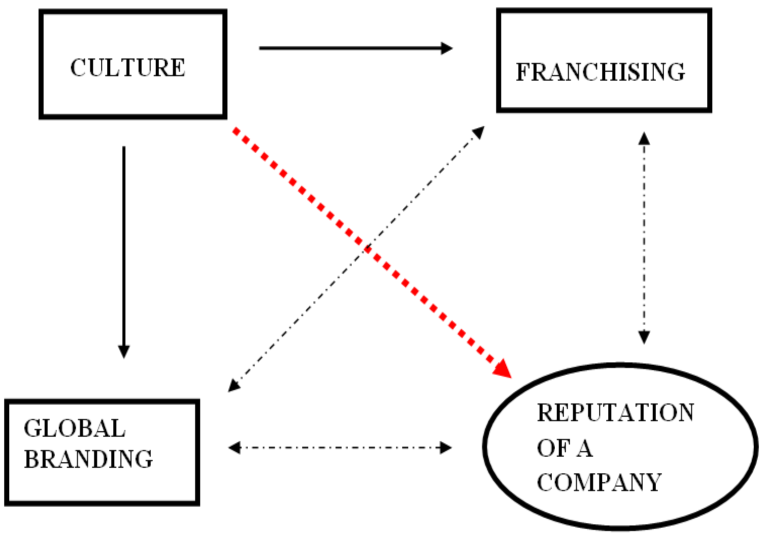

Figure 1: An Illustration of the Research Purpose

1.4 Framework of the Study

This study consists of 6 chapters. In the first chapter of this study a short summary of the subject along with comprehensive background knowledge and the definition of the reputation of a company has been given. Subsequently the research purpose and questions have also been written. The design of the study is seen at the end of this part.

In the second chapter the notion of culture together with its context, levels, aspects and characteristics has been emphasized. Following on this, by virtue of the research basis I narrated the Hofstede Cultural Model and its dimensions to allow the comparison between Austrian and Turkish cultures to be made later on. Finally, I sought to point out how culture has an influence on the concept of franchising as an alternative entry mode and the decisions of the company for global branding.

In pursuit of this, in the third and fourth chapters I expounded more deeply on the franchising system and global branding respectively. This has been done in order to understand the role of culture better from the viewpoint of companies which had already generated global brands, used worldwide global branding strategies and expanded into foreign countries through franchising. Existing examples are considered throughout this section. Furthermore, I tried to stress in these parts the probable difficulties that the companies might encounter if perchance they had not paid enough attention to an individual country's cultural values.

Data gathering and analyses of the data obtained in both countries are dealt with in the fifth chapter. Reliability Analysis, Descriptive Statistics for demographic datas and each dimension in the questionnaire, Dependent *T*-Test, Correlation Analysis and Independent *T*-Test are applied. At the end of this ultimate chapter findings, interpretation of the results and conclusion derived from analyses, research and theories are presented.

2 CULTURE

In this chapter I began by considering various definitions of culture and its characteristics from different aspects by many authors. Subsequently I explained briefly the High and Low Context Cultures, and the nonverbal communication factors which are known as Silent Languages. Afterwards I wrote about the Hofstede Cultural Model with explanations of its dimensions in sequence (Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, Long-term vs. Short-term Orientation, Indulgence vs. Restraint) to understand more deeply how culture might differ from one country to another. On account of the fact that two different countries are included in this study, I carried out the model for both countries, Austria and Turkey, to observe implicitly the variation of individual cultures which is also the main emphasis for this study. I continued with the influence of culture on Franchising and Global Branding that I explain in more detail in the next parts of my study.

2.1 Definitions of Culture

The word “culture” has evoked a variety of definitions from modern anthropology, sociology and psychology. However, the general semantic history of the word culture, and of ‘civilization’ as its near synonym, acquire more and more the present-day, technical, social-science meaning although Taylor in 1871 established it’s technical and anthropological meaning in english that is not seen in any British or American dictionary more then fifty years. The following years, it became well recognized with the meaning of today by being away from the older meaning of cultivation which is derived from Latin word “cultura” that implies the tilling of the soil and has been used in different branches in different aspects.[14]

Apart from the very many different explanations of the word “culture” in the academic literature, I offer the definition given of the word “culture” in the Webster’s Online Dictionary. This is the word as it is used generally in daily life. Culture has been defined there as:[15]

[14] Kroeber, A. L., Kluckhohn, C. (1952); p. 9; Hofstede, G., Hofstede G. J., Minkov, M. (2010), p. 5

[15] www.websters-online-dictionary.org/definitions/culture (17/01/2012)

- *A particular society at a particular time and place*
- *All the knowledge and values shared by a society*
- *The tastes in art and manners that are favored by a social group*
- *(biology) The growing of microorganisms in a nutrient medium (such as gelatin or agar)*
- *A highly developed state of perfection; having a flawless or impeccable quality*
- *The attitudes and behavior that are characteristic of a particular social group or organization*
- *The raising of plants or animals*
- *(bacteriology) the product of cultivating micro-organisms in a nutrient medium*
- *The act or practice of cultivating, or of preparing the earth for seed and raising crops by tillage; as, the culture of the soil*
- *The act of, or any labor or means employed for, training, disciplining, or refining the moral and intellectual nature of man; as, the culture of the mind*
- *The state of being cultivated; result of cultivation; physical improvement; enlightenment and discipline acquired by mental and moral training; civilization; refinement in manners and taste*

Given that this study includes two different countries and the main emphasis is culture, it is appropriate to consider one definition of culture that has entered the mainstream; that of the well-known political scientist Samuel Huntington. He states that civilization differs from one country to another or from one region to another region in ways related primarily to the local religion. This understanding of culture underlies the whole book "The Clash of Cultures". A succinct summary of this book is available online and it explains that:[16]

" Culture is the highest level of identity, it is the broadest level of identification an individual can have with a collective (i.e. ethnic or religious groups). It is what all Arabs or Hindus have in common and at the same time, differentiates them from Westerners or Africans. It is, in a sense, the smallest common noun in a group itself defined by culture. And this cultural entity

[16] www.freeonlineresearchpapers.com/clash-of-civilizations (18/01/2012)

is what takes the form of a civilization. The criteria by which he differs civilizations from one another are origin, religion, language, history, values, customs and traditions, institutions. According to this, Huntington divides the world into eight civilizations: the Western, Latin American, Orthodox, Islamic, Sinic, Hindu, Japanese and African. Five of these have their respective core state (leading country) or states: for Western civilization it is the European Union (EU) and the United States; for the Orthodox civilization it is Russia; for the Sinic civilization, China; for the Hindu civilization, India; and for the Japanese civilization, Japan. There is no such core state for the Islamic civilization (being so widespread Huntington prefers to point out three subdivisions: the Arabic, Turkish and Malaysian), nor for Latin America and sub-Saharan Africa."

" The division of countries into civilizations seems random since Greece is not part of Western civilization but of the Slavic-orthodox, even though it is a member of the European Union and NATO and Western civilization is based on the classic-Greek civilization. Furthermore, even though they both form part of the Islamic civilization, there is little in common between Tunisia and Indonesia apart from religion. Thus, the central aspect in Huntington's differentiation between civilizations is of religious nature even if he prefers to call it cultural."

According to Abdin MD. J. culture in a simple way is what we are, which is scilicet our way of speaking, eating, dressing, beliefs, norms, values and judgment; everything is included in our culture. Thus studying the culture of a nation includes the overall study of a nation's lifestyle, living standards, way of interaction and everything they do from the morning up to going to bed late at night. All of these are included in their culture together with beliefs, values, norms and judgment.[17]

[17] Abdin, MD. J. "Impact of Culture on International Marketing", p. 5 / http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1267863 (19/01/2012)

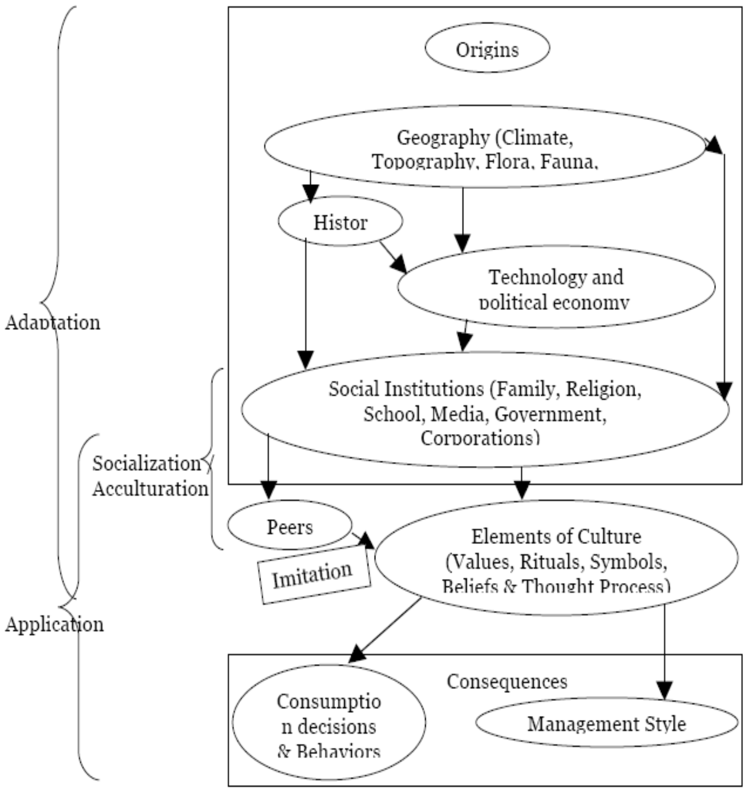

Figure 2: Origins, Elements, and Consequences of Culture
Source: Abdin MD. J. "Impact of Culture on International Marketing", p. 7

Considering this explanation, culture then contains three levels which are separated in the direction of through to two aspects known as tangible and intangible. Tangible aspects transpire as discernible diurnal behaviours and attitudes like body language, clothing, lifestyle, drinking and eating habits. On the other hand, intangible aspects are divided into two groups namely values and social morals – family values, sex roles, friendship patterns and basic cultural assumptions – national identity, ethnic culture, religion. To sum up, circadian behaviours and attitudes are affected by values and social morals, which are more evident than basic cultural assumptions. The values and social norms lead people to arrange their short-term behaviour and can change easily in shorter time periods of either ten or twenty years, while the basic cultural assumptions occur and are shaped over centuries.[18]

Apart from the various definitions by a great many authors and researchers about the word culture and in addition to the distinct levels culture contains it is generally conceded that the culture must have three main characteristics:[19]

[18] Hollensen, S. (2011), p. 234-235

[19] Hollensen, S. (2011), p. 234-235

• Culture is **learned**: This characteristic shows that culture is attained over time through the members of a group or people in a community conveying culture from one to another generation. In this way people learn unconsciously in the early years of their life their national culture through interacting with other family members, deserving and acquiring awards, suffering castigation, struggling for wishes, triggering and refraining from clashes…etc.

• Culture is **interrelated**: Any one part of a culture which represents that culture is affectingly related with the other parts of the culture. For example, matrimony accruing to the extent of religion or the connection between business and social status.

• Culture is **shared**: That is, beliefs, notions, creeds and tenets of culture expand to the members of the group or people in community. Those values continue to an individual by the other people of the culture group or community which comprise parents, other full-growns, whole family, friends or institutions such as schools.

To bring this discussion to an end I would likely to give a place particularly to the definition, made by Hofstede, about culture which I will use as a base in this study; " Culture is the collective programming of the mind which distinguishes the members of one human group from another… Culture in this sense includes system of values and values are among the building blocks of culture." [20]

2.2 High Context versus Low Context Culture and Silent Languages

For an individual to be successful in all stages of life it is important to understand the culture one finds oneself in exactly. Edward T. Hall developed a way to understand different cultural orientations by developing the notion of high context and low context. In high context cultures the elements in the vicinity of the messages can be utilized to understand the meaning of the message. Social settings, social importance, speech and personal knowledge may supply additional information which the receiver of the message will perceive and can use to understand more deeply the meaning of the message. According to Johny K. Johansson, in such cultures individual behaviour is decisive in context and situations because even when words are not spoken the individuals can communicate with each other. Thus, things can be

[20] Hofstede, G. (1984), p. 21

"understood" and communicated beyond the words spoken; it is important to "read between the lines".

The characteristics of high context cultures can be listed as follows; they have a resemblance in their backgrounds, commonality of purpose, centralized broadcast media, coordinated educational system, careful enculturation and socialization starting at an early age in the family, they are homogenous societies--usually religiously uniform and using one language and so on.

In low context cultures the opposite is the case. The meaning of the message is borne by the spoken and written language where the sender of the message encodes and expects that the receiver will decode accurately the words which were used to achieve good understanding of the intended message. Briefly I can say that the purposes can be uttered verbally. So the sense of the expressed meaning of an individual is explicit where the statements are explanatory and substantiated, and thoughts and ideas advanced in an obvious way. In cultures with low-context the understanding depends on the denotations of the words and attitudes where the context does not contain additional information. Therefore it is particularly useful for countries which are multicultural and where the values, norms and behaviours of individuals are fairly distinct as information is expressed through explicit codes.

If these concepts are applied to the real world Japanese culture, Saudi Arabia, newly industrializing Asia countries, some Latin America countries, India, and the countries of Northern Europe can be considered examples of high context cultures. Because of their large immigrant populations and their diversity the United States, Australia, and New Zealand are representative of the low context culture. As Svend Hollensen pointed out, trying to communicate depends on the difference between contexts.[21]

Of course not all communication is verbal. According to Edward T. Hall another important factor is nonverbal communication. These are sometimes referred to as "silent languages" in international business. They consist of five dimensions, which have meanings in interpersonal communication and don't need to be mentioned or spoken. These dimensions are: space, material possessions, friendship patterns, agreements across cultures, and time. [22]

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[21] Hollensen, S. (2011), p. 237-238; Johansson J. K. (2009), p. 65-66

[22] Johansson J. K. (2009), p. 65-66

2.3 The Cultural Model of Hofstede

The behaviours, thoughts, attitudes, senses and emotions of a person are sometimes known as a *mental program*. They could also be called *software of the mind*. All of the reputed unconscious determinants are the result of a person's mental program, from which a person can find recent, renewed, ingenious, noxious or improbable ways for reacting which are also essentially and abstractly based on the core ability of a person. In this way I can say that the mental program determines the probable, estimated and comprehensible reactions of a person according to his or her past.

The roots of a person's mental program rely on the social and cultural environments wherein that individual grew up and attained life experience over time. This starts firstly inside the family, particularly in relationship with the mother, and proceeds with the neighboorhood, continues subsequently at the school, among youth groups, at work and the commonality, where one lives. Eventually and in sum, the premise mental software could be referred to using the traditional term culture.[23]

Because of the difficulty in indicating the differences between national cultures, almost every author in the literature has recommended or preferred to use Hofstede's Cultural Model in order to measure the key cores of each diverse culture. The model is predicated on four dimensions. For instance, collectivist societies are affected more strongly by social contemplation than individualistic societies when choosing brands. Societies with high power distance ordinarily prefer prestigous brands. At the same time people in societies with high risk avoidance observe the eminent brands as an advantage. In this manner using these indicators can help to characterize the national cultures and interests. This is the most convenient and powerful framework for expounding the acceptance of customers across cultural differences. Social value and the importance of a product can lead intensively the consumption patterns and designate purchasing intentions, consumer attitudes, perception of brand or advertising slogan…etc.[24] Hofstede's indices, respectively, are:

[23] Hofstede, G., Hofstede G. J., Minkov, M. (2010), p. 5

[24] Johansson J. K. (2009), p. 439; Anholt, S. (2003), p. 8; Yoo, B., Donthu, N. (2005), p. 7-11

- ***Power Distance (PDI)*** is the benchmark wherein all the people inside of the society, excepting the powerless and marginal human beings within the community, concede that the power is dealt out unequally. The extent has two extreme points: high-power-distance and low-power-distance. In the former it is expected that the children are tractable and observant of their parents and behave respectfully to their elders and family. This is evaluated as merit. Also power is centralized and held by certain top people in the society who determine all the decisions. In such cultures these decisions are naturally executed by those people who accept that the power and wealth are not distributed evenly. In the latter, the children begin to say no very early and are fostered to reach their individual sovereignty at an early age. Power expands extensively and the people in this culture are egalitarian. In these communities the ancillary people in the workplace can freely communicate with their bosses, their dealings are more easygoing and comfortable, plus they have less dependence on their seniors and even subordinates can conflict and disagree with them. Moreover people in low-power-distance societies can participate readily in the decision-making process in an organization. As applied to the real world, Japan could be an example with a high-power-distance score; the United States and Canada indicate middle-level ratings on power-distance; and Denmark, Israel and Austria have the lowest level of power-distance.[25]

- ***Individualism vs. Collectivism (IDV)*** is the cultural value dimension which is tied most closely to ability and denotes the association between a person and a group of a particular culture. This measure clarifies within the culture as a whole how the people esteem one’s aims, targets and/or achievements, and competencies. In the individualist cultures an individual’s goals have priority and are favoured over the interests of the group because people have potent self-orientation and are strongly self-centred. Therefore they are not dependent on the other people. Additionally in those cultures ability plays an important role in trust because the people appraise one’s success and aptitude. On the other hand, in collectivist societies people have the mentality of being a group, where they are dependent on each other and seek to sustain the group harmony in reciprocal coherence and are close knit in intense, substantial, allied groups from nativity of individuals. In this manner the

[25] Hollensen, S. (2007), p. 228; Gillespie, K., Jeannet, JP., Hennessey, H. D. (2004), p. 67

collectivist societies are more dubious in regards to foreigners whereas the individualistic societies are friendlier to them.[26]

- ***Masculinity vs.Femininity (MAS***) is the extent relating to the degree of masculine and feminine values in which the scores of male and female respondents are quite distinct from each other. Put generally, masculinity is reconciled with assertiveness and femininity with modesty and nurturing. Achievement, performance, prosperity, money, rivalry, mettle, competitiveness and high earnings are valued by the masculine societies. They subrogate the feminine values like quality of life, maintaining warm and close personal relationships, service, care of the weak, defending the environment and solidarity from injuries and concern with public prosperity. In masculine cultures the genders have divergent acts and everything which is large and excessive is always discerned as considerable and worthy. On the contrary the feminine cultures evaluate every small thing and entity as beautiful and fine, and accentuate life and environmental quality with respect to the spiritual consequences. The indexes show the United States, Japan and Italy to be high-masculinity societies whereas Denmark and Sweden are low-masculinity societies. In the latter people can motivate themselves with qualitative goals rather than the quantitative as a means to job enrichment. The difference in the masculinity scores assign the variety of the available career opportunities in the organization relating to job mobility a higher value. The motto for a masculinity society could be "*wanting to be the best*" and for a feminine society it could be "*liking what you do*". Both of them are ways to motivate the people in any culture.[27]

- ***Uncertainty Avoidance (UAI)*** is the degree by which an individual concerned about his or her future therefore obeys the formal rules and opts for the fixed patterns of life to amplify safety. It doesn't exactly mean being risk averse. People in characteristic high-uncertainty avoidance societies usually strive to control life by lessening future ambiguity. For instance, the managers in such a society perform long-term planning to erect barriers to

[26] Hollensen, S. (2007), p. 229; Gillespie, K., Jeannet, JP., Hennessey, H. D. (2004), p. 67-68; Schumann, J. H. (2009), p. 83-85

[27] Hollensen, S. (2007), p. 229; Gillespie, K., Jeannet, JP., Hennessey, H. D. (2004), p. 68; http://geert-hofstede.com/turkey.html (21/01/2012)

decrease the risk relating to future acts. They tend to work hard or usually to be engaged in doing something. Japan, Greece, Portugal and Belgium examples of countries with high-uncertainity avoidance societies where the future is already structured and planned long before. People from low-uncertainty societies take up with the facts of life in the future and believe that they can cope confidently with everything no matter what might happen. That is to say, people are quite complacent about "Rolling with the punches." These cultures dislike rules and don't think about the differences very much, which could be potentially risky and dangerous, and don't look doubtfully on completely new ideas as which tends to make the societies innovative and creative. The United States and Canada could be representative of this form of culture.[28]

Hofstede developed two additional dimensions for this framework, which are not so often used. Nevertheless I want to give a short overview of these as well. They are:

- ***Long-term vs. short-term orientation (LTO)*** is the dimension which shows a society's time horizon or the value that is put on the future. In short-term orientation societies the individuals conceive of things in a normative way and show considerable respect for traditions. People in societies with long-term orientation believe that situation, context and time generate the truth. These societies have a tendency to make adaptations to tradition relating to the changing conditions, and an intense desire for investing, saving and obtaining the consequences.[29]

- ***Indulgence vs. Restraint (IVR)*** is the extent to which societies differ according to their point of view about the basic needs and desires of life. This means that while all people have some basic natural desires and drives some societies have constraints and strict social common rules which prevent individuals from pursuing them freely. Those societies have a restraint culture. The alternative societies are known as indulgence cultures.[30]

Because this study is based on the Hofstede Cultural Model and considers two different countries, I want to give a general overview of the dimensions of those countries separately to

[28] Gillespie, K., Jeannet, JP., Hennessey, H.D. (2004), p. 68-69; Hollensen, S. (2007), p. 228-229

[29] http://geert-hofstede.com/dimensions.html (20/01/2012)

[30] http://geert-hofstede.com/dimensions.html (20/01/2012)

understand the cultural base of each more deeply with the help of Hofstede model via the data available on the official website. I will except the last dimension Indulgence vs. Restraint (IVR).

2.3.1 Hofstede Cultural Model in Turkey

Power Distance

It is observed that the score for this dimension is 66. The cultural frame of Turkey can be characterized as bound, staggered, where usually the seniors are unreachable and the figure of the father is seen as ideal boss. Power is centralized and subordinates depend on their bosses and on his or her rules and decisions. Workers and employees are doing what they have to do and what they are told to do under the constant control of their managers. Communication is not direct and the flow of information is selective through the hierarchical style of culture. AS it is in outside life the structure is also the same in the family. The father can be seen as the boss in any organization. It is he who makes the final decision and other members of the family obey him. However, communication inside of the family is direct and everyone can utter his or her opinions and feelings about any subject.[31]

Individualism

With a score of 37, Turkey has a collectivistic society. This means that self-image of all individuals in society is described in terms of “We”. Therefore people associate themselves to any group in the society. It could be families, tribes, states, ethnic groups or organizations; associations where maintaining and protecting the order and group harmony from outside harm is very important. In order to avoid open conflicts the communication between people is indirect and the relationship is based on spiritual and ethical values which always come first, before materialistic concerns. In order to do this, investing time in the relationship is very important as a way of building trust. Nepotism or discrimination in favor of friends, particularly in a ‘courtier’ type relationship, can often be found in the society. It may also be found in the business environment. Because of it, the feedback is always circuitous.[32]

[31] vgl. http://geert-hofstede.com/turkey.html (21/01/2012)

[32] vgl. http://geert-hofstede.com/turkey.html (21/01/2012)

Masculinity / Femininity

This dimension has a score of which is close to the middle. In fact, Turkey can be understood to reside slightly on the feminine side. With reference to explanation of this dimension given above, Turkish culture tends to value and foster the 'softer' aspects in the society like consensus, equalizing with others, sympathy and benignancy toward underdogs, dark horses and out-of-towners. Particularly having the same opinion, consensus, is a paramount aspect between individuals. Hence people tend to avoid conflict with each other both in private and business life. Additionally, leisure time has an important role in the society because enjoying life comes along with being together with family and friends. In a nutshell, Turkish people believe that quality of life, caring for others and being together, motivate the people in the society.[33]

Uncertainty Avoidance

The highest score for Turkey in any of the Hofstede dimensions is found here. The score of 85 shows that people are concerned about their future because of the ambiguity due to the inadequacies in the laws and rules which exhibits a strong need for regulations. To minimize their fears, worries and anxieties people use the established rituals and proceed using them until the necessary regulations come about. These rituals don't relate with religion but rather are based on the traditional social patterns which are to preclude conflicts and clashes even if just a bit.[34]

Long Term Orientation

There is no score recorded for Turkey for this dimension.[35]

[33] vgl. http://geert-hofstede.com/turkey.html (21/01/2012)

[34] vgl. http://geert-hofstede.com/turkey.html (21/01/2012)

[35] http://geert-hofstede.com/turkey.html (21/01/2012)

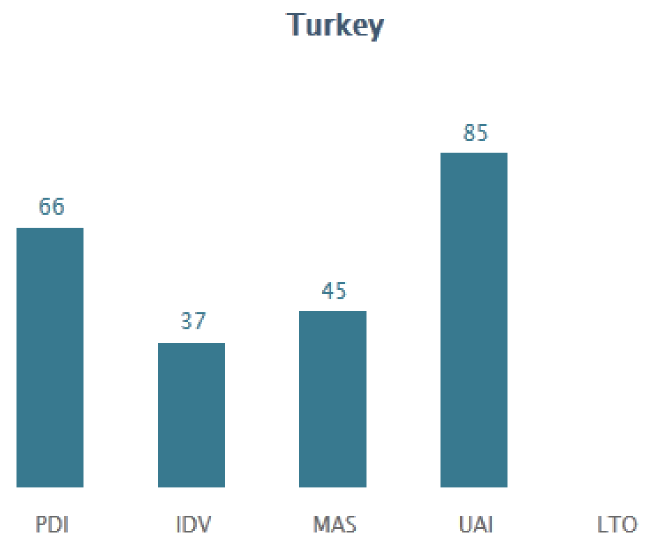

Figure 3: Hofstede Cultural Model for Turkey
Source: Hofstede Official Website (http://geert-hofstede.com/turkey.html)

2.3.2 Hofstede Cultural Model in Austria

Power Distance

This dimension is the lowest score that Austria accumulated, which is 11. Along with this score it might be mentioned that the typical features of the culture could be independence, hierarchy comes into existence only for convenience, people have equal and fair rights, superiors are normally accessible and available, leaders are those who coach the others, management helps, with the aid of established system, to facilitate and empower. In contrast with Turkey, there is no centralization of power. Rather it is decentralized, wherein seniors notice the opinions and thoughts of the subordinates and count their experiences. In this way the employees are people to be consulted and don't like permanent control. Attitudes toward relations between managers and team members are informal. For example, using the first name of a partner in a conversation. This makes the communication direct and creates a situation where the people can participate easily in every stage of the communication.[36]

Individualism

With the score of 55 Austria is an individualistic society where people are usually interested in themselves, family members and close friends. For this reason individuals prefer to have a

[36] vgl. http://geert-hofstede.com/austria.html (22/01/2012)

loosely-knit social framework and emphasize mostly their self-esteem where individuals describe their self-image by verbalizing “I”. In this society offences are seen as guilt- and blameworthy which can cause one to lose self-esteem and –confidence. The relationship between boss and worker is dependent on a contract which is based on advantages for both sides. Furthermore, virtue is an important aspect for making the decision about recruiting, employing and upgrading which can only be supposed where the management has an effect on people.[37]

Masculinity / Femininity

This is the dimension for which Austria registered the highest score: 79. indicating a masculine society in this country. Main driver is oriented to achieve the goals and being successful. On account of this, people live to work which motivates the people and is a fundamental point for wanting to be the best. The essential feature for the managers is being dogged and self-consistent while keeping in mind equity, competition and performance to make decisions correctly. Some bellicosity exists which means that the people are struggling to realize objectives. This causes conflicts between them which are often resolved in competition such as elections.[38]

Uncertainty Avoidance

This dimension has the score 70 that means the Austrian people strive to avoid uncertainty. To do this firm and unbending rules exist for behaviours, attitudes, belief and thoughts. Heretical and dissident opinions and attitudes are not accepted and, in fact, are absolutely disapproved of. this is because individuals in this society feel emotional and psychological need for these rigid rules to maintain the avoiding of uncertainty. Outside of daily life these rules are not seen in business life where time is associated with work, because the strong incentive for people is to always be busy, doing something and working hard. Through these statements some norms can be seen coming together. It is definitiveness, promptness and especially security which motivate the people. Decisions can be made as a result of attentive qualitative and quantitative analysis which uses all existing information.[39]

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[37] vgl. http://geert-hofstede.com/austria.html (22/01/2012)

[38] vgl. http://geert-hofstede.com/austria.html (22/01/2012)

[39] vgl. http://geert-hofstede.com/austria.html (22/01/2012)

Long Term Orientation

In opposition to Turkey, this dimension is scored low by Austrian culture at only 31. This relates that the society has a short-term orientation culture where the people considerably respect to the traditions. Austrian society does not tend as strongly toward saving as much as the long-term orientation societies do. It has an intense social pressure to "keep up with Joneses". They like to get a successful result quickly which make them impatient and eager and successful results are perceived as the absolute truth (in other words normative). Other western countries also have short-term orientation societies just as do the countries of the Middle East.[40]

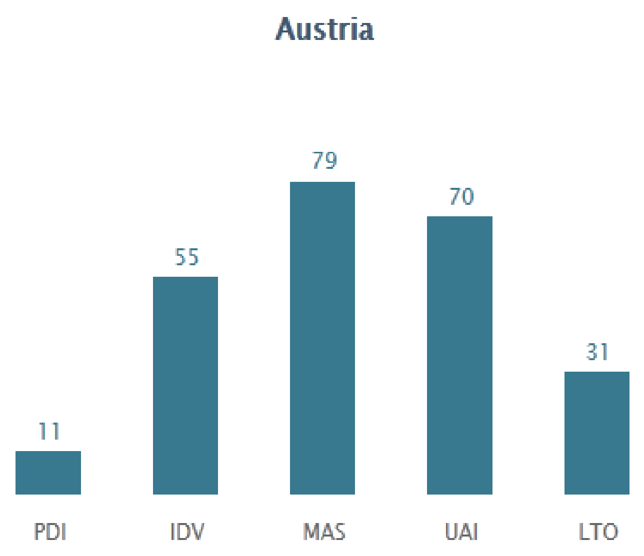

Figure 4: Hofstede Cultural Model for Austria
Source: Hofstede Official Website (http://geert-hofstede.com/austria.html)

2.4 The Cultural Influence on Franchising

Nowadays franchising is the method preferred most by the international companies to enter into foreign markets. This is an alternative mode with a lot of opportunities for the firm to expand overseas or into new target markets and is based strongly on international marketing decisions. Deciding which market to enter has an important role in the firms marketing planning, actually it is the initial point for proceeding successfuly to the next stages in the plan.

[40] vgl. http://geert-hofstede.com/austria.html (22/01/2012)

After deciding whether to go into new markets and which countries to enter, companies consider the environments of the foreign country. These environments can be divided into macro- and microenvironments. Political/legal, ecological/physical, technological, social/cultural and economic forces comprise the macroenvironment. The microenvironment includes suppliers, customers, distributors and competitors within the selected country. The forces in the macroenvironment have an impact on company and additionally on the forces in microenvironment which create the firm's immediate environment. Briefly it can be said that the forces from both environments strongly influence the company's capability for operating in an effective way for providing products and services in a timely manner to its customers in a foreign country. Together both environments designate the alternatives of entire opportunities and threats that a company will face.[41]

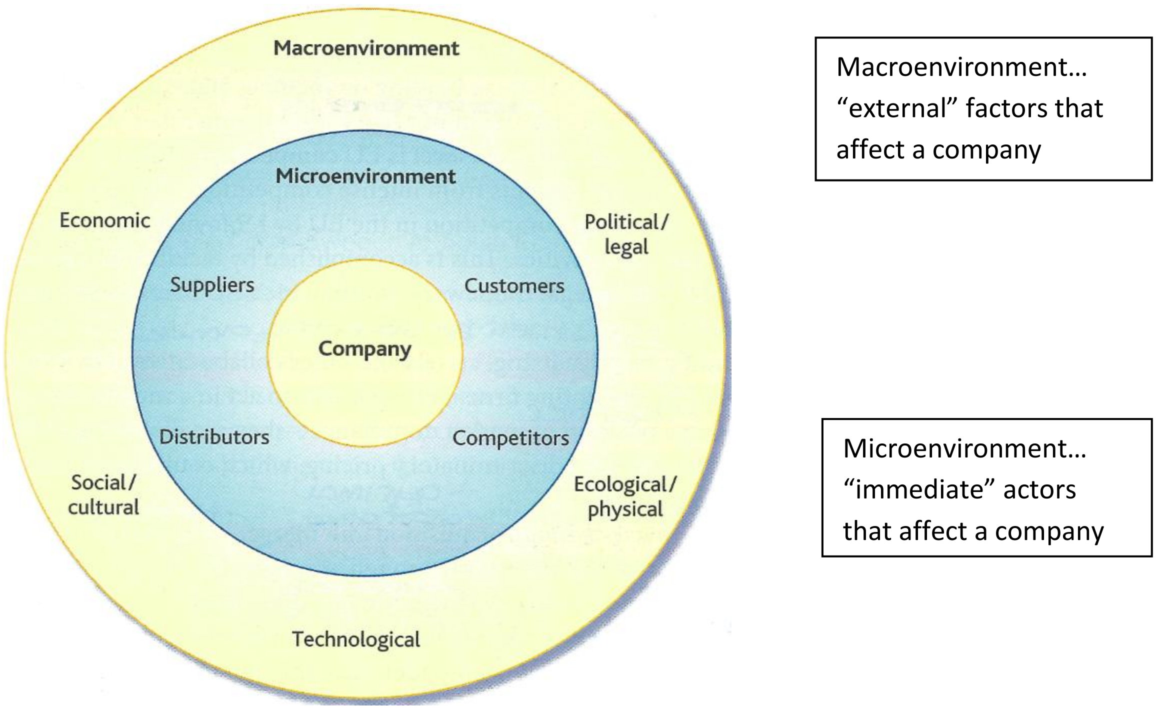

Figure 5: The Marketing Environment
Source: Jobber, D., 2010, p.73

Each of the factors in the microenvironment has its own separate analysis. On the other side, for the macroenvironment factors companies use the results of the PEST analysis where every factor relies fundamentally on the cultural values. Thus the differences of cultural values shape the cultural barriers in countries. At this juncture the cultural model of Hofstede assists the companies in understanding the effect of cultural values, which helps to understand the

[41] Jobber, D. (2010), p. 73, 91

influence on customer's wants and needs and send messages regarding the selection of goods and services either directly or indirectly, on the applicability, feasibility and the acceptance of a franchise system in the foreign countries.[42]

Between different countries there exist differences in cultures especially between home and host countries. Hereby people in different cultures and professions have discrete perspectives and priorities for their own interests and desires which could not be *nolens volens* the same as the others. These differences generate the cultural distances between countries and the greater the differences between variables the greater the cultural distance that comes into existence between home and host countries. Eventually the greater cultural distance makes applying the uniform business format, as in the franchising that is the focus of this study, quite difficult across varying countries with various cultures.[43]

It is widely recognized that cultural differences have an influence upon the business and mangement process. In one sense some core elements, like trademarks and logos, can be maintained and standardized across nations. On the other hand, incidental elements can be adapted to each culture. These include things like implemention of production, pricing, placing, promotions, advertising where color, language, symbols, gestures has an important role. Intercalarily these differences also affect the type of leadership, organizational structure, negotiations, alliances, personnel- and human-resource management, information flow, pay-for-performance, hiring of employees, communication…etc. After all the organizations, managements, responsible people, seniors, and, in this case, franchisors have to have a talent for thinking globally but acting rigorously locally by adjusting product and service strategies to the local consumers. That's why the franchisors have to understand implicitly the several cultural forces in international markets to be successful at business- and daily life all over the world because it is the reality that every concepts and strategies occasionally may not suit the cultural variables of a foreign country. For instance, a famous and well-known American bagel franchisor wanted to enter into the market in Lima, Peru, by selling its rights without recognizing that the Peruvians don't eat breakfast. Albeit with the globalization cultural norms and values lead companies to make adaptations like an American restaurant franchisor, who enables its Egyptian franchisees to evolve and produce particular foods for menus

[42] Gillespie, K., Jeannet, JP., Hennessey, H. D. (2004), p. 48-49; Anttonen, N., Tuunanen, M., Alon, I. (2005), p. 7; Alon, I., McKee, D. (1999), p. 76-82

[43] Eroglu, S. (1992), p. 19-30; Fladmoe-Lindquist, K. (1996), p. 419-438; Trompenaars, F., Asser M. N. (2011), p. 74; Alon, I. (2006), p. 99

during the holy month of Ramadan in the Muslim country. In addition to this example, in other muslim countries such as Saudi Arabia and Qatar the seclusion of women in public places is required due to the local customs. For the visiting women, consequently, the franchisor has to alter their restaurant by including “family areas” which can be another example for the neccesity of adaptation. Negative examples also exist. For example, the location of McDonald’s in Xi’an bombed by a terrorist because of its being an icon of American influence, the location decision of Burger King in Maaleh Adumin during the Arab-Israeli conflict caused protests by the Israelis and Jewish interest groups who summoned Jews around the world to boycott the company or McDonald’s being attacked in France by protesters as a symbol of unchecked globalization (even though France is a leading market in Europe for McDonald’s) are some examples of how culture can induce conflicts for franchising.[44]

In conclusion it is a reality that franchising brings with it the cultural transformation which can be unacceptable and rejected by the traditional norms in another culture. In these circumstances a franchisor plays the role of an agency or a channel by bringing and carrying the new foods, new services and new customs to other cultures and thus helps to change consumer demands, modernizes the lifestyles and evolves the trend of globalization until a point is reached where franchising is not sufficient to alter some stiff cultural taboos. In this way the interconnection of franchising and culture with each other can be seen.[45]

2.5 The Role of Culture on Global Branding

As the single, unified and close knit global economy induced international capital flow - travel, cross-border exchange of information and ideas, and trade in goods and services triggered the companies to observe the whole world as a single market and to appraise the expectations as common needs and wants across and within countries. This is what can be denominated as globalization. The organizational and strategic factors, industry structure, environmental (economic, technological, cultural, social, political, legal, pysical, ecological) and nationalistic differences form the new global outlook. Thus the differences in cost, worldwide connectivity with the help of Internet and nascency of international consumer

[44] Alon, I. (2006), p. xix, 43-44, 48; vgl. Hawkes, C. K., Bandyopadhyay, S. “International Growth of U.S. Franchising: Cultural and Legal Barriers”, p.3 / www.sbaer.uca.edu/research/acme/2001/25.pdf (23/01/2012)

[45] Alon, I. (2006), p. 41

markets help to make internationalization easier and more lucrative. Consequently, globalization can be a driver that influences global consumption in nations by bringing together the cultural values and norms in conjunction with the global mass media, tourism, immigration, pop culture and marketing activities of international companies.[46]

Globalizing of markets requires globalizing of marketing which entails global coordination of marketing activities or having a global strategy perspective on the marketing operations in any one country. And thus it necessiates an evident extent of marketing standardization, sustaining an extent of uniformity in product, advertising, distribution and other marketing mix elements across markets. But still the companies notice that their standardized products or services more or less generally need some local modifications. Particular and peculiar regulations of a country, language, religion, perception of colours, symbols, logos, consumer preferences…etc. could be reasons for these modifications which are based strongly upon the country's culture. The key point is whether the feature of product or service is crucial, and all cultural determinants alter across and within countries. That is why the international companies have the dilemma between standardization and adaptation of their products or services according to the culture.[47]

Global brands are the fundamental and major assets for the companies, worth billions for their firms and can be seen as an important tool to communicate with the consumers around the world in the same way because of their presence on a global scale. Despite this, their importance and being well-done differ from one to another nation's culture especially for the hedonic products such as clothes, cars, foods and drinks…etc. This is the reality, the more visible the products are, the stronger the social and cultural impact they are exposed to. Eventually the companies are befuddled by virtue of globalization and homogenization for whom the aim is the achievement of successful worldwide brand penetration with the help of correct and authentic marketing activities. Therefore deciding initially to which countries or target markets to enter with which products or product lines can steer the companies to tailor marketing mix strategies correctly in the face of country's cultures. And so strategies for global branding are closely related to segmentation and positioning which can be used occasionally to strengthen image. According to the functional elements of marketing mix

[46] Ger, G., Belk, R. W. (1996), p. 271-304; Alon, I. (2006), p. 29-30

[47] Johansson, J. K. (2009), p. 403, 406, 425

(4P's) these strategies can be classified as global advertising strategy, global pricing strategy, global product (category) strategy…etc.[48]

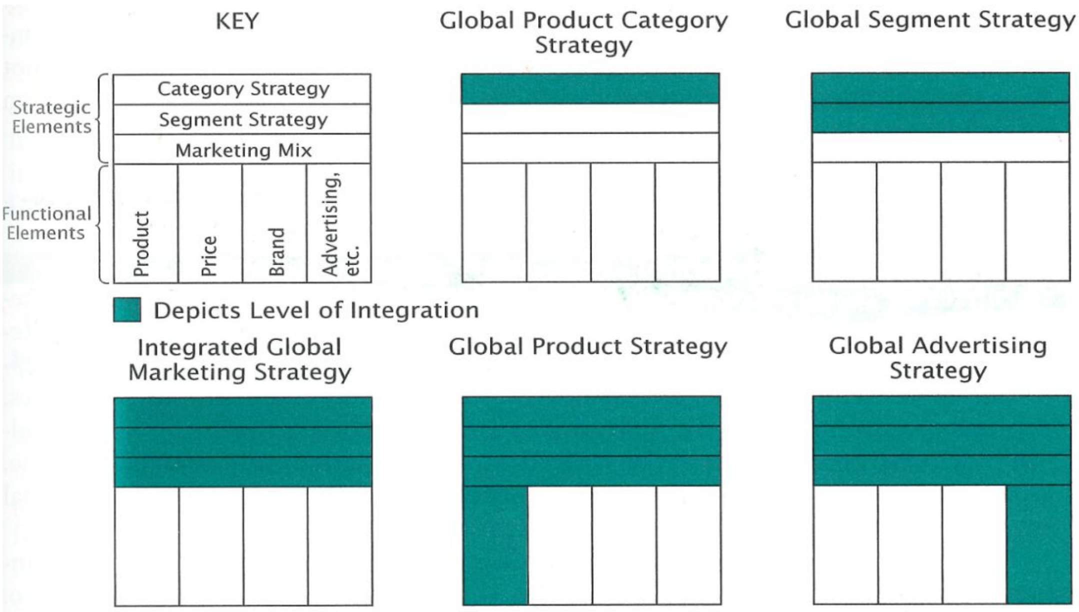

Figure 6: Levels of Integration for Global Marketing Strategies
Source: Gillespie, K., Jeannet, JP., Hennessey, H. D., 2004, p. 219

As seen in the above discussion, it can be understood that marketing a product or service in another country requires profound understanding of the basic cultural differences across countries especially between home and host countries, since this is the core element for becoming a well-established global brand. Transnational firms have to balance between the risk and captivation of a new thing coming from a different culture by being sure that the new thing will answer the customer expectations. Thus global brands have a decisive influence in changing of social - cultural norms and values of the countries so they transmit the national culture. As a result it is the reason why marketers should take into account the cultural influences for their strategies either for developing a well-known brand or reinforcing the established brand image. They must adapt their strategies for products and services to fit their operational area before entering the new markets because, according to the Kotler P., *culture is the fundamental determinant of consumer behaviour* and plays an important role in the acceptance of products and services and for being a well-established global brand. For example, with the help of adapting the menus, changing the inside decor, harnessing more comfortable chairs McDonald's changed its American fast-food image in most European countries even though the same segment is targeted. Or Levi's jeans can be another example

[48] Gillespie, K., Jeannet, JP., Hennessey, H. D. (2004), p. 219; Jobber, D. (2010), p. 332-333; Johansson, J. K. (2009), p. 372, 432, 439; Haig, M. (2003), p. 129

of using different positioning strategies. It’s segment is youth around the world but in the United States it is positioned as amusing, practical and convenient, while abroad it’s position is a status as original jeans. Thence it can be seen that culture has a strong influence on reinforcing the images of global brands in addition to determining their success.[49]

Quite apart from reinforcing the brand image, wrong strategies on the grounds of misunderstanding of cultural differences can lead companies to failures like tremendous losses, bad image…etc. For instance, baby food manufacturer Gerber wanted to sell its products in Africa with the same packaging as in Western countries with a picture of baby boy on the label. The company achieved very low sales quite contrary to its estimates. Following an investigation, Gerber discovered that the people in the target market could not read English and the company started to put pictures on the label of what was inside. American Airlines can be another example for cultural failure of branding with its heedless advertisement which aimed to display flying in business class as luxurious by illustrating its leather seats and using the slogan “fly in leather”. Without attention to language differences little demand emerged, because the translation of the slogan in Spanish “Vuelo on Cuero” means in slang terms “in the nude”. By the same token there are a lot of instances such as failures of Kellogg’s in India, Hallmark in France, Pepsi in Taiwan, Schweppes Tonic Water in Italy, Electrolux in United States, Coors in Spain, Frank Perdue’s Chicken in Spain, Clairol’s Mist Stick in Germany, Parker Pens in Mexico, Vicks in Germany, Kentucky Fried Chicken in Hong Kong…etc.[50]

In summary, global branding is crucial and common on behalf of the international firms due to the opportunities like easily entering into the foreign markets, building a strong international reputation, minimizing the promotion costs, advantages of standardization…etc. Because of this, managers, marketers or brand-builders try to catch the positive attention and minimize the negative thoughts of customers. Positive attention from the customers is the benefit of global brands, otherwise negative thoughts can cause the brand to localize. It should be noted as well that nowadays companies generally use pertinent local names along with defending their strong global images; a practice known as “glocal”. Finally it can be seen that culture can really lead the companies as they are developing successful strategies.[51]

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[49] Anholt, S. (2003), p. 92, 138; Chaharsoughi, S. A., Yasory, T. H. (2012), p. 98-102; Ekerete P. P. (2001), p. 93-101; Johansson J. K. (2009), p. 390

[50] Haig, M. (2003), p. 130-142

[51] Johansson J. K. (2009), p. 431

3 FRANCHISING

In this chapter of the present study I tried to explain the concept of franchising from every point of view. First of all like other chapters I wrote the definitions of the word “franchising” from different perspectives along with its two distinct strategies. In pursuit of this I explained the theories of the concept, namely agency and resource scarcity to understand the strategies more deeply. Afterwards I focused on the benefits and drawbacks for both franchisor and franchisee to observe overall advantages and disadvantages of the franchising concept. Subseqeuntly I proceed with the tension between standardization and adaptation to individual culture. Because the current study comprises two different countries in the light of their geographic locations, regulations, taxations, specific cultures, taboos, values, norms and so forth, I explained the evaluation of the concept for each country one by one. And finally, I wrote about the evolution of fast-food franchising due to the fact that the companies McDonald’s and BurgerKing operate in the fast-food sector globally.

3.1 Definitions of Franchising

The concept of franchising is not new, however in recent years it is the most viable method for companies in the field of worldwide marketing and distribution of products or services although is not feasible for all business types. According to the official website of International Franchise Association (IFA)[52], franchising defined as “a method of distributing products or services. At least two levels of people are involved in a franchise system: one is the franchisor[53], who lends his trademark or trade name and a business system; and the other is the franchisee[54], who pays a royalty and often an initial fee for the right to do business under the franchisor's name and system.”

[52] International Franchise Association (IFA) is a membership organization of suppliers, franchisees and franchisors. It was established in 1960 to build and maintain a favorable economic and regulatory climate for franchising. It is the only association serving as the voice for franchising in the United States and is a major participant in the international franchise arena with its mission for enhancing and safeguarding the business environment for franchising worldwide. (www.franchise.org/franchiseesecondary.aspx?id=10008 – 05/03/2012)

[53] The company termed as franchisor which grants the right (Elango, B., Fried, V. H., 1997, p. 68-81)

[54] Franchisee purports as the receiver of the right (Elango, B., Fried, V. H., 1997, p. 68-81)

In contrast to the official definition of IFA, with reference to the books and other sources in literature there is no certain definition of franchising. Many authors described the concept in considerably different ways. According to one franchising might be defined as "an arrangement whereby the manufacturer or sole distributor of a trademarked product or service gives exclusive rights of local distribution to independent retailers in return for their payment of royalties, and in exchange for conformance to standardized operating procedure. A party granting such right (or franchise) is known as the franchisor, while the recipient is called the franchisee" but is defined by another as "a business model in which a parent company (the franchiser) grants another, independent entity (the franchisee) the right to do business in a specified manner. This right can take the form of selling the franchiser's products or using its name, production, preparation, and marketing techniques, or its business approach" to the extent of another.

In order to be in compliance with this study it is necessary to include the definitions from the marketing perspective. Therefore, with reference to Jobber D. "franchising is a legal contract in which a producer and channel intermediaries, who usually receives marketing, managerial, technical and financial services in return for a fee, agree each member's rights and obligations." Plus, intercalarily with respect to the book Global Marketing – an interactive Approach by Gillespie K., Jeannet JP. and Hennessey H. D., "franchising is a special form of licensing[55] in which the franchiser makes a total marketing program available, including the brand name, logo, products, and method of operation."

From the definitions it can be understood that franchising is an organizational development and is based on long-term relationships and designed around mutual trust. It might be expressed as a business opportunity for both sides i.e. franchisors and franchisees for distributing and selling the products or services in return for a fee while granting the licensed right. That is why companies usually apply this system or method as an alternative when entering into foreign countries through its faster and more vigorously implementation than other entry modes. Besides with a breadth of opportunities which suit most pockets, franchising might be applied today to many diverse activities that can be categorize under such industry headings as job franchise, management franchise, retail franchise, investment franchise. This is due to its tranferable concept that also allows any business to adapt to different cultures and business regulations around the globe. The most common type is known

[55] Licensing is a contractual method of developing and exploiting intellectual property by tranferring rights of use to third parties without the transfer of ownership (Sherman A. J., 1991, p. 301)

as "business format franchising" or "package franchising" which is the process of licensing the rights and obligation to copy a unique retail positioning. It includes products and services, might be occasionally location-specific and requires access to sources of supply, specific equipment and detailed operating instructions. Concisely, the franchisee receives not only the right for using the product, service and trademark but also receives the whole business plan inclusive of the standardized marketing strategy, operating and training manuals, quality control, support from the franchising company, store layout, etc. It can also be identified as "the granting of a license for a predetermined financial return by a franchising company (franchisor) to its franchisees, entitling them to make use of a complete business package, including training, support and the corporate name, thus enabling them to operate their own businesses to the same standards and format as the other units in the franchised chain." The other form of franchising is known as "product and brand". It was developed in its original version at the beginning of the 20th century by which a brand of product or service is re-sold by another as happened typically in the beverage industry, gas stations, and auto dealerships.[56]

3.2 Franchising Theories

The franchising, hybrid organizational form and hybrid capital instrument, is not always suitable for any type of business. Only if the company aims to present a quality trademark or has the opportunity for decentralizing its products or services and otherwise if its products or services are close to the site of consumption in such cases the concept of franchising fits completely to realize the purposes of the company. A survey of the content in the research field base shows far more content on the reasons of franchising than on penetrating a foreign market through company-owned units. According to sundry studies the reasons from the industry perspective are capital needs, market competition, monitoring costs and the necessity of reach for minimum efficient scale and faster growth. On the other hand, the chance to operate the business independently, availability of backup help, a proven concept and known tradename with reduced risks of failure, job satisfaction and easy business development might

[56] www.franchise.org/franchiseesecondary.aspx?id=10008 (05/03/2012); Alon, I. (2010), p. 125, 155-157; Justis, R. T., Judd, R. J., Stephens, D. B. (1985), p. 167-168; Jobber, D. (2010), p. 636; Gillespie, K., Jeannet, JP., Hennessey, H. D. (2004), p.235; Murray, I. (2006), p. 21-31; Kaufmann, P. J., Eroglu, S. (1999), p. 69-85; Altınay, L., Miles, S. (2006), p. 421-436; McCuddy, M. K., Musa, P., Eser, Z., Işın, F. B. / Fundamental Moral Orientations, Stewardship, and Ethical Issues in Franchising: What are the Linkages and Implications?, http://asbbs.org/files/2011/ASBBS2011v1/PDF/M/McCuddyM.pdf (06/03/2012)

be reasons from the franchisees' viewpoint. However, the growth and achievement of economies-of-scale becomes for both sides the key priority.

Franchising contains several elements of markets and is structured hierarchically on the grounds of the ownership and control that is kept by the franchisors while letting the operations of units. Nevertheless firms strive to offset the proportion of its franchising outlets in regard to the whole system's size so as to balance ownership, control, and profitability. In other words, firms franchise not always their whole units such as retail stores, restaurants…etc. even though the concept provides to firms the utility of a vertical control over the retail units without the investment in assets required for full integration. Therefore, firms choose the optimal propensity for applying the concept of franchising that is grounded on, initially, the firms-specific factors along with two competing approaches; namely agency theory and resource-scarcity theory which are also helpful to understand the business-format franchising strategy in more detail. Each theory is composed of different causal factors. Thus they dissociate in literature from each other despite the many studies which argue that they are complementing each other. While the resource-scarcity theory asserts that franchising is a response to exigence for critical financial and human resources, at the same time agency theory urges that the franchising is a response to the problems in the field of directly monitoring and evaluating outlet personnel. Finally marketing and retail scholars refer to franchising as a way to delimit the organizational and financial constraints on a firm's growth. Supporters of agency theory argue to the contrary with emphasis on the efficiency incentives features of the franchise relations.[57]

3.2.1 Resource Scarcity

Reference to the study which was conducted by Oxenfeld and Kelly in 1969 is necessary at this point. They held that the resourc-scarcity theory refers to the reasons for franchising caused by the deficiency of the resources for the penetration. They envisaged a lifecycle model for franchising wherein the young companies with limited available capital become franchisors making the expansion aim real by using the franchisee's capital. New enterprises require rapid growth to compete successfully against the competitors in the market. In this manner, with the aid of franchising, they might achieve rapid market penetration in the early

[57] Alon, I. (2010), p. 57-58, 66, 140, 157-158; Elango, B., Fried, V. H. (1997), p. 68-81; Carney, M., Gedajlovic, E. (1991), p. 607-629; Tracey, P., Jarvis, O. (2007), p. 667-685; Combs, J. G., Michael, S. C., Castrogiovanni, G. J. (2009), p. 1268-1290; Alon, I. (2006), p. 11, 21, 81; Kaufmann, P. J., Dant, R. P. (1996), p. 343-358

stages of a firm's growth by the attainment of key resources. After they have acquired the sufficient level of capital the franchisors take over the larger units from franchisees. Plus, the theory propounds in the wake of the reach of critical mass or optimal market coverage the emphasis generally changes its direction towards operating efficiencies and market development under the stringent control of franchisors.

To summarize this theory, firms franchise at first on account of the shortage of resources to expand. These might include capital resources, managerial resources (especially local managerial talent and expertise), knowledge-based, or organizational resources. These appear as an important factor behind firms' decision for franchising meanwhile highlighting strongly the significance of brand name capital and economies of scale in promotion and purchasing which changes the direction later into maximizing the profits that infers the long term shift over to company ownership.[58]

3.2.2 Agency Theory

For its part, agency theory differs utterly from the resource-scarcity theory as it explains why franchising is used by many businesses who already have full access to capital markets. The theory proposed an agency relationship which appears between a franchisor as a principal and a franchisee as an agent that can be also identified as the relation wherein one party (the principal) delegates authority to a second (the agent). Herewith this theory expounds exactly the entity of franchising. In the view of some, high employee monitoring costs, low initial investment cost per unit and high frequency of repeat customers per unit privileged franchising over company-owned units. In particular, geographically-dispersed service and retail firms have to calculate whether using employee-managers or franchisees as local agents is less costly. If the cost for direct monitoring in remote, new and unfamiliar locations is high or if the operations labor densified, franchising is favored since the franchisees as owners have strong incentives for maximizing their outlet profitability. As regards the theory, where agency costs come to light together with the risks,of opportunism, the parties have different aims. Nevertheless the principals/franchisors have the ability to lessen the agency costs with

[58] Elango, B., Fried, V. H. (1997), p. 68-81; Tracey, P., Jarvis, O. (2007), p. 667-685; Alon, I. (2006), p.81; Carney, M., Gedajlovic, E. (1991), p. 607-629; Combs, J. G., Michael, S. C., Castrogiovanni, G. J. (2009), p. 1268-1290

opportunism by means of the direct observation and monitoring the agent's behavior via an aligned incentives system for assuring that agents operate in the principal's best interest.

According to the logic of this theory, franchising diminishes the necessity of monitoring the needs by aligning the incentives of the franchisees as an agent since the principals are incapable of efficiently monitoring their managers directly. The franchisors as principal make the franchisee a residual claimant on revenues by force. Since the franchisees have the residual claim on sales they are unlikely to shirk or neglect their responsibilities. In this way, it is quite obivous that the profits and achievement of franchisees are affiliated with sustaining a close relation with the franchisor such that it causes the decline of the monitoring needs. Stated succinctly, the franchisor is capable of decreasing the risk owing to the investment for the whole system and correspondingly lesser capital cost than franchisee in contrast with the more available capital to franchisor that made by the franchisee.[59]

3.3 Advantages and Disadvantages of Franchising

The concept of franchising has several downsides and upsides mostly based on the reciprocal relations between franchisee and franchisors which are governed essentially by the franchise agreement which warrants a payment from franchisee to franchisor and the distribution of products or services at given levels of standardization, quality and regularity. Therefore, the franchise relationships are quite unique and peculiar. Additionally, the success or failure rests on this association. However, the advantages and disadvantages of franchising might also be examined from the perspectives of consumers, home and host countries, quite aside from the franchisees and franchisors. In this manner to have a deeper idea about the notion it is essential to express these from both perspectives separately which designate the range of the attraction for franchising.

Successful franchisors have what amounts to an army of willing investors. Therefore they can easily obtain the resources in terms of staffing and money for rapidly building a network of franchisees. Also, owners of business, in this case the franchisees, work harder to gain mutual favor such as maximizing the efficiency while controlling the costs, improving the profitability…etc. Franchisees are usually dispersed among different places, countries or

[59] Elango, B., Fried, V. H. (1997), p. 68-81; Combs, J. G., Michael, S. C., Castrogiovanni, G. J. (2009), p. 1268-1290; Alon, I. (2010), p. 57; Alon, I. (2006), p. 81; Kaufmann, P. J., Dant, R. P. (1996), p. 343-358

regions. The local knowledge that is always required due to regional- cultural- social differences and diversities between countries can be gained through franchisees knowledge of the local market, domestic contacts…etc. There is a significant benefit to using the local market expertise of the franchisee. Minimizing business risks, lower staffing needs, brand strengthening, increased competitiveness, rapid expansion, and better managerial skills combined with the greater drive and motivation of the franchisee (when in comparison to an employed manager, e.g. an outlet manager) can be specified as additional advantages from the franchisors' viewpoint. By way of contrast there are also disadvantages like a tricky balance between diligent - devoted and lazy - indifferent franchisees, unsatisfactory relations due to lack of cooperation and witholding of information, insiders can become after a while outsiders and rivals, the possibility of franchisee's infringement of agreement provisions dealing with quality standards or potential loss of control over the franchise network, reduced profit, potential conflicts with franchisees, and the lack of capacity to influence the franchisee's recruitment policy and the requisite vital and massive capital for starting up the business, launching a franchise, costs of pilot-testing, expenses for recruiting and training the staffs.

Conversely, franchisees who are hardworking and have a desire to succeed have the advantage of easiness in starting with a proven and ready-made business concept that has been formerly tried and tested with an established and well-known brand name, corporate image and trademark. It might be the main benefit for franchisees, entering into a franchisors' network, due to reduced risks, economies of scale, fewer potential errors in business process, product and quality standardization, access to the franchisors's research programs knowledge base and well-training. The combined strength from both sides, franchisor and franchisee, generate high margin on sales and adequate return if the offered products or services are sold with high premium price while keeping the costs down by negotiating with suppliers for raw materials, ingredients, and capital equipment such as machinery. Beginning franchisers are usually from a variety of different backgrounds and usually without previous experience of running a business. They are welcomed due to franchisings' unique selling nature, exclusive territory and a sense of independence. As a final point,, it is worth noting that franchisees have four times greater chance to succeed than any entrepreneur who launches a new independent business. In contrast to these advantages, the major drawback related with franchise purchase is the limited freedom for decision-making, in other words dependency on the franchising system which affects the franchisor and all units both franchised and company owned. In addition, the relative inequality of the parties as they negotiate the agreement and obligation of franchisees for paying all debts without regard to his or her own financial status, inflexibility towards constantly changing environment such as new competitors, new technologies, outmoded exsiting production systems, unpredictable changes in fashion, new legislation, changes of costs for raw materials…etc. are disadvantages from the franchisees' perspective.

It is clear, from the statements noted above that the franchisors have to select the appropriate franchisees, and the franchisees have to select the appropriate franchise to be able to utilize the benefits interactively while balancing the drawbacks simultaneously that generate the concept of franchising.[60]

3.4 Standardization or Adaptation to Local Culture

Franchising is most often recommended and preferred way to grow and succeed for manifold innovators, new ventures and entrepreneurs, particularly in service businesses. Capitalizing on both the economies of scale associated with large systems and the benefits derived from small, localized operations generate the main essence of franchising. Other advantages which are associated include the opportunity to expand rapidly into new markets together with standardization of the brand, product or format that the franchisees receive. At this point companies face the issue whether standardization or adaptation is required for being successfully global or quickly entering into markets abroad since they have to maintain the essential level of standardization for obtaining economies of scale while balancing the efficient local market adaptation. Analytically franchising seems to offer a way of alloting the decisions between principals and agents/franchisors and franchisees within the system for the purpose of improving the efficiency and providing the incentives. While franchisors decide in relation to the product, production and related marketing efforts which generate together the standardization approach for the signals of trademarks, franchisees settle on the local

[60] Murray, I. (2006) p. 31-45; Alon, I. (2010), p. 140-141, 156-157; Justis, R.T., Castrogiovann, G. J. (1998), p. 170-190; Florey, G., Greene, C., Hackett, L., Mitchell, C., Mosby, B., Peralta, T. / Global Business Entry: Strategies and Alliances, http://tonyperalta.com/AMBA606/Global%20Business%20Entry.pdf (07/03/2012); www.eki.mdh.se/uppsatser/foretagsekonomi/VT2005-FEK-C-1083.pdf (08/03/2012); Lafontaine, F. (1992), p. 263-283; Bates, T. (1995), p. 26-36; Elango, B., Fried, V. H. (1997), p. 68-81; Azevedo P. F., Silva V. L. S. (2003), p. 33-44; http://franchises.about.com/od/franchisebasics/tp/advantages-franchising.htm (08/03/2012); www.franchiseventurecapital.com/advantages.html (08/03/2012)

operations such as hours, prices, locations…etc. due to their local knowledge about the trading conditions, domestic markets and the like.[61]

Standardization and uniformity play the role as cornerstone for franchising because of the achievement of cost minimization for both franchisors and franchisees particularly purchasing as a result of scale economies, marketing and implementation, and reducing the cost to the franchisor of monitoring its franchisees. Furthermore, it facilitates the consistent communication to consumers across dispersed locations for maintaining the distinct image that leads the customers to expect the same product or service in every location. For a number of reasons the standardization of the services is quite critical for franchises since the clarity of the brand reflects the prompt associations of consumers. Discrepancies in promotion such as advertising or in services provoke wrong perceptions of consumers that directly impairs the brand. For instance, McDonald's is recognized as self-service place for buying cheap sandwiches and fries. However, noticeable diversities like selling lower quality meat at bargain prices or adding lobster as an option for more wealthy consumers causes confusion among consumers who are looking for the core product. Nevertheless, a standardization approach might occasionally cause post-contractual agency problems. Withal the quest of quality control, minimizing the cost and uniformity of image generate hidden costs for the system. Besides, at the same time it might discourage the experimentation and innovation of franchisees since their efforts for local adaptation are likely to include innovation such as development of new offerings, modifying the existing ones and finding solutions for system-wide problems and as a response for idiosyncratic adaptations of individual cultures. But despite all, franchising chains are require to standardize their operations in conjunction with transferring knowledge across the constituent units of chains and willingness of unit managers for making contibution to system-wide developments since the efficiency that stems from the standardization and centralization[62] creates their competitive advantage over stand-alone rivals in the marketplace.

Today the world has become more homogenous, varied cultures interact with each other by virtue of the globalization trend that eases implementation of the standardization approach. However, future success depends on the talent of the local operation management and on the

[61] Michael, S. C. (1996), p. 57-71

[62] Centralization means the concentration of management and decision-making power at the top of an organization's hierarchy or the location of all or most main departments and managers at one facility. In international marketing the word "centralization" refers to the global integration of international operations. (Jobber, D., 2010, p.900; www.businessdictionary.com/definition/centralization.html - 08/03/2012)

favourableness of the franchise brand to the market. All kinds of franchise might succeed or fail on account of the fact that all elements (product/service deliverables, benefit communicators, system identifiers, and format facilitators) are not equal in terms of their centrality. As franchises grow, allowing drift from the standardized attributes of the outlet is troublesome because of the cost of monitoring variable criteria and a diffuse brand causes undesirable complexity in the consumers mind. This occurs most notedly in critical sectors such as hospitality and food services in which the weak performance of an outlet might influence on the reputation of the whole company. Therefore, some adaptations of the format for the variations in the local market environment are required for success as they bring overriding benefits such as increasing the revenues through better fit. From the franchisor's viewpoint, the local variations depend on the level of consumer demand that reflects consumer tastes, preferences and culture and also socio-economic composition such as income, age, lifestyle, education…etc., on the degree and type of competition that vary from country to country, on the effect of industry-, system-, and franchisee maturation, on distinct ethnic variations and media habits, and on the differences in the availability and standard of factors of production such as premises. Therefore, it is essential to separate the elements for each component as "core" which are indispensible for the survival of the system and forced across all franchisees without exceptions (basic menu, accuracy of work, clean uniforms/aprons, professional certification, system name, trademark, logo, sales reporting procedure, operation manuals), and "peripheral" which help to franchisor to offset the benefits of standardization and idiosyncratic local adaptation (hours of operation, parking, mint on pillow, display of professional certificates, color scheme, decor of unit, POS equipment, local advertising). For example, the trademark and the brand plays more critical role in identification than the other elements such as color scheme, decor of unit…etc. or quick service in a fast-food franchise is more critical than the playscape for children in outlets. Thus, adapting the peripheral elements to local environmental circumstances helps to ensure a better fit to local market conditions. The adaptations might take such forms as product-mix variations, pricing structures, local marketing and human relations practices and described as a tactical response to local conditions according to the author Bradach.

In conclusion, recently the franchisors as system creator, builder, innovator, entrepreneur, guardian and principal have been pressured by the tension between standardization and adaptation approaches since even though globalization approximates the cultures to one another, the differences amongst individual cultures still remain. In large-scale economies to franchise effectively the format components have to be entirely formulated, documented and uniformly executed through all franchised outlets. That brings with it cost minimization and economies of scale benefits for the franchise companies. Also, the standardization approach reflects a stable image of the franchise concept which is a prerequisite for integrity and mass promotion. At the same time, in order to compete effectively some local adaptations toward the environmental variations are required. Ever since the industry, franchised system and individual franchisees matured, changes in market, technology, law and variances in tastes, preferences and so forth might not be ignored. Some adjustments of the peripheral elements become worthwhile to fulfill the lack of product in its offered market. In this manner, as it is obvious that franchise systems vary in the details of what is core and peripheral and these might differ from one to another system, the specification of these elements strongly influences franchisor's standardization and franchisee's adaptation strategies.[63]

3.5 Franchising in Turkey and Austria

The implemention of franchising always differs from one region or country to another due to ethnic groups, individual cultures, spoken languages, taxation, regulations, economic and political situations…etc. This present study considers the famous McDonald's and Burger King fast-food chains which originated in the U.S. and their penetration into two distinct countries, namely Austria and Turkey. Both countries have crucial geographic locations that play an important role in their evolution. While Austria is located in the heart of Europe, Turkey plays a role as a bridge between Europe and Asia. However, the major distinction is that Austria is known as a strong developed country with a social market economy and high standard of living while Turkey is still a developing country with an emerging market. Therefore it is essential to explain the previous and current state of the franchising concept with its evolution for both countries.

3.5.1 Franchising in Turkey

The Republic of Turkey plays a role as an important bridge between Middle East, Southeastern Europe, Caucasus and Central Asia for world trade and its significant

[63] Sorenson, O., Sorenson, J. B. (2001), p. 713-724; Michael, S. C. (1996), p. 57-71; Azevedo P. F., Silva V. L. S. (2003), p. 33-44; Montagu, D. (2002), p. 121-130; Kaufmann, P. J., Eroglu, S. (1999), p. 69-85; Cox, J., Mason, C. (2007), p. 1053-1072; Szulanski, G., Jensen, R. J. (2006), p. 937-957

geographic situation (being a peninsula with different four seas, having two Bosphorus) generates an important geopolitical advantage. It is attractive to the international business enthusiasts since the country qualifies within the economy of the world as a fast growing and remarkable emerging market with an indefinite size. Additionally, Turkish borders are open to international trade and the country is quite accomplished at attracting foreign-direct investment. Thus the proposals for foreign franchisee is usually acceptable on account of the opportunity for high-quality employment, transferring of know-how and technology, providing a model to the extent of local quality standards while educating Turkish consumers. Inherent control mechanisms and paper requirements prevent tax evasion. What is more, its economy offsets a mixture of modern industries i.e. textiles, clothing and traditional agriculture with developments due to the ongoing economic reforms and the probability of EU membership. All of these factors make Turkey an up-and-coming country for foreign investments.

The concept, franchising, found its first implementation in Turkey in the year 1985 with the American company McDonald’s. In following years Wendy’s, Kentucky Fried Chicken and Pizza Hut, entered this sector, and were the first to represent the franchising system in the fast-food sector. The system, which is also perceived as selling through dealers, is rapidly developing due to the fact that it is quite consistent with the character of Turkish entrepreneurs, who are generally risk lovers and fond of their freedom. The ever increasing construction of new shopping malls both in large and small cities, and street retailing which is becoming stronger with the support of the municipal administrations, brought along an explosion of franchise_trademarks especially for real estate services. It is also to be remembered that the population of Turkey is roughly 72 million people with a high birth rate and a sizeable young generation under 16. This makes it attractive for both child services, particularly for toddlers/pre-schoolers, and education services like teaching English as a second language. Furthermore its geographic situation and possessing four different climates makes the tourism sector an active player with its economic contribution. It has become one of the vital elements of the Turkish economy (as measured by turnover which exceeds many other sectors) although the system does not have a long past history in Turkey.

At the beginning this system tended to be quite slow and today it is observed that especially the food companies have made a great attempt in the franchising field due to the admiration for Western and American style fast foods and the increase in urban population. Again, great developments are being encountered in real estate services, coffee businesses, transport, textiles, retail, furniture, automotive & car-care services, computer/electronics/internet services, business services, healthcare services, laundry, foreign language training, tourism and education fields. Lately the saturation level in big cities like Istanbul, Ankara, Izmir, Bursa…etc. direct the trade marks, both international and local, towards the Anatolian Cities and other foreign countries.

The significant statistics in the field of franchising, which were made by the European Franchise Federation and includes the most important indicators, shows that franchising is speedily spreading and embraced as a business model in Turkey. Also in proportion to these statistics Turkey is the number one in Europe regarding the number of trade marks granting franchise, and sequentially France and Germany follow. Along with the efforts of the companies who elect to grow with this system, Turkey is expected to maintain this position in Europe for many years. Due to the global crises encountered in today's economy, the demand for the franchising system, which facilitates investments with small risks, has increased; the unemployed, those fearing to lose their businesses or the companies that are active in sectors which were affected by the crises, also want to be involved in the franchising system. In addition, entrepreneurs who do not want to effect investments in a crises media are steering towards the franchising system. Therefore, the trade volume of this sector is expected to reach 50 billion dollars within five years.

As an end to this section the statement by Mr. Mustafa Aydın, the president of UFRAD (Turkey Franchise Association) about the current and prospective situation of franchising in Turkey:[64] *"*Food, textiles, education and health sectors shall always maintain their growth tendency. Franchising will always be at the forefront in these sectors. Franchising is recording progress in all education branches such as companies providing education consultancy services, institutions providing foreign language and computer educations, private schools and private schoolrooms etc. The education franchising at the present time, is pressing on the franchising of food. In Turkey there are totally 7.000 education franchises. In food sector this figure is 9 thousand. New players will show up in the market with new products. For example, sectors such as building assignments, under seal of cars, cargo carriage, pesticides,

[64] UFRAD - Turkey Franchise Association is the first and single representative of franchising sector in Turkey and established in 1991 to build trust for the franchising system while improving and enlarging the sector. It emphasize the importance of branding in commercial success and brought circa 100 varied firms together under its roof. It has become the center of knowledge and sharing information about legal, cultural, and financial matters to help these firms to constitute collaborations both in Turkish market and international commercial platforms and to help Turkish brands to find place in the world market. (www.franchisedunyasi.com/english/index.php?option=com_content&task=view&id=89&Itemid=77 – 10/03/2012)

which did not come into the mind before. These companies, while effecting such enterprises, show to the people that the related fields are required; following that the franchise of the sector is started. Apart from these, innovation also started to be assigned more significance New players may try to skip the potential towards such directions, by introducing new approaches to the sectors."[65]

3.5.2 Franchising in Austria

Austria is a small country with a central location in Europe which generates a remarkable logistical advantage due to its bordering eight other european countries, namely: Germany, Italy, Switzerland, Slovenia, Hungary, Slovakai, Czech Republic and Liechtenstein. Also the country remains all the time competitive by dint of its well-diversified and resilient economy. It maintain sizeable investments in telecommunication, non-agricultural biotechnology, medical, pharmaceutical and electronic researches, shortly for high potential industries. Also its export is dominated mainly by iron and steel products, timber, paper, textiles, machinery and foodstuffs while its imports subsists of machinery and equipment, fuels, vehicles, chemicals and foodstuffs. Additionally being a member of European Union facilitates commerce, reduces the historical dependence on Germany and fortifies the stability of its national economy by such activities as administration of pricing, balancing the accounts, transferring the products within and across other european countries wherein tourism plays an important role that coheres with highly developed Austrian industry. Moreover like other EU member countries Austria has strong labour movements as another feature which has a strong influence on the country's politics because of the rapid industrialization. Moreover, the Austrian market is very attractive to demand high product quality and superior after sales service together with its competitive pricing.

At the beginning the implementation of the franchising system as a business model had a small role in the Austrian economy as in other countries in Europe. The reasons for slow

[65] vgl. www.girisim.net/franchising/frahukuk6.htm (10/03/2012); www.ekonomist.com.tr/franchise-firsati-haberler/499.aspx?1.Page (10/03/2012); http://kobidestek.org/turkiyede-franchise-sisteminin-durumu/ (10/03/2012); www.franchisemore.com/content.php?i=fturkiye (10/03/2012); www.franchise.org/franchise-news-detail.aspx?id=36376 (10/03/2012); www.franchise.org/IndustrySecondary.aspx?id=45446 (10/03/2012); www.globaltrade.net/f/business/text/Turkey/Selling-Distribution-Networks-Franchising-in-Turkey.html (10/03/2012); www.infofranchise.com/detail.cfm?IdNotizia=9300&IdSezione=2&strKey=com (10/03/2012); Florey, G., Greene, C., Hackett, L., Mitchell, C., Mosby, B., Peralta, T. / Global Business Entry: Strategies and Alliances, http://tonyperalta.com/AMBA606/Global%20Business%20Entry.pdf (07/03/2012)

development in Europe might be both offering small markets with many impediments for system expansion and voluntary cooperation system developed better than in the U.S. However, after the economic stagnation it assimilated rapidly and experience increased gradually every year by which the average cost for opening a franchise business strongly correlate with the type of business e.g. the required initial investment for a production system is larger than the required total for retail and service operations. The reasons for this progress might be the increased number of systems with an origin in Austria and opening the borders since being a member of EU which prompted an influx of foreign investments. Today, franchising is an appreciable part of the Austrian economy especially in the service sector for retail. In comparison to Turkey, nearly the half of the franchising businesses are of local origin and the main foreign participant originates from Germany who usually found headquarters in the country in place of franchising directly beyond the borders without language and cultural obstacles. Therefore generally the companies from other european countries set up their southeast headquarters in Austria for expanding to Asian countries, eastern Europe and former USSR countries more easily (the Republic of Turkey is one of them).

The Austrian Franchise Association informs us that the survival rate for the franchise business is evidently higher in comparison with non-franchised business. The interest of the public might be still the reason for this position as it happened whilst the system flourished. Aside from the public interest the Federal Chamber of Commerce, banking institutions and private consultants paid a lot of attention to developing support programs for both franchisees and franchisors to implement the concept effectively. In conjunction with these support programs also many activities on top of the exhibitions carried out to provide a great interest of the public such as advertising and poster campaings, special supplements in daily papers, economic and specialized journals, radio spots…etc. Alongside the importance of gaining public interest for developing the concept, it is quite crucial in Austria to protect and govern the relationship between franchisees and franchisors with the help of law. Because it is a civil law country Austria differs significantly from the home country of the U.S. franchisors who are regulated by state and federal laws. Nevertheless the Austrian regulations includes a number of applicable statutes for franchising, yet the country doesn’t have a franchise disclosure law and registration requirements. On the contrary, to this the country applies agency law for franchising. In this manner in addition to good understanding of legal documentation the local business practise is usually required for gaining local success in

Austria where the Austrian Franchise Association (ÖFV), which is the official representative for Austrian franchising since 1986, steps in for both franchisees and franchisors.[66]

3.6 Fast-Food Franchising

Fast food is considered nowadays as a big business since social, manufacturing and economic circumstances render possible boarding out cheaply with the arch way of hamburger and pizza, and so it usually related with the phenomenon of urban development. In commonly used online web-dictionaries fast food is defined as "easily prepared processed food served in snack bars and restaurants as a quick meal or to be taken away" or "designed for ready availability, use, or consumption and with little consideration given to quality or significance". Nevertheless it perceived in many countries as a distinctively American merchandise with cultural connections to American aesthetics, way of life and experience that is referred to by the term "Americanization" and remains still entirely an American product which is new, modern and snobby from its start till today.

The industry advances itself with jingles and informal sales pitches, standardized production processes and cooking methods and easy availability of low-cost delicacies as opposed to convenience stores, elaborate restaurants and stand alone vendors. Pursuant to these hallmarks the fast food restaurants are the places that specialize in preparing and serving the foods in a packaged form for take out or take away to consumers rapidly. Today these restaurants are known as "chains which interlaces strongly with franchising and are the prevailing parts of companies who operate under a common trademark in many diverse locations with a single chain inclusive of hundreds or thousands or more units." Additionally, the chain restaurant organizations exhibit two discrete characteristics in addition to using small and geographically dipersed units, i.e. shared identity and local production of the product, service and physical plant even as ushering the complications such as adding units, uniformity, local responsiveness and system-wide adaptation. However, its suggested properties such as speed,

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[66] vgl. www.ffw.com/practices/intellectual-property/franchising/european-franchising/franchising-in-austria.aspx (11/03/2012);
www.franchise.org/uploadedFiles/Franchise_Industry/International_Development/Country_Profiles/Austria_Franchise Industry_July 2009.pdf (11/03/2012);
www.franchise.org/uploadedFiles/Franchise_Industry/International_Development/Country_Profiles/Austria_2010 CCG.pdf (11/03/2012); www.franchise.org/industrysecondary.aspx?id=3190 (11/03/2012);
http://franchisefix.com/resources/international-franchising/country-profiles/austria/ (11/03/2012);
www.franchise.at/ueber-den-oefv (11/03/2012); Glatz, E., Chan, P. (1999), p. 23-31

standardization, low quality and preparation time, homogenization of tastes collide with traditional gastronomic practices. In addition to this, because of modern life conditions like long working hours, a growing rate of women at work, increasing demand for eating while driving the car or going to work, especially the limited time to do everything makes fast food for breakfast, lunch and dinner quite attractive and preferable. As a result, it is one of the most important sectors in the service industry due to its typically self-service nature.

The growth of service industries plays a crucial role in the world economy and trade whereby its proliferation and industrialization generate a competitive threat beyond its business opportunities for marketer. And since it becomes newly very important for worldwide business, the U.S. fast food restaurant industry is one of the leading and increasingly well-established sectors in the service industry with its rapid growth and internationalization. Therefore, delivering the quality of services which fulfill the customer needs and wants is the only apparent way for its survival and success. For achieving this goal awareness and understanding thoroughly the customer perceptions of service quality and value is the starting point for service firms to develop effective strategies to cultural differences like tastes, living habits…etc. by which foreign investment often international franchising mostly preferable for many companies by virtue of the cultural distance between home and host country meanwhile bringing with new opportunities. However, inspite of the risks of expanding into new foreign markets like market volatility, fluctuating of foreign currency, political differences and upheaval…etc. the fast food industry has seen sophisticated computerization, rationalization, deskilling of the labor process such as part-time or student labor in addition to standardization and homogenization in the service sector owing to the considerably quick expansion process of fast food restaurant chains.

After all it is fairly obvious that international franchising and the fast food industry with its competitive, homogeneous and nonunion nature are strongly linked with each other. Plus, expanding into new foreign markets along with franchising is also substantially would-be for small food services such as ice cream, donuts,…etc. excluding the conventional segments of hamburgers, pizzas and chicken. Therefore, fast food restaurants with their impressive market power as a fast-growing business format and favored mode for entering into foreign markets, international franchising, become a whole since fast food franchising relates with the general concept of franchising. Hence, the appellative such as advantageous and disadvantageous, standardization and adaptations…etc. about franchising that I gathered above are directly applicable to fast food franchising.[67]

[67] http://oxforddictionaries.com/definition/fast%2Bfood?q=fast+food (12/03/2012); www.merriam-webster.com/dictionary/fast%20food (12/03/2012); http://articles.famouswhy.com/the_history_of_fast_food/ (12/03/2012); www.buzzle.com/articles/history-of-the-fast-food-industry.html (12/03/2012); www.fastfoodnation.co.uk/development-fast-food.html (12/03/2012); Bradach, J. L. (1998), p. 1, 5, 15-16; Lee, M., Ulgado, F. M. (1997), p. 39-52; Fantasia, R. (1995), p. 201-243; Krueger, A. B. (1991), p. 75-101; Kaynak, E., Küçükemiroglu, O., Aksoy, S. (1996), p. 99-113; Hyllegard, K., Eckman, M., p. 17-31

4 GLOBAL BRANDING

In this part of my study I explain in more detail global branding. Firstly I started to explain the definitions of what is a product, subsequently brand and finally global brand to show the underlying connections. Following this I described the drivers for why companies try to go global in conjunction with the levels of decision for branding. Afterwards I tried to express the role of branding in value-added marketing communication in the field of culture because this study also correlates strongly with the field of marketing. Later on I tried to clarify the contradiction between standardization and adaptation approaches because of the opposing situation between the trend of globalization and cultural differences between countries. Attenting to these I expressed the global marketing strategies along with the advantages and disadvantages of global brands. Finally, by virtue of the fact that companies, McDonald's and Burger King, in my study operate in the fast food sector and are perceived as global brands in both countries I narrated global (fast-) food branding from past to present.

4.1 What is a Product, Brand and Global Brand?

Globalization, the new trend in recent years, leads the companies to operate abroad simultaneously in many different markets where consumers behaviour differs from each other and especially from a company's home market. Therefore there are more alternatives to consumers and products of companies, either tangible or intangible, and they play the most crucial role in positioning in the consumer's minds. And so it is firstly essential to identify what the product is. According to the most famous author in marketing branch Philip Kotler, "product is anything that can satisfy a need or want." Additionally in accordence to the Jobber D. "product is a good or service offered or performed by an organization or individual, which is capable of satisfying customer needs." However, a product is not only a physical element, it is also a package of rewards or benefits that the buyer/consumer acquires. It contains its shape, flavor, colour, smell and texture which describes how it serves, its packaging, labelling, security, service manufacturer and retailer. Confidence and prestige perceived from the brand, country of origin, other symbolic benefits and the reputation of the producer are acquired by using the product. Contemporarily, the incremental and lucrative products appear commonly in the service sector like finance, retail, management, and people, places and ideas are also seen as products. And lastly, the product has different meanings among the people inside the business and outside. Inside the company it means something that it manufactures in the factory or office and relates to materials, components, labor, quality and output specifications. On the other hand, for the outside people it infers something that meets customers needs and wants and solves their problems which might be emotional, psychological, functional and economic.

As the tastes, needs, wants, seasonal variations, point of time, varying degrees of knowledge, awareness about a company and different ranges in education system change from one to another country marketers usually differentiate products between “global” and “regional” products. Global products have same core features around the world, on the other hand regional products have unique properties to a certain trading country. For this reason marketers try to develop successful marketing mix strategies initially with the right product decisions which provides the functional requirements sought by customers. In addition to this, developing a distinctive name, packaging and design for the product a brand can be created, which are essentially symbols or names that helps to distinguish the manufacturer of a product or provider of a service. In this way with respect to Philip Kotler “a brand is an offering from a known source.” Besides considering the Jobber, D. it can be defined as “a distinctive product offering created by the use of a name, symbol, design, packaging, or some combination of these intended to differentiate it from its competitors.” In other words “A brand is more than a name, it is an embodiment of the product – what it does, how well it does it, who it does it with, and how it feels to be having it done.” Furthermore, a brand has different meanings among the lawyers, accountants and corporate finance…etc., but still for all concerned, brands are fundamentally concerned with trademarks, which are laden with cultural and social meanings.

Brands give credibility to the product and help to identify the product more quickly and easily for consumers because of being known, accredited and trusted. Plus, brands offer some beneficial functions. In a nutshell, a brand doesn’t just transmit certain set of attributes and benefits to consumers, it also states the worth of the manufacturer or provider and the position of products or services in the market. On the customer side brands evoke specific quality, minimize the risk and beget trust. So the reflection of brand stem from the experience by customers. At the same time on the companies side brands are pivotal touchstone to designate the effectiveness of marketing activities like promotion, advertising, channel placement, sales effort…etc. in addition to having financial sense for the companies. Thus it can be understood that brands have palpable effect on three main markets; customer, product and financial. That’s why brands can be seen as an economic factor, as a shortcut to seek and evaluate information and as a way to communicate. Moreover a brand transfers six levels of meaning;

attributes, benefits, values, culture, Personality. These underpin a brand either in combination or separately.

When a product has a good reputation, associates with high quality, is available and recognizable in most markets around the world, then the product can be called a global brand. It use contemporaneously the same name, term, sign, design, symbol or a combination of these to pick out the products or services of a producer, which is at the present time preferable to companies due to other motives like providing economies of scale and scope in R&D, manufacturing, marketing, its strategic lure is enhanced as significant segments of consumers throughout the world by dint of its generating similar needs, tastes, and wants, accelerating the time for marketing the brands by reducing the time-consuming local modifications. Global brand is defined as; "… brands whose positioning, advertising strategy, personality, look, and feel are in most respects the same from one country to another." In other words; "global brands are brands that consumers can find under the same name in multiple countries with generally similar and centrally coordinated marketing strategies." A single, global brand can be known also as international-, universal- or worldwide brand, and according to Theodore Levitt they are identified as the future of multinational firm success. In the present day, many global brands exist in every field of life for instance, Coca-Cola, Microsoft, IBM, Nokia, McDonald's, American Express, Gillette, BMW, Mercedes…etc. since their appeals imply higher perceived brand globalness that strongly influence perceived quality, prestige and psychological benefits, and so they become a lingua franca for all people around the world like politicans, entertainment stars, sports celebrities and it is impossible to ignore them.[68]

4.2 Drivers for Going Global and Decisions for Branding

The notion "globalization" simply associated with the terms of "internationalization, liberalization, universalization, westernization or modernization, deterritorialization" and for each usage type the word refers different views like international exchange and

[68] Jobber, D. (2010), p. 27, 303, 344; Kotler, P. (2000), p. 6; Barbu, C. M. (2011), p. 105-110; Johansson J. K. (2009), p. 403, 434-435; Fatt, A. C. (1967), p. 60-62; Gillespie K., Jeannet J.P., Hennessey H. G. (2004), p. 271; Keller, K. L., Lehmann, D. R. (2006), p. 740-759; Girboveanu, S. (2007), p. 82-88; Hollensen, S. (2011), p. 488; Aaker, D. A., Joachimsthaler, E. (1999), p. 137-144; Holt, D. B., Quelch, J. A., Taylor, E. L. (2004), p. 1-9; Steenkamp, Jan-Benedict. E. M., Batra, R., Alden, D. L. (2003), p. 53-65; Pitta, D. A., Franzak, F. J. (2008), p. 64-72; Fan, Y. (2002), p. 180-192; www.oecd.org/dataoecd/6/19/49014143.pdf (28/01/2012); Doyle, P. (1990), p. 5-20

interdependency, creation of an open-borderless world economy, spreading various objects and experiences everywhere in the world that foresee the planetary synthesis in a global humanism, a dynamic for social structures of modernity while destroying the preexisting cultures and self-determination due to imperialism, or reconfiguration of the geography. Although there are various views, it refers to a social, cultural, economic and demographic process that occurs and surpasses within and across nations and in reality is a fast growing trend. Especially for the business schools it defined as homogeneous type and quality for the production and distribution of products and services on worldwide basis. Shortly it implies provid the same output everywhere or selling uniform products to countries around the world.

Behind this thriving trend underlies the upheaval of global communication, for instance national borders in mass media eliminated by the satellite television broadcasts or fax machines, online messaging via Internet and other advances in technology led to develop feasible as well as instant and low-cost company information networks. In addition, companies also consigned by the five major drivers (namely; market, competition, cost, technology and government) for accommodating this new trend and all of these have their own subfactors. For example, the market driver contains common customer needs, global customer and channels and transferable marketing. Cost drivers include economies of scale and scope and sourcing advantages…etc. Thus pursuing the trend globalization, going towards regional or remaining still local hinge on the analysis of these drivers, even though by virtue of the fact that through speed and flexibility globalization defeats the other options. In the present day particularly the orientation toward globalization exposes companies to intensive competition both at home and abroad, and stretch their capabilities. In this situation being successful stems from having or gaining a competitive advantage[69] for the companies either through differentiation of their product offerings or by managing lowest delivered cost. And so from these alternatives for developing a competitive advantage companies might create brands for their product offerings which designate a distinctive product offering for differentiating the company from its competitors.

[69] A superiority gained by an organization when it can provide the same value as its competitors but at a lower price, or can charge higher prices by providing greater value through differentiation. Competitive advantage results from matching core competencies to the opportunities. (www.businessdictionary.com/definition/competitive-advantage.html - 29/01/2012)

On account of the important and beneficial functions of brands, as mentioned above, branding is closely linked with the product positioning that is directed mostly by cultural values, and combining these functions generates the ultimate goal for all companies which could be prompting new sales by getting competitors' market share or fostering repeat sales by prolonging customer loyalty. Nevertheless the context of branding is quite intricate for the international companies due to the four levels of branding, videlicet; brand vs. no brand, private vs. manufacturer's own brands, single vs. multiple brands and global vs. local brands.

For the first decision level, branding is related with added cost in the form of marketing, labelling, packaging and promotion while redounding in the perception of consumers for the value of products. Thus, usually the commodity products are non-branded or undifferentiated products such as metal, cement, salt due to the advantages lower costs and flexible quality- and quantity control together with the disadvantages like severe price competition from manufacturers abroad, lack of market entry while supposing that a product makes sense as value-added and differentiated commodity. Over-all a commodity can turn into a product under the preconditions; quality-quantity consistency, likelihood of product differentiation and the rate of significance for the differentiated product attributes in the eyes of consumers. After all the company has to decide wheter to brand or not to brand. And following this primary decision the company continues with other levels of branding decisions according to the market power, market homogeneity/heterogeneity across countries and within a country by leveraging the advantages and disadvantages for each level. Hereby, at the beginning Coke, Levi's and McDonald's were not created to be the world brands, although today they are.[70]

4.3 The Role of Branding in Value-Added Marketing Communication

A successful and well-established brand is the most essential and long-lived asset for the international companies if they have sustainable differential advantage[71], which means that

[70] Scholte, J. A. (2000), p. 15-16; Kearney, M. (1995), p. 547-565; Rugman, A. M. (2001), p. 583-588; Hollensen, S. (2011), p. 481-483; Jobber, D. (2010), p. 344, 713; Johansson, J. K. (2009), p. 5, 21-22, 27, 54; Onkvisit, S., Shaw, J. J. (1989), p. 22-34

[71] Differential advantage means that customers have a reason for preffering the brand to competitors' brands. (Doyle, P., 1990, p. 5-20)

they can not easily be copied by competitors. By reason of this notion managers of this kind of compan concentrates on lifetime value of their customer relationship by creating loyalty, customer retention, cross sales of relevant products or services, widening offerings to meet more of customers'needs and wants…etc. To achieve these aims successfuly companies turn their attention to the cultural values, as specified below, in addition to the standardization of the core benefits and features of the product due to the globalization in course of developing a brand. And these brands are used by the consumers also as a source of symbolic sense of themselves beyond the fulfillment of their needs and wants, utilitarian sense, that are communicating with the essential cultural categories such as social status, age, gender and some cultural values like family, tradition and authenticity, reliability, sensation, love of country, naivety…etc. From these statements for brands in the literature for both sides, companies and consumers, brands gain cultural values as it is said by the researchers in the field and can be seen as a tool for communication. And thus it is understandable that the cultural values in existing brands are singable as reasons for the consumption. For instance, according to the study of Nishina (1990) about Japanese consumers, it was found that foreign characteristics of foreign products create a positive perception among the Japanese consumers and it explains why Scotch wishkey, British tea, German beer, American cigarettes, fast-food and jeans are welcomed due to their added value, namely foreign-ness, which means carrying the image of their Country-of-Origin. And it is true that most consumers, like Japanese consumers, aspire to particular brands due to their added value.[72] Thence it might be comprehensible that added value of brands help to create positive perception and to redound to brand awareness and loyalty.

The development of brand communication can be explained ideally by using the classical marketing mix elements. From these promotion might be the core element to underpin the other mix elements, and includes advertising, personal selling, sales promotion, direct marketing and online promotion. However, for transmitting and spreading the cultural values to consumers advertising is the major tool for companies where the cultural values are added to the message, and also it is more visible than the factors creating differential advantage, and so with respect to the Tse et al. (1989) it plays the role as a powerful force for shaping and orienting the consumers' motivation, lifestyles and product choices. For example, considering

[72] Adding value defined in the literature as customer needs and what is desirable for them. It might be a mental images or cognitive representations underlying customers' needs and aims, and affects customers' responses in particular situations. Either it can be also defined as a value which is an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence. (Chernatony, L., Harris, F., Riley, F. D., 2000, p. 39-56)

the study between U.S. and Chinese TV commercials, which is conducted by Cheng H. and Schweitzer J.C., it has been found that the prevailing cultural values reflected quite differently from each other. While in China family, technology and tradition are valid, but enjoyment, individualism and economy are in the U.S. more preferable. Furthermore, commercials in Chinese televisions lean toward using symbolic cultural values whilst in the U.S. both symbolic and utilitarian values are opted. With reference to another study, conducted by Frith and Wesson, it was found that British consumers are susceptible to indirect sales messages in print advertisements which are conveyed to the audience gradually by social classes, meanwhile standardized global print ads with direct messages and less class-sensitive comply better with U.S. consumers. Even though the U.S. and Great Britain are apparently similar English-speaking, politically stable, industrial, urbanized. Even so there are some fundamentally cultural and communicational differences between them which steer the companies as they get into touch with their consumers. Coca-Cola is one of the most successful global company, but still renamed the “Diet Coke” as “Light Coke” for the European consumer markets because of its negative connotation as a soft drink, which might be the fundamental example to show how the cultural values influence brands strongly. Nonetheless, as the time and space lessen from day to day, and more products are offered into markets the basic properties of global brands remain still effective and attractive. After all with the aid of these examples it might be seen the dilemma for the international companies between standardization and specification and the solution for this quandary from the transnational standpoint is that the more time is required for mundialization still communication studies based on cultural subjects such as content of advertising. In addition to these, diverse applications in companies’ marketing strategies prioritise the individual countrys’ culture like media planning, promotion seasons, consumer segmentation…etc. just because the cultural subjects, values, symbols, nonverbal communication, life style, COO /country-of-origin, prevent applying the standardization approach. Eventually, the reality of interpreting and evaluating the identical cultural values in global branding disparately by consumers in several countries proves that culture is the most crucial element for global branding and has to be taken into account profoundly. That is to say, global branding might be perceived in another way from its original sense.[73]

[73] Rust, R. T., Zeithaml, V. A., Lemon, K. N. (2004), p. 1-10; Martin, I. M., Stewart, D. W., Matta, S. (2005), p. 275-294; Elliott, R., Wattanasuwan, K. (1998), p. 131-144; Zhenyi, L. / Cultural Impact on International Branding: A Case of Marketing Finnish Mobile Phones in China, https://jyx.jyu.fi/dspace/bitstream/handle/123456789/13223/9513911713.pdf?sequence=1 (01/02/2012); Jobber, D. (2010), p. 18; Chernatony, L., Harris, F., Riley, F. D. (2000), p. 39-56; Cheng, H., Schweitzer, J. C. (1996), p. 27-44; Tse, D., K., Belk, R. W., Zhou, N. (1989), p. 457-472; Nishina, S. (1990), p. 35-45; Fatt, A. C. (1967), p. 60-62; Frith, K. T., Wesson, D. (1991), p. 216-223; Doyle, P. (1990), p. 5-20

4.4 Standardization versus Adaptation

The thriving trend globalization, increase of world trade and merging of the world's main economies (resemblance in the degree of economic freedom) militate the rules of universal competition. A lot of transnational companies are looking to develop globally-integrated strategies while they are relinquishing the multinational, -domestic and –local strategies. To realize this they have to take into account the core element which compels the companies balancing the degree between local adaptation and global standardization. Therefore being successful spring from the correct marketing strategy. Even thoug it is easy to say in simple way, but this blind-ore exists since for a long time and unfortunately nobody could not found any certain solution for this predicament. Followers of standardization claimed that markets are progressively homogenous and universal in scope and scale, consumers requirements, expectations and demands don't alter dramatically (homogeneity of customer response to the marketing mix) and the clue for being successful is to standardize products and services with the help of international's competency. And finally, the most important argument for this approach is that it depends on a company's ingenuity for transferring the competitive advantage from one to another market rather than maintaining the substantial competitive advantage in each market. On the other side, the supporters of adaptation stress the adversities in performing standardization due to the insuperable disparities across countries and among the regions and groups in a country. Accordingly, they advance market tailoring, planning the strategies on country-by-country basis and fitting the specific dimensions to each individual market.

In literature, standardization of marketing strategy generally allows for using the same marketing mix elements, product, place, price, promotion, around the world. This subject firstly came up by the author Elinder (1961) by reference of advertising among the European countries where people and culture have similarities and so implementing the standardization is feasible where positive relationship to performance exists. Nevertheless, in business life global companies are usually in a dilemma between two approaches which are implementing a worldwide uniform strategy versus adapting a strategy oriented to individual local market conditions, e.g. nominately, culture influence strongly to promotion and entails an adapted promotion strategy if the company operates in a fairly distinct cultural environment wherein the consumers in these highly different cultures affect more directly the other marketing mix elements too. Both sides have their own benefits and drawbacks and are crucial for achievement in different markets. For instance, standardization gains favor due to the massive economies of scale like cost savings, increasing sales volume and revenue, centralized decisions…etc. but on the other hand it has a number of barriers such as cultural and consumption patterns, regulations, media availability, promotional preference, organizational structure between subsidiaries, in particular for modifying product offerings socio-cultural relevant items like literacy and educational level, customs and taboos, language…etc. which cause companies to implement an adaptation to a specific local country.

McDonald’s Corporation can be a good example for implementing both approaches. It is also one of the companies that I focus on in this current study. It is one of the most famous global companies in the field of fast-food and it merchandises its services and products through 33.000 locations, serves approximately 68 million people in 119 different countries every day. The company utilizes standardized technology for its equipment, customer service, cleaning and operational system. Its strategy contains standardized positioning and distribution strategies, plus its core product offerings are perminant around the world. However, its proffered menus more or less change from one to another country devoted to the specific culture in each country. For instance, McDonald’s produce in France “Croque McDo” relating to the favourite snack croque monsieur. Beside the company offers local products from French companies such as Danone yoghurts, Carte Noire coffee, and purchase nearly 80 percent of its products from French suppliers. In addition to the product offerings, McDonald’s detected that children in European markets are happy whether with simple word puzzles on menu tray or with diminutive intra-filled animals, while in the United States the company is required to offer the more pricey Happy Meal menus. Following on McDonald’s there exist a lot of companies who implement both strategic approaches such as Coca-Cola, Colgate-Palmolive, Levi Strauss…etc. Eventually, it can be figured out that the main unit for global brands is the levelization the local turnout by looking for the similarities rather than the negligible differences across varied countries. Briefly, it means that regarding the benefits of standardization with combining the advantages of customization.[74]

[74] Schlie, E., Yip, G. (2000), p. 343-354; Jain, S. C. (1989), p. 70-79; Elinder, E. (1961), p. 12-16; Douglas, S. P., Wind, Y. (1987), p. 19-29; Jobber, D. (2010), p. 884-887; Alashban, A. A., Hayes, L. A., Zinkhan, G. M., Balazs, A. L. (2002), p. 22-48; Özsomer, A., Simonin, B. L. (2004), p. 397-419; Daniels, J. D. (1987), p. 29-44; Gillespie K., Jeannet, J. P., Hennessey, H. D. (2004), p. 396; Samiee, S., Roth, K. (1992), p. 1-17; www.aboutmcdonalds.com/mcd/our_company/mcdonalds_system.html (03/02/2012); Vrontis, D., Thrassou, A., Lamprianou, I. (2009), p. 477-500; Viswanathan, N. K., Dickson, P. R. (2007), p. 46-63; Chung, H. F. L. (2007), p. 145-167

4.5 Global Marketing Strategies for Global Brands

In the present day many companies operate on a global or regional scale in place of the national scale, and seek to learn how to globalize, the ways to extend market participation and to develop combined global strategy by virtue of its benefits such as cost reductions, advanced products' and programs' quality, increased customer preference and competitive advantage. With respect to the some famous authors that developed global strategies are convenient for global industries, where the competitive position of company in one market dramatically effects the competitive position of this company in another market. The company ought to allocate cautiously its several activities, plus locate these in most efficient level of scale in area at cheapest cost, afterwards it should integrate and manage them in tandem to utilize possible and substantial scope economies. Actually global strategy infers the maximizing the efficiency of actual – value added activities and integrating the strategy through varied countries. These companies have three relevant strategies for their brands, termed business-, brand- and marketing strategy. The importance for the first one is relating to the vision, aim, objectives, business model, resources, sufficiency and motivation for the brand. Thence in the wake of this strategy the achievement come back qua value into the brand. Hereby the brand strategy is concerned with determinants which make the brand unique, inspirational, reliable, credible, likeable and praiseworthy in the eyes of consumer. These qualifications have the crucial value whether they will convert well into the brands' goods, their pricing, promotion, servicing and distribution. At this juncture marketing strategy steps in and translates the brand into precious stakeholder[75] experience.

In establishing the complete global strategy, the initial step in a firm's global marketing strategy is identifying the target segments, product positioning and offerings, learning the ways for entering into new markets and augmenting company's global competitiveness. In epitome, a firm's global marketing strategy correlates strongly with its global market- and its own performance that might be either positive or negative and facilitates the company to acquire competitive advantage in the world market by means of its effects on efficiency, synergy and cross-subsidization. Farther it has also an impact on firm's universal financial performance by the virtue of its effect on company's global strategic performans whether directly or indirectly.

[75] Stakeholder is an individual or group that either (i) is harmed by or benefits from the company, or (ii) whose rights can be violated or have to be respected by the company (Jobber, D., 2010, p. 204-205)

Global marketing strategy has its own constituents which are based on three main perspectives, namely standardization, configuration-coordination and integration, and these perpectives have their own theoretical logic, key variables, causes and effects. No matter perspective is assimilated the decision about competing globally is an important and difficult one, and affects strongly the firms whole operations and managements like organizational structure, control system, coordination, planning…etc. Every company has their own reasons for giving the decision but creating a sustainable compatitive advantage is the same and core motive for each. The forth reasons might be opportunistic global market development with the aim of diversifying markets, following customers abroad to maintain customer satisfaction, chasing geographic diversification such as climate, topography, space…etc., utilizing several economic growth rates for gaining scale and scope, taking an advantage of product life cycle variances, resuming potential abroad, mundialization for defensive reasons, following a universal logic or imperatives like new markets and profit, minimizing risks (macroeconomic, policy, competitive, resource, currency, contractual, operating, management, strategic), achieving efficiency, innovation – learning – adaptation, exploiting differences in input and output markets in varied markets. It makes no difference what kind of reason would be an incentive for the company's expansion, each global marketing strategies elaborate similarities across varied countries to standardized strategies as minimizing regional distinctions which also facilitates the segmentation of world market. In this manner global marketing strategy represent the implementation of identical set of strategic principles of marketing through geographic borders. The most important one is which operation element will be standardized or will gain from globalization. However, the common approach to develop a global marketing strategy stem from the product standardization like product lines, product designs and brand names while localizing distribution and communication, namely global product strategy. Other known sorts are integrated global marketing -, global product category -, global segment -, global marketing mix element – (either separately or a combination of some 4P's), global branding – (using same name or logo), global advertising – and composite global marketing strategy (adoption of few generic strategies that they are applied simultaneously).[76]

[76] Zou, S., Cavusgil, S. T. (2002), p. 40-56; Akkaya, M. F. / Global Marketing Strategies, www.ekonomi.gov.tr/upload/BF09AE98-D8D3-8566-4520B0D124E5614D/Fatih_Akkaya.pdf (07/02/2012); Van Gelder, S. (2005), p. 395-404; Johansson, J. K: (2009), p. 371-372; Domzal, T. J., Ungel, L. S. (1987), p. 23-40; Ghoshal, S. (1987), p. 425-440; Yip, G. S. (1989), p. 29-41

4.6 Advantages and Disadvantages of Global Brands

Depending on the trend of globalization in recent years quite a few multidomestic companies lean to the global marketing approach in lieu of the multidomestic marketing approach which strongly influence on the branding strategies. Into the bargain of this approach the environmental forces, political-, economical- and technological, are the other triggering motives for the companies like through the fall of communism deregulation and privatization opened colossal markets to enter into the world economy, companies required to expand overseas due to the saturated markets where they already operate, in 1970's India with its huge population began liberalization, some countries degraded their protectionism, new and technological headways such as satellite communication, wireless…etc. Because of these changes companies tend to create the global brands to address the all kinds of people's wants and needs around the world. In this manner, global brands are usually larger and more comprehensive than the local or domestic brands, and diverge in the light of universality. Of course global brands provide important advantegous to companies and also brings some unignorable disadvantegous together which are at the same time advantegous for the local brands in the marketplace. Before explaining these benefits and drawbacks for global brands, it might be also meaningful to specify the context for global brands, which are that consumers have same baheviours and attitudes in all countries (like homogenous tastes), they bring with new technology and associated with origins under the same product-name-positioning-distribution network.

As being an advantage strong global brands are an asset for the companies to leverage simultaneously many markets and thus the retailer in those markets too, and so enable better access to distribution networks such as easier negotiation. They might utilize internationalization of its domestic retailers such as Walmart, Carefour…etc. Also companies might gain some equities like demand spillover, global customers, and strengthening the global image. Global brands are usually associated with power and social responsbility, and appear as a cachet for esteem and prestige. Transferring them abroad is not difficult and they allow global expansion with lower marketing costs while increasing international media reach especially through internet. In addition, these global brands bring economies of scale for example; international promotion is feasible, they dispose of duplicated tasks and if they are culturally acceptable and legally available, then their strategy is natural although they are not sensitive to local pressure. They are absolutely legally protected. Between divergent countries they create synergy. Diffusion and integration of innovations are done more easily, and there is no need for stepwise time periods for launching a product or service. Their international image is quite reinforced and consequently customer recognition with coherence is generated and brand awareness is created that helps to recognize the brands quicker by people.

Conversely, global brands are not locally liable, therefore they can fail to observe individual country needs, wants and preferences, may not suit to local conditions of a country and can be perceived as a threat for local culture thus they have to cope with cultural differences, different competitive sets and marketplace conditions. Global brands are not unique in comparison to the local brands and so the local managers are less motivated. Managing these brands is substantially difficult hence execution requires exorbitant power and effort. Lastly, legal constraints can pose some problems, patriotism or ethnocentrism make difficulties and cultural obstacles might restrict the effectiveness and success. When these disadvantages are more than the advantages, it might be a threat to international image, and so the international companies have to evaluate the options of whether entering into the foreign markets as global brand is still possible or whether acquiring a local brand is more effective in other countries.[77]

4.7 Global Food Branding

As I mentioned above global branding is one of the most important subjects for both business life and academic literature. Despite this some sectors, like food, have not given enough attention to this issue. The global food market is not dominated by specific firms with production plants in several locations in contrast to industries such as automobile, chemical, pharmaceutical…etc. which means proportionally close locations for production units towards firms' customer base is preferable. Thus company activities mostly expand around the world while including widespread sectors that utilize diverse inputs and produce goods under particular expertise with required brands for each market. Today it is one of the fastest booming and biggest sectors especially in the field of marketing, and in comparison to other sectors, the process of developing new products is more innovative and active. Furthermore, it changes in ways and so the qualified producers should think twice about their long-term strategies to maintain their leadership and superior performance in terms of their returns.

[77] Pitta, D. A., Franzak, F. J. (2008), p. 64-72; Schuiling, I., Kapferer, JN. (2004), p. 97-112; Johansson, J. K. (2009), p. 442-445; Johansson J. K., Ronkainen I. A. (2005), p. 339-354; Steenkamp, Jan-Benedict E.M., Batra, R., Alden, D. L. (2003), p. 53-65; www.oecd.org/dataoecd/6/19/49014143.pdf (28/01/2012); Czinkota, M. R., Kotabe, M., Ronkainen, I. A. (2011), p. 344

Branding of food products began roughly in the late of 19th century along with added value, a customer-oriented concept relates to being better or having higher quality, while providing permanent quality perception. Prior to this approach the output of food processing, usually commodity products such as salt and grain, were seen as uncertain and accordingly people searched for quality and consistency. At the beginning branding the foods was constrained within a country. Later, national distribution was feasible and so crucial advances in transportation and communication took place. Thereafter foreign exporting was possible and led the companies to brand their food products to market abroad. However, identifying the brand for food products is quite complex and difficult, required both qualitative and quantitave measures. According to the author M. van Mesdag, branding food and beverage products is the hardest approach for taking them global due to the important and distinctive cultural differences in eating habits, attitudes, tastes and trends of consuming across varied coutries. Therefore this approach could never match up with the criterias for globalization as mentioned by Levitt and it is absolutely impossible to sell the same product in the same way around the world.

Nowadays having a successful global food brand necessitated cautious management, adaptation for meeting different consumer and legal requirements for trading in each country, particularly in formulation and positioning processes, achieving a good balance for leveraging the firms' capabilities and competitive advantage in conjunction with company's history and its origin among different countries. The lifeblood for food manufacturers is branding and their corporate image, plus offering new products to consumers with exclusive and specific attributes play the crucial role to gain a competitive advantage in global markets. In this way new product implies a differentiated product towards companies' competitors which associate also with getting the product category leadership and achieving higher margins. In addition to this it means that the product couldn't be copied easily by the imitiators or replicated by competitors and sold at the same price at the same markets. For instance, Coca-Cola and McDonald's adapt their product offerings to match up with the local tastes, eating habits and consumers neccesities although they are globally-controlled companies from the centre. However, they try to differentiate their product offerings among to the diversities for each country, therefore they maintain their corporate brand image, prevent duplication while keeping their sustainable advantage. That's why nowadays mass customization supplants the mass production and the questions "what", "how" and "for whom they produce" matter more then before for the companies.

Conversely, the local producers attained the competitive advantage more easily due to the low labour cost, dispensible adaptation process and known working conditions for a specific country which might balance the attractiveness of global food branding in most situations. But achieving economies of scale, domestic market saturation, public and trade relations and gaining competitive advantage are the reasons why global branding is desirable for many food manufacturers. To realize this goal the companies, who operate regional level or in domestic markets and wish to be a global, should meet with some criterias such as having a wealth of experience circa over 100 years except some companies like Ferrero, the size of food turnover due to the strong relation between the levels of sales and the number of successful global brands, financial performance (turnover, profit/sales, return on capital employed, market volume/turnover), determining the appropriate structures and operational methods for both domestic and international organizations and total commitment of management while taking into account the remarkable barriers which are strategic, competitive and financial.

The food sector is usually concerned with stability, safety, and slow changes in the reality although expanding consumer sophistication due to the convenience, vitality and environmentally friendly foods reveal greater segmentation in universal food markets. Thus the quandary occurs for the producers between reciprocating to variable consumer demands simultaneously while being in charge of the responsibility for their image and reputation and bearing the risk. The food sector is considerably polarized; at one side exist only a few large global companies and at the other side countless small companies where the middle ground is indefinite since each year at both international and domestic level the number of manufacturers incrementally reduced. Therefore manufacturers are confronted with a distinctive environment. The suppliers have the competence capability as low-cost manufacturers to respond to the varied consumers demand with their private labels and the retailers' have the power to repress the manufacturers' margin because of the manufacturers' inability to match retailers certain quality demands or to get sufficient level of distribution for their products. So nowadays manufacturers should keep their leadership to survive as the only way by differentiating their product offerings from their competitors and creating innovative products.[78]

[78] Ramsay, B. (2003); p. 9-21; Van Mesdag, M. (1987), p. 71-74; https://webapp4.asu.edu/programs/t5/majorinfo/ASU00/AGAGBDBS/undergrad/false?init=false&nopassive=true (11/02/2012); Regmi, A., Gehlhar, M. J., Stefanou, S. E., Zoumas, B. L. (2009), p. 115-126; Grunert, K. G. (2005), p. 369-391; Bolling, C., Gehlhar, M. / Global Food Manufacturing Reorients To Meet New Demands, www.ers.usda.gov/publications/aib794/aib794g.pdf (13/02/2012)

5 ANALYSIS

In this analysis part, I wrote firstly the methods of the survey and sampling that I imposed and continued with the limitations of the survey which affect the survey together with the results and their proper interpretations. Afterwards I represented the results of the analyses while using the SPSS program because of the questionnairies are based on the format of 7-point Likert scale[79] (1= Strongly Diasagree, 2= Disagree, 3= Somewhat Disagree, 4= Neutral, 5= Somewhat Agree, 6= Agree, 7= Strongly Agree). The first analysis indicates the extent of the consistency of the measures in the light of the Reliability Analysis. Later on the next analyses hinge on the Descriptive Statistics that point the frequencies for the demographic datas of surveyed people such as age, gender, education, distribution of the brands among the participants, dining out per week and frequency of eating at chain, plus for each construct in the questionnaire to observe the tendecy of the Turkish and Austrian people which already taken part and surveyed for both countries in the light of the mean[80] and standard deviation[81] in conjunction with the Dependent *T*-Test to find out the differences of mean values and whether they are statistically significant between each construct and External Reputation Unidimensional Reputation firstly one by one and later jointly for both countries. Following to this I ran the Correlation Analysis as well the preceding one for being able to see the mutual effect of the variables separately for both countries and to observe the excursion that might be transpired by the cultural differences in Austria and Turkey whether the constructs have relation with each other or not. Finally, I conducted Independent *T*-Test to find an answer for the question whether the involvement of the participants from both countries differ from each other or not since the study covers two extremely different countries and therefore different participants to look out the differences between countries while comparing surveyed countries simultaneously.

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[79] Likert scale, developed by Renis Likert in 1932, involves respondents being asked to state their level of agreement with a series of statements about a product, organization or concept whereby the scores are then totalled to measure the respondent's attitude. The number of statements included in the scale may vary from study to study, depending on how many characterisitics are relevant to the subject under investigation and each expresses either a favourable or unfavourable attitude towards the concept under study where the respondent indicates agreement by selecting on of the following descriptors. (Wilson, A., 2006, p. 176-177, 407)

[80] The mean is a hypothetical value that can be calculated for any data set; it doesn't have to be a value that is actually observed in the data set. (Field, A., 2005, p. 4) From marketing perspective it determined as the arithmetic average and is calculated by summing all of the values in a set of data and dividing by the number of cases which can be only computed from interval or ratio (metric) data (Wilson, A., 2006, p. 229)

[81] Standard deviation is a measure of how well the mean represents the data. It is simply the square root of the variance and also tells about the shape of the distribution of scores. (Field, A., 2005, p. 6, 10)

5.1 Survey and Sampling Method

Owing to the fact that this study adapted to different cultural, linguistic, economic and social environments primary data collection has been applied by which the half of this study based on the results from the quantitative research which uses a structured approach with a sample of the population to produce quantifiable insights into behaviour, motivations and attitudes that conducted together with the pre-defined structured questionnairies.[82]

As well since the country is the most common level for drawing a sample despite the globalization of markets in these days, both countries; Austria and Turkey were chosen as a geographical unit in conformity with the conducted project in the U.S. to get an appropriate sampling frame that is a list of the population of interest from which the researcher selects the individuals for inclusion in the research.[83] And lastly probability sampling method[84] is preferred for this study on account of the absence of certain quota plan[85] and no need for using the same sampling design in each country whereby the datas collected via either face-to-face or email.[86]

5.2 Delimitations

As well the entire surveys, this current study has also its own limitations which are not so great but prevent obtaining definite and exactly true results at the end. The main constraint might be the absence of a certain quota plan regarding the fixed number of participants along with no classification for the gender and the lack of the predetermined age intervals which might cause complexities for interpretation of the results. For instance, the disparity about the

[82] Craig, C. S., Douglas, S. P. (2005), p. 4 ; Wilson, A. (2006), p. 37

[83] Craig, C. S., Douglas, S. P. (2005), p. 281 ; Wilson, A. (2006), p. 198

[84] Probability sampling method comprises samples where an objective procedure of selection is used, resulting in every member of the population of interest having a known probability of being selected. The survey results are projectable to the total population, the datas are definitive, the sampling error can be computed and the reseracher ca be sure of obtaining information from a relatively representative group of the population of interest. (Wilson, A., 2006, p. 199)

[85] Quota sampling involves the selecetion of cells or subsets within the population of interest. A numerical quota is established for each cell and interviewers are asked to carry out sufficient interviews in each cell to satisfy the quota. (Wilson, A., 2006, p. 206)

[86] Craig, C. S., Douglas, S. P. (2005), p. 285

number of participants which is 60 for Austria and 80 for Turkey or the tendency for the constructs differ normally from one to another in proportion to the age intervals, but the proportions in this study are not equal whereby some Austrian people who is participated in the survey are older than 56 which is in Turkey older than 30. Therefore, the suitable analysis for this study cannot be executed for observing the interactions between the constructs and gender and age which might be essential and make sense for this kind of study that based on cultural differences. Language is another constraint for this study because the orginal version of the questionnaries are in English but to conduct this survey in Austria it translated into German and consequently the statements could not be understood by the respondents exactly in the same way like in English. The other restriction about the language relates for the Turkish respondents since the survey conducted in a foreign language either in German or in English that causes adversity for good understanding what is asked in the questionnaire and accordingly responding properly which effects the results of this study.

5.3 Reliability Analysis

The first analysis that I applied initially known as Reliability Anaylsis which is referred to as Reliability of Scales or Measures of Reliability that refers to the extent to which a scale produces stable results. It just means that a scale should consistently reflect the construct it is measuring for which the easiest way in practice is using the Split-Half Reliability that measures the internal consistency of a summated scale and refers to the consistency with which each item represents the overall construct of interest and involves randomly dividing the various scale items into two halves. For considering all probable split-half coefficients that result from varied splittings of the scale, the most common measure of scale reliability is used; coefficient alpha or Cronbach's alpha (α)[87] which ranges between 0 and 1, and is also compulsory to calculate and report if Likert-type scales are utilized. Lastly, it is essential to denote that if the value of alpha is closer to 1, the greater the internal consistency of the items in the scale exist and it never provides reliability estimates for single items.[88]

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[87] Cronbach's alpha was initially named alpha by Lee Cronbach in 1951, as he had intended to continue with further coefficients (www.cronbachsalpha.com – 08/04/2012)

[88] Wilson, A. (2006), p. 181-182; Field, A. (2005), p. 666-667; www.cronbachsalpha.com (08/04/2012)

By that of this statement the values for the Cronbach's alpha for both countries indicate a high level of consistency of a measure which is 0,851 for Austria and 0,970 for Turkey. *(see Table 1)* The scale exhibits that the construct items used in the questionnairies are consistent and have overall good reliability which can be used for the current study of required analysis. Finally, it is essential to specify that the questionnaires involve 26 variables but the question *"Do you intend to dine again in this franchised fast-food restaurant brand in near future?"* is excluded as a variable from the analysis that makes the total number of items 25 as it seen in the column labelled N. *(see Appendix 1&2)*

	Cronbach's Alpha	N
AUSTRIA	0.851	25
TURKEY	0.970	25

Table 1: Reliability Analysis

5.4 Descriptive Statistics

The second analysis of this chapter in the present study are known as descriptive statistics which help to summarise the characteristics of large sets of data using only a few numbers and are categorized into the measures of central tendency[89] and measures of dispersion[90]. I applied this type of analysis firstly for the demographic datas of the surveyed people from both countries to provide an indication of potential market size, and afterwards for each dimensions of the questionnaire to observe the frequencies separately for each countries.[91]

5.4.1 Demographic Datas

As I mentioned above because of the lack of a definite quota plan, 80 people were surveyed in Turkey while 60 people in Austria which means that totally 140 people participated into this study. The distribution of the gender observed in Austria as; % 46,7 are male and % 53,3 female, whilst in Turkey % 43,6 of the people are male and % 56,4 female. But two missing

[89] Measures of central tendency indicate a typical value for a set of data by computing the mean, mode or median. (Wilson, A., 2006, p. 229)

[90] Measures of dispersion indicate how "spread out" a set of data is. (Wilson, A., 2006, p. 230)

[91] Wilson, A. (2006), p. 229; Craig, C. S., Douglas, S. P. (2005), p. 92

values stand out in Turkey which might be happened due to the participants omitting an answer to the question mistakenly. *(see Table 2)*

Gender – AU

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	28	46,7	46,7	46,7
	female	32	53,3	53,3	100,0
	Total	60	100,0	100,0	

Gender – TR

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	männlich	34	42,5	43,6	43,6
	weiblich	44	55,0	56,4	100,0
	Total	78	97,5	100,0	
Missing	System	2	2,5		
Total		80	100,0		

Table 2: Descriptive Statistic of Gender

From 60 Austrian participants the distribution of the questionnairies for the preferred Fast-Food chains is equal to each other; 30 respondents for McDonald's and the other 30 for Burger King that infers % 50 ratio for each. However, it observed differently among 80 participants in Turkey which is for McDonald's % 51,3 and % 48,7 for Burger King. The reason for this imparity might caused by the two missing values. *(see Table 3)*

Brand – AU

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	McDonald's	30	50,0	50,0	50,0
	Burger King	30	50,0	50,0	100,0
	Total	60	100,0	100,0	

Brand – TR

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	McDonald's	40	50,0	51,3	51,3
	Burger King	38	47,5	48,7	100,0
	Total	78	97,5	100,0	
Missing	System	2	2,5		
Total		80	100,0		

Table 3: Descriptive Statistic of the Brand Distribution

At the same time the results for age distribution in both countries is completely distinct because of the different intervals for determinated ages which is for Austria as 16-25, 26-35, 36-45, 46-55 and ›56 meanwhile for Turkey it is between 18-21, 22-25, 26-29 and ›30. Hereby the results for Austrian people seen that from 60 people the % 50,8 belongs to 16-25, % 20,3 for 26-35, % 8,5 for 36-45, % 10,2 for 46-55 and the same range % 10,2 for the people who are oldern then 56. On the other hand from 80 Turkish participants the % 8,9 belongs to 18-21, % 34,2 for 22-25, % 49,4 for 26-29 and % 7,6 for older than 30. Also it is essential to point out that the both countries have one missing value for the distribution of age in respect to the descriptive statistic and eventually it is obvious the survey is usually effectuated amidst the young generation in Turkey and Austria. *(see Table 4)*

Age – AU

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	16-25 age	30	50,0	50,8	50,8
	26-35 age	12	20,0	20,3	71,2
	36-45 age	5	8,3	8,5	79,7
	46-55 age	6	10,0	10,2	89,8
	56 +	6	10,0	10,2	100,0
	Total	59	98,3	100,0	
Missing	System	1	1,7		
Total		60	100,0		

Age – TR

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-21 age	7	8,8	8,9	8,9
	22-25 age	27	33,8	34,2	43,0
	26-29 age	39	48,8	49,4	92,4
	30 +	6	7,5	7,6	100,0
	Total	79	98,8	100,0	
Missing	System	1	1,3		
Total		80	100,0		

Table 4: Descriptive Statistic of Age

After I applied the statistic for the education level among the respondents it is obvious the range of each level still differ totally from each other together with the missing values; 6 for Austria and 25 for Turkey, such as the option for Apprenticeship (= Lehre) takes part in Austria with the rate of % 5,6 while it sits out in Turkey or the proportion of valid percent (%

5,6) for Compulsory Education (= Hauptschulabschluß), Apprenticeship (= Lehre) and Degree of University of Applied Sciences (= Fachhochschule / FH) equate each other among the Austrian respondents which is differ in Turkey. Moreover the highest proportion appears for High School Diploma (= Matura) in both countries which is in Turkey % 32,7 and in Austria % 46,3. Subsequent to this the level of University Degree (= Hochschulabschluß) has a part in the second range in both countries with the proportion of % 33,3 and % 30,9. *(see Table 5)*

Education – AU

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	compulsory education	3	5,0	5,6	5,6
	Apprenticeship	3	5,0	5,6	11,1
	high school diploma	25	41,7	46,3	57,4
	degree of university of applied sciences	3	5,0	5,6	63,0
	university degree	18	30,0	33,3	96,3
	other education	2	3,3	3,7	100,0
	Total	54	90,0	100,0	
Missing	-1	6	10,0		
Total		60	100,0		

Education – TR

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	compulsory education	1	1,3	1,8	1,8
	high school diploma	18	22,5	32,7	34,5
	degree of university of applied sciences	15	18,8	27,3	61,8
	university degree	17	21,3	30,9	92,7
	other education	4	5,0	7,3	100,0
	Total	55	68,8	100,0	
Missing	System	25	31,3		
Total		80	100,0		

Table 5: Descriptive Statistic of Education

In addition to the descriptive statistics of the distribution for gender, age, education and preferred fast-food chains among the respondents, I also applied the analysis for the *dining out per week* and the *frequency of eating at chain* dimensions which might be necessary to decipher the association between the cultural orientation and eating habits together with the preferences of the representative participants to form an opinion about the tendency of the whole population in both countries. Therefore considering the statistic for the first one that the majority of the Austrian participants board out at least one times per week with the proportion % 35,6 either two times which seen at the second range in the table together with the 30,5 percent proportion and this propensity for this dimension might mount thru four times per week. However, in comparison to Austria the % 4,1 from 80 Turkish respondents don't prefer to eat outside precisely whilst the option twice time per week (% 31,5) overrides the options for dining out. With reference to the respondents in both countries in Turkey the preference of eating outside for five times per week (% 13,7) is round about more than two times higher than the results of Austria which is % 6,8. Finally, it is remembered that there is one missing value in Austria but seven missing values in Turkey. *(see Table 6)*

Dining out per week – AU

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1,00	21	35,0	35,6	35,6
	2,00	18	30,0	30,5	66,1
	3,00	9	15,0	15,3	81,4
	4,00	6	10,0	10,2	91,5
	5,00	4	6,7	6,8	98,3
	6,00	1	1,7	1,7	100,0
	Total	59	98,3	100,0	
Missing	-1,00	1	1,7		
Total		60	100,0		

Dining out per week – TR

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	,00	3	3,8	4,1	4,1
	1,00	12	15,0	16,4	20,5
	2,00	23	28,8	31,5	52,1
	3,00	17	21,3	23,3	75,3
	4,00	7	8,8	9,6	84,9
	5,00	10	12,5	13,7	98,6
	6,00	1	1,3	1,4	100,0
	Total	73	91,3	100,0	
Missing	System	7	8,8		
Total		80	100,0		

Table 6: Descriptive Statistic of the Dining Out per Week

The results of the next one show that a great disparity exists between Austria and Turkey. For instance, in Austria mostly the participants opt eating at the franchised restaurant chains (% 47,3) more than ten times but in Turkey this ratio is limited with six times which has the 1,5 percent proportion. Nevertheless, it is quite important to point out that the % 6 of the Turkish participants never eat at the franchised restaurant chains. Inspite of these the tendency of eating at either of these two franchise restaurant chains for one (% 53,7) or two times (% 20,9) is quite higher than the results in Austria (% 10,9 - % 7,3) even though the missing values of Austria is 5 but 13 in Turkey which causes a great deal of proportion. *(see Table 7)*

Frequency of eating at chain – AU

		Frequency	Percent	Valid Percent	Cumulative Percent
Val)id	1,0	6	10,0	10,9	10,9
	2,0	4	6,7	7,3	18,2
	3,0	3	5,0	5,5	23,6
	4,0	6	10,0	10,9	34,5
	5,0	2	3,3	3,6	38,2
	6,0	6	10,0	10,9	49,1
	7,0	1	1,7	1,8	50,9
	9,0	1	1,7	1,8	52,7
	10,0	26	43,3	47,3	100,0
	Total	55	91,7	100,0	
Missing	-1,0	5	8,3		
Total		60	100,0		

Frequency of eating at chain – TR

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	,0	4	5,0	6,0	6,0
	1,0	36	45,0	53,7	59,7
	2,0	14	17,5	20,9	80,6
	3,0	4	5,0	6,0	86,6
	4,0	5	6,3	7,5	94,0
	5,0	3	3,8	4,5	98,5
	6,0	1	1,3	1,5	100,0
	Total	67	83,8	100,0	
Missing	System	13	16,3		
Total		80	100,0		

Table 7: Descriptive Statistic of the Frequency of Eating at the Franchised Restaurant Chains

5.4.2 External Reputation Unidimensional Reputation

By asking the various questions relating with the first indicator to the respondents I tried to discover how the reputation of fast-food restaurant chains is perceived from the participant's perspectives. With reference to the results about the overall external reputation it seen that the mean value for Austria (5,3675) is higher than the mean value for Turkey which is 4,8646 whereby the difference might stem from the preferences of the Turkish people since they opt usually the fast-food chains which based mostly on the turkish cousine and therefore more preferable by the people according to the tastes. Additionally, it is very important to use the time properly for Austrian people because they live for working, to reach their targets and to become successful which related to being masculine society. Also they are quite impatient because of being short-term oriented society. Thus, the fast-food might be their first choice for their meals so that they can save their times whatever they want. So the statistical result is like what it is supposed to be in that the surveyed companies are the best ones in their fields in global market. Nontheless the values for standard deviation are exact oppposite to the mean values which is for Austria 0,93943 versus 1,46312 for Turkey. As it is seen the value for Turkey is pretty high in comparison to Austria which means that the answers were spread out relatively far from the mean that might associate with the people were not sure about their feelings and/or thoughts.

external_reputation

N	Valid	60
	Missing	0
Mean		5,3675
Std. Deviation		,93943

external_reputation

N	Valid	79
	Missing	1
Mean		4,8646
Std. Deviation		1,46312

Table 8: Descriptive Statistic of External Reputation Unidimensional Reputation

If the analysis applied for each related questions for this indicator than it might seen that the mean values in Austria are totally higher than the mean values in Turkey. For instance, the mean for the *overall good perceptions of total experience* in Austria 5.1 while in Turkey is 4.44, the *good perception compared to other competitors* in marketplace is 4.83 versus 4.69 or Austrian people's beliefs for *good long-term future* (5.92) and for *good market standing* (5.46) against Turkish people's beliefs which are in seqeunce 4.94 and 5.12, and lastly the *high market visibility* in the marketplace is 5.52 toward 5.15 which all of them show that the companies valued by the Austrian people more than the people in Turkey and the companies might communicate easily with their consumers along with their image and identities that relate directly with the reputation of companies. *(see Appendix 3)*

5.4.3 Brand Satisfaction

With the set of question for the next dimension in the questionnairies I wanted to find out the overall statisfaction of the participants as a representative of both cultures about the fast-food brands. Hence, the mean value for Austria (5,0819) is still higher than the mean value for Turkey (4,4473) which is not surprising since the former content is valid for this construct too. Also, because of low power distance characteristics, the employees have a sincere relationship with their managers whereby having a high social statue doesn't provide a special privilege because all people are equal. So it doesn't matter the kind of restaurant it may be either fast-food chains or elaborate restaurants for having the meal together which is acceptable in Austria and usually in other western countries, but unacceptable in Turkey due to the terms of human relations, high power distance characteristics are seen in Turkish society. Plus, Turkish people prefer dining out usually elaborate restaurants either for breakfast, lunch or for dinner where they spend much time being together with their friends, family members, colleagues or opt to eat quickly at the traditional fast-food restaurant chains where they can quite easily find the basic foods and beverages considering their cultural tastes.

brand_satisfaction

N	Valid	60
	Missing	0
Mean		5,0819
Std. Deviation		1,13853

brand_satisfaction

N	Valid	79
	Missing	1
Mean		4,4473
Std. Deviation		1,63937

Table 9: Descriptive Statistic of Brand Satisfaction

While looking for the each related questions to observe the overall tendency more deeply, again in comparison to Turkey the mean values are high in Austria especially for *satisfaction with restaurant* (5.27) and *positive experiences* (5.18) which are 4.49 and 4.66. in Turkey. Also, the mean values for being *pleased with* (4.92) and *favorably disposed toward* (4.95) these fast-food franchised restaurants in Austria exhibit that the participants generally agreed with the statements that associate with their propensities. On the other hand, the scores for the same variables in Turkey are also high but definitely lower than the Austrian means which are 4.33 and 4.35 because of the minority of Turkish respondents who strongly disagreed with the statements. *(see Appendix 4)*

5.4.4 Purchase Intention

The next two questions labeled for the construct of Purchase Intention to discover the people's intention to dining again at the surveyed brands of franchised fast-food restaurant. However, this dimension includes only two variables where the first one based on 7-point Likert scale and the other is closed dichotomous question at which the respondents make a selection from two fixed alternatives that gives nominal data[92] to analyse.[93]

As regards to the mean values of this dimension for both countries it is seen as in the previous constructs that Austria has the higher mean value in comparison to Turkey which is for the first 5,8667 and 4,6076 for the next. This is not interesting considering the frequencies of each options for the quesiton which almost the half of the responses of Turkish participants strewn between strongly disagree and neutral against the written question. *(see Appendix 5)* The motives behind this result might be the same as the former two contructs; masculine society, short-term orientation and low power distance, which exhibits a high tendency to dine out at the surveyed fast-food franchised restaurant. Also, this might be caused by the preferences of the Turkish people for eating in fast-food franchised chains unless it is necessary or they have to because of the general thoughts that the food at franchised restaurants isn't like home-made. Moreover, among the motives of choosing these places globalization effect, dominant and common American culture, standardized eating culture which appeals to the most people's taste in the world might be arranged.

[92] The word "nominal" means name-like – in other words, the numbers assigned to objects or phenomena that name or classify but have no true numeric meaning. They are simply labels or identification numbers that partition data into mutually exclusive and collectively exhaustive categories and such they cannot be ordered, added or divided. The counting of the number and percentages of objects in each category are the only possible calculation or quantification. (Wilson, A., 2006, p. 225)

[93] Wilson, A. (2006), p. 168

purchase_intention

N	Valid	60
	Missing	0
Mean		5,8667
Std. Deviation		1,22774

purchase_intention

N	Valid	79
	Missing	1
Mean		4,6076
Std. Deviation		1,98338

Table 10: Descriptive Statistic of Purchase Intention

On the other hand, the second question has the option for answering only YES or NO which relates to the *intention to dine again in near future* in one of these franchised fast-food restaurants. Therefore, considering the proportion which is in Austria % 72,5 and in Turkey % 70 the majority of people from both countries for whatever reason have a positive tendency for *dining again in near future* even though nine in Austria and thirty in Turkey returned missing values. *(see Appendix 6)* This might be explained the people might board out again at any surveyed fast-food chains in the near future if they don't have enough time because of the long working hours or the location of chains is quite easily reachable around the world such as in touristic locations, mall centers, main streets, airports and so forth.

5.4.5 Intention for Word-of-Mouth (WOM)

Contrary to the previous results of other constructs the mean values for Intention for WOM (Word-of-Mouth) in both countries are exactly the opposite whereby at this time it is for Austria 3,3569 and 3,9040 for Turkey. The results are surprising and contradict the prior results because while the majority of the Turkish participants might prefer traditional fast-food chains which are based on Turkish cuisine, they tend to make recommendations about the brands of franchised fast-food restaurants and their system. This might be relating to the social culture due to the fact that Turkish people likely share their experience in all kinds of subjects because of being a collectivistic society.

intention_for_WOM

N	Valid	60
	Missing	0
Mean		3,3569
Std. Deviation		1,12769

intention_for_WOM

N	Valid	79
	Missing	1
Mean		3,9040
Std. Deviation		1,42338

Table 11: Descriptive Statistic of Intention for Word-of-Mouth (WOM)

By virtue of the overall mean values for Austria and Turkey it was essential to look out the results of each pertinent question for this dimension. Similarly the values of mean for each variable are generally low in Austria. One apparent reason for this is that the answers of respondents exactly divided into the each options from strongly diasgree till strongly agree instead of grouping at one side and also mainly the participants are stronlgy disagree with the statements relating to the *gladly talking* about the experiences with the brand of franchised restaurants and *seeking out other franchised restaurants to patronize* that might be associated with the reluctance of the people for sharing their actual feelings and thoughts that stem from their experiences quite the opposite way round Turkey. Nevertheless the Austrian and Turkish people have mean values which are quite close to each other, to *recommend to other people who should to dine out* at the surveyed restaurant chains might imply the respondents thought the "other people" as their friends, family members or colleagues. On the contrary to this, if the respondents think the "other people" as the *interested people in dining out* at the surveyed franchised restaurants then the mean value is pretty high for Turkey in response to Austria again because of the Turkish social culture or the Austrian people do not consider it necessary to give any advice unless in proportion to being in disagreement. *(see Appendix 7)*

5.4.6 Brand Commitment

With the set of variable for this construct I wanted to know the degree of people's overall commitment toward the surveyed fast-food brands. Invariably the mean value for Austria (3,1644) is lower than the mean value for Turkey (3,5439) together with pretty high standard deviation for both countries. This might be explained that the Turkish participants might conceive of the franchised restaurants only as places for dining out quickly whilst the Austrian participants conceive of them like elaborate restaurants since they exist occasionally for long time either to enjoy and meet with their friends or to eat daily lunch or dinner and sometime for breakfast that might be related with the mentioned features of Austrian culture. But the Turkish culture which is feminine the people prefer going to the elaborate restaurants since enjoying the life motive them along with spending more leisure time. Therefore, it can be said that the people in Turkey perceive the franchised restaurants as a good well-known brand in the fast-food sector and relating to this exhibit more likely commitment towards this. If people had perceived them as Austrian participants did, the result would have been vice versa. This amounts that Austria would have had greater mean value compared to Turkey. Because Turkish people are more conservative about their traditional food and eating habits than Austrian people. So going to the places that they are accustomed to is their first choice. We can clearly see this attitude in their choise of fast food. And also, the adoption of this trend that is eating fast-food in Turkey happened quite tardily in comparison to the western countries.

brand_commitment

N	Valid	60
	Missing	0
Mean		3,1644
Std. Deviation		1,06719

brand_commitment

N	Valid	79
	Missing	1
Mean		3,5439
Std. Deviation		1,48116

Table 12: Descriptive Statistic of Brand Commitment

Furthermore, the results of question's variables also show that the surveyed people from both countries are not so affiliated with the brands of franchised fast-food chains except the variable for the *intention to keep purchasing the brand* which infers that the people in both countries one way or another will go on to dine out at these franchised restaurant chains. However, the people are strongly solicitous for the *willingness to pay higher price* for eating at this restaurants in the way of mean values. Plus, the Turkish respondents will presumably *buying the brand next time to dine out* as long as they get good service. This is not surprising and interesting because the surveyed people in Turkey consisted of the younger generation in the meantime some Austrian participants represent the older generation which is older than 56 and thereby it is meaningful since the young generation compete with the time and don't prefer spending more time eating outside. This motive might also explain why the mean results for the *coherence of the values* between people's and franchise systems' and *sharing similar values* in Turkey are higher than the Austrian mean values. *(see Appendix 8)*

5.4.7 Satisfaction Experience at a Franchisee-Owned Outlet

After conducting the analysis for the last construct in the questionnairies to observe the satisfaction experience at any franchisee–owned outlet since they are mainly standardized around the world. It is seen again a higher mean value together with low standard deviation for Austria (4,8608) in comparison to Turkey (4,2319). This could be bound up with the service quality, speed of service, cleaning, location, time of waiting, procurement of the materials, product range and offerings, management of outlets and so forth. Nevertheless, it might be any reason for this result and nothing will be certain motive to explain this. Therefore, it shouldn't be thought as general since the location of outlets might alter from one to another cities and countries. However, this result might be associated with the uncertainty avoidance. For example, in Turkey the absence of the regulations and applying the law accurately result in using the rituals between people for solving the problems which might cause to impede operating effectively. Furthermore, as another motive might be that the Austrian people don't have high expectations for fast-food chains and hereby become quite satisfied. They also know that each type of restaurants has its own characteristics, so they don't compare them with each other. But Turkish people who have the same expectations for elaborate restaurants and fast-food chains, of course don't become satisfied.

satisfaction_experience

N	Valid	60
	Missing	0
Mean		4,8608
Std. Deviation		1,26585

satisfaction_experience

N	Valid	79
	Missing	1
Mean		4,2319
Std. Deviation		1,51295

Table 13: Descriptive Statistic of Satisfaction Experience at a Franchisee-Owned Outlet

But, after the analysis applied for each of the variables of this dimension it is quite obvious that they all have mean values which are above the average in comparison to the other variables for the preceding dimensions. The means exhibit that Austrian people are more *satisfied* and *feel content* with their dining experiences at any franchised restaurant as regards to the Turkish people in the light of the lower mean values for Turkey. Moreover, in proportion to the mean values which are considerably high and close to each other for the variables *being pleased*, *favorable feeling* and *excellent dining experience* in both countries represent a positive tendency towards being satisfied with any franchisee-owned outlets located either in Austria or in Turkey where the people get standardized services with minor differences which might be caused by many varied reasons. *(see Appendix 9)*

5.5 Dependent *T*-Test

The Dependent *T*-Test known also as Paired-Samples *T*-test is used to find out the statistically meaningful differences between the mean values and observe the degree of significance for the acquired differences between the related groups.[94]

I ran the analysis for each dimension at first separately on the first construct External Reputation Unidimensional Reputation *(see Appendix 10&11)* and then all together (Brand Satisfaction, Purchase Intention, Intention for WOM, Brand Commitment, Satisfaction Experiences at a Franchisee – Owned Outlet) for both surveyed countries. However, here it is only explained the comparison of the mean values of all. Therefore, the result is 0,90133 for Austria and is 0,71764 for Turkey as seen below in the tables. Also, the probability of the value of *t* for Austria 7,019 and for Turkey 6,359 could be occured by chance which makes the results for Austria more valid. Supplementally, because $p < .05$ for both countries (.000) it can be said that the differences between mean values are for both countries quite significant. *(see Appendix 12&13)*

Paired Samples Test – AU

	Paired Differences					t	Df	Sig. (2-tailed)
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper			
Pair 1 extrep - total	,90133	,99468	,12841	,64438	1,15829	7,019	59	,000

Paired Samples Test – TR

	Paired Differences					t	Df	Sig. (2-tailed)
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper			
Pair 1 extrep - total	,71764	1,00310	,11286	,49296	,94232	6,359	78	,000

Table 14: Dependent *T*-Test for Austria and Turkey

[94] Field, A. (2005), p. 288; https://statistics.laerd.com/statistical-guides/dependent-t-test-statistical-guide.php (10/04/2012)

5.6 Correlation Analysis

The next analyses that I ran are known as Correlation Analysis since I interested in the association between two variables and whether this association holds across two different countries by using Pearson's Correlation Coefficient[95]. Because according to the literature, once the relationship is established in each country, it can be compared across countries. The analysis can be used to test the hypotheses concerning the strength of associations as well as the pattern of associations[96] by using an index to describe the strength of a relationship[97] which provided with the help of correlation coefficient.[98] From the statistical perspective, it defined as a measurement of the relationship between two variables which ranges from –1 to 0 to +1 where the values are absolute and nondimensional with no units involved. Plus, a zero correlation indicates that there is no relationship between the measured variables. A correlation of –1 indicates a perfect negative correlation, meaning that as one variable goes up, the other goes down. A correlation of +1 indicates a perfect positive correlation, meaning that both variables move in the same direction together. Shortly, regardless of the direction, the stronger is the existing association indicating a more linear relationship between the two variables.[99]

With reference to the above mentioned explanation, the relations between each constructs appearing in questionnairies found out for both surveyed countries together with the degree of significancy and the most strength and evident relations are expounded according their importance for the current study. Finally, it is pretty obvious that each variable in the matrix provided by SPSS for Austria and Turkey are perfectly correlated with itself and so $r= 1$ along the diagonal of the table.[100]

For Austria, it is seen that the construct External Reputation Unidimensional Reputation has a positive relationship with the other constructs but not correlated significantly. Thus, as it is

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95 Pearson's Correlation Coefficient is a measure of the degree of association between *x* and *y* (Wilson, A., 2006, p. 238)

96 Craig, C. S., Douglas, S. P. (2005), p. 382

97 Wilson, A. (2006), p. 237

98 Craig, C. S., Douglas, S. P. (2005), p. 382

99 http://psychology.about.com/od/cindex/g/def_correlation.htm (12/04/2012); Taylor, R. (1900), p. 35-39

100 Field, A. (2005), p. 126

obvious that the construct has a stronger relationship with a coefficient of *r* = .427 with the construct of Brand Satisfaction which is also statistically more significant than the others (p = .001 < .05) which means that any changes by the people according to the satisfaction of the brand correlate with the changes by the people towards the reputation of a company either in a positive or negative way. Aside from this, the relations are obtained with Purchase Intention (*r* = .355), Satisfaction Experience (*r* = .349), Brand Commitment (*r* = .325) and Intention for WOM (*r* = .035) in seqeunce. But it doesn't correlate significantly (p = .793 > .05) with lowest relation that belongs to the Intention for WOM. It might imply that the constructs has no relation with each other and the effect might not be big enough to be anything other than a chance finding.[101] The other notable, strong and positive relationships exist between the constructs Brand Commitment and Intention for WOM with a coefficient of *r* = .730, Purchase Intention and Brand Satisfaction with a coefficient of *r* = .602 which both correlate statistically significant with each other (p = .000 < .05). The last and important prominent result is, despite of the Purchase Intention has a positive but most weak relation with Satisfaction Experience at the coefficient of *r* = .139 but doesn't correlate statistically significant (p = .290 > .05) which is seen again no relation between these constructs in Austria.

Correlations

		external_reputation	brand_satisfaction	purchase_intention	intention_for_WOM	brand_commitment	satisfaction_experience
external_reputation	Pearson Correlation	1	,427**	,355**	,035	,325*	,349**
	Sig. (2-tailed)		,001	,005	,793	,011	,006
	N	60	60	60	60	60	60
brand_satisfaction	Pearson Correlation	,427**	1	,602**	,494**	,582**	,465**
	Sig. (2-tailed)	,001		,000	,000	,000	,000
	N	60	60	60	60	60	60
purchase_intention	Pearson Correlation	,355**	,602**	1	,289*	,422**	,139
	Sig. (2-tailed)	,005	,000		,025	,001	,290
	N	60	60	60	60	60	60
intention_for_WOM	Pearson Correlation	,035	,494**	,289*	1	,730**	,392**
	Sig. (2-tailed)	,793	,000	,025		,000	,002
	N	60	60	60	60	60	60
brand_commitment	Pearson Correlation	,325*	,582**	,422**	,730**	1	,509**
	Sig. (2-tailed)	,011	,000	,001	,000		,000
	N	60	60	60	60	60	60
satisfaction_experience	Pearson Correlation	,349**	,465**	,139	,392**	,509**	1
	Sig. (2-tailed)	,006	,000	,290	,002	,000	
	N	60	60	60	60	60	60

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Table 15: Correlation Analysis for Austria

[101] Field, A. (2005), p. 28

On the other hand for Turkey the construct External Reputation Unidimensional Reputation has a more positive relationship with the other constructs and correlated statistically quite significant in comparison with Austria because of the probability values of all possible correlations for two-tailed are below .05 (p = < .05). To the extent of the results of the analysis the stronger relationship appears between the main construct and Brand Satisfaction as such in Austria with the coefficient of *r* = .740 which infers that any changes by the people considering the satisfaction of the brand correlate with the changes by the people towards the reputation of a company either in a positive or negative way which is also more intensely than Austria. Following to this, the next strong relation comes at the second range with the Intention for WOM construct with the coefficient of *r* = .702, and afterwards Purchase Intention (*r* = .699), Satisfaction Experience (*r* = .652), as weakest relation the construct Brand Commitment (*r* = .441). In spite of the strong relation of the construct relating with the reputation of the company, the relation of Brand Satisfaction with both Purchase Intention and Satisfaction Experience is the strongest with the coeffiecient of *r* = .808 withal statistically significant. Moreover, like Austria the construct Purchase Intention once again has the weakest relation. This once with the construct Brand Commitment in conjunction with the coefficient value *r* is .486 even though it still higher than the value for the weakest relation for Austria.

Correlations

		external	brand_ satisfaction	purchase_ intention	intention_for_ WOM	brand_ commitment	satisfaction_ experience
external	Pearson Correlation	1	,740**	,699**	,702**	,441**	,652**
	Sig. (2-tailed)		,000	,000	,000	,000	,000
	N	79	79	79	79	79	79
brand_satisfaction	Pearson Correlation	,740**	1	,808**	,716**	,535**	,808**
	Sig. (2-tailed)	,000		,000	,000	,000	,000
	N	79	79	79	79	79	79
purchase_intention	Pearson Correlation	,699**	,808**	1	,724**	,486**	,601**
	Sig. (2-tailed)	,000	,000		,000	,000	,000
	N	79	79	79	79	79	79
intention_for_WOM	Pearson Correlation	,702**	,716**	,724**	1	,735**	,741**
	Sig. (2-tailed)	,000	,000	,000		,000	,000
	N	79	79	79	79	79	79
brand_commitment	Pearson Correlation	,441**	,535**	,486**	,735**	1	,699**
	Sig. (2-tailed)	,000	,000	,000	,000		,000
	N	79	79	79	79	79	79
satisfaction_experience	Pearson Correlation	,652**	,808**	,601**	,741**	,699**	1
	Sig. (2-tailed)	,000	,000	,000	,000	,000	
	N	79	79	79	79	79	79

**. Correlation is significant at the 0.01 level (2-tailed).

Table 16: Correlation Analysis for Turkey

In short, to the extent of this analysis it is seen that the dimensions used in this study have a relation with each other in both countries differently asked by the current research questions. Turkish people determine the reputation of the company according to be satisfied with the brand and experience from it together with the tendency of purchasing the brand more intensely in comparison to Austria which all these said influence parallel to the evaluation. Also, as long as the companies fulfill the needs, wants and expectations of the Turkish customers and sharing these by Word-of-Mouth might create either positive or negative effect upon the companies' reputation in customers perspective as opposed to Austria which is also pretty effective in conjunction with the satisfaction from experience in the tendency of purchasing among Turkish people. But this explanation isn't acceptable for Austrian society since the experience has no effect on purchase intention. Moreover, being satisfied with the brand is designated with the tendency of purchasing the products of the brand and experiences in Turkey meanwhile in Austria it is determined mainly with intention of purchasing and the commitment with the brand. The last but not least, in both countries intention for Word-of-Mouth strongly associated with the commitment of the brand which might be explained that the Austrian people share their experiences, thoughts and attitudes with their close friends and family members, but in Turkey it could be any person.

5.7 Independent *T*-Test

The last analysis for the present study are known as Independent *T*-Test utilized in situations in which there are two experimental conditions and different participants have been used in each condition.[102] Hence, for comparing the differences of the mean values considering their degree of significance from both surveyed countries to find more accurate answers for the research questions of this study, this analysis is applied which contains Group Statistics and Independent Samples Test tables. Because the first one summarizes the results found by Descriptive Statistics (*see Appendix 14*), and here the results of the next main table are clarified.

As regards to the main table of the analysis the Levene's test is for the main construct External Reputation Unidimensional Reputation and for the others (Brand Satisfaction, Purchase Intention, Brand Commitment and Satisfaction Experience) significant because the probability value (p) is in turn .000, .001 and .034 which are less than .05 and implies that the

[102] Field, A. (2005), p. 296

homogeneity of the surveyed countries is violated. Therefore, if the probability values of two-tailed looked at, it is seen that the value for the differences of the means from both countries is significant for these values except only the contruct Brand Commitment (p = .082 > .05) which might infer that the people in Turkey not equally value the reputation of the surveyed companies like Austrians, the degree of the satisfaction toward the brands and the experience at any franchised outlet, the intention to purchase the brands differ from Austria. However, for the Brand Commitment construct the other way round of these is in the question that has no significant difference between the means of both countries. This might be explicable that the commitment toward the brands of Turkish people equally in the same direction like the Austrian people. The differential construct Intention for WOM has the probability value greater than .05 (p = .179 > .05) which states that the Levene's test for this is non-significant in terms of mean differences of both countries. In this case, according to the row labelled Equal Variances Assumed row of this construct the two-tailed value (.016) is less than .05 which is significant and might be concluded as significantly higher tendency for the Austrian people is in the question likened to Turkish people.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
external_reputation	Equal variances assumed	22,139	,000	2,323	137	,022	,50294	,21653	,07476	,93112
	Equal variances not assumed			2,460	133,614	,015	,50294	,20447	,09853	,90735
brand_satisfaction	Equal variances assumed	13,907	,000	2,565	137	,011	,63469	,24747	,14533	1,12404
	Equal variances not assumed			2,691	136,010	,008	,63469	,23585	,16829	1,10109
purchase_intention	Equal variances assumed	25,040	,000	4,326	137	,000	1,25907	,29106	,68353	1,83462
	Equal variances not assumed			4,600	132,105	,000	1,25907	,27371	,71765	1,80049
intention_for_WOM	Equal variances assumed	1,826	,179	-2,449	137	,016	-,54706	,22335	-,98873	-,10540
	Equal variances not assumed			-2,528	136,734	,013	-,54706	,21643	-,97504	-,11909
brand_commitment	Equal variances assumed	11,361	,001	-1,680	137	,095	-,37944	,22586	-,82605	,06718
	Equal variances not assumed			-1,755	136,661	,082	-,37944	,21622	-,80701	,04814
satisfaction_experience	Equal variances assumed	4,595	,034	2,602	137	,010	,62898	,24177	,15089	1,10706
	Equal variances not assumed			2,666	135,673	,009	,62898	,23597	,16232	1,09563

Table 17: Independent *T*-Test for Austria and Turkey

6 CONCLUSION

This study as it mentioned at the beginning is a part of the project that relates with the franchising systems around the world, but differs basically from the scope since it focuses the influences of cultural differences among only two distinct countries upon the reputation of the projected companies since it is used by companies as a communication tool with people around the world. Because the surveyed companies expanded through the franchising system abroad and operate in fast-food sector globally this study is also enunciative of the concept Franchising and Global Branding which is steered strongly by individual cultures and their differences. That's why it might be essential to look at how the different cultural values and norms orient the people toward this standard eating trend and therefore observing the direct effects on the evaluation of the companies from the consumer perspective in the light of the cultural differences. To do this, the study initially narrated the concept of culture and thence explained in detail the Hofstede's Cultural Model in conjunction with its dimensions while defining the characteristics of the cultures to describe the differences between the surveyed countries; namely Austria and Turkey. In this manner, with reference to the said theory on one side, Austria has quite a masculine and individualistic society, low power distance together with high uncertainty avoidance and short-term orientation. In comparison to this western country, on the other hand Turkey possesses a collectivist society close to femininity along with high power distance and uncertainty avoidance with no term orientation.

To predict the assumptions about the redirecting of cultural differences on the evaluation of companies' reputation on more precise results, this study conduct a quantitative survey while using pre-designed questionnairies *(see Appendix 15)* to obtain the data of the representative people from both countries and applying the requisite analyses using the SPSS program. Just after this phase, it was seen that the estimated different results are acquired which might be associated with each specific cultural feature of eacj country. For example, because the Austrian culture is masculine and intended to short-term orientation that might explain why the people valued the reputation of the companies higher than the Turkish people either having a low power distance in this culture might be another reason for higher mean value for the degree of the satisfaction with the surveyed brands in comparison to the Turkish society or all of these expressed characteristics might be a motive for the higher tendency of the intention relating to purchasing these brands again. Plus, being a collectivist society of Turkey might be linked for sharing the thoughts, feelings and experiences by Word-of-Mouth with everbody since they are always welcome to outsiders in comparison to individualistic

Austrian society. Moreover, these effective cultural characteristics or deterministic cultural differences are also seen between the interactions of used indicators for the current study such as the difference for the degree of relation between the reputation of the companies and the degree of satisfaction with the surveyed brands or the tendency for the evaluation of the companies in terms of their reputation presents a linear proportion with emotional behaviours and attitudes of the Turkish people like the commitment with the brand, purchase and re-purchase intention, increment of Word-of-Mouth. Nevertheless, despite all the would-be predictions denoted in this study to the extent of the cultural characteristics specified by the cultural theory, the differences in religion such as pork meat is sinful in Muslim countries, eating habits, insufficient economic freedom of Turkish women, the majority of Turkish houswives which causes mainly cooking and eating at home…etc. are also the other prime lead-in criterions which cohere strongly with individual cultures that are also the main obstacles for applying the standardized approaches worlwide as a main features of fast-food industry.

In conclusion, it is quite obvious that the results from both countries that are already written about exhaustively in the Analysis part, might be explained in the light of the cultural differences which are relevant for now to find an answer for the research question of this study. As it has been mentioned before a number of times that this study is based essentially on culture and its differences between countries and is intended to find its orientation among the attitudes and behaviours of the people towards the companies' reputation. Therefore, it can be said conclusively that the envisaged outcomes and differences are attained along with the present study which differ from each other in terms of Austrian and Turkish cultural characteristics and are very important for the companies to be more successful. However, these findings couldn't be properly and easily applicable in real business life or practice since it requires too much effort, time and money for the companies. That's why today the companies in many sectors and/or industries apply mainly standardized approach and is the prime reason for the growth of the new trend globalization. Although the results are interpreted considering the individual cultures, such a study will be more meaningful if few questions relating to the Country-of-Origin (COO) are added for the primary data collection phase which is quite important and fundamental for acquiring more accurate results considering the cultural differences and/or characteristics in the prospective subsequent studies and/or researches even so, this study might be a starting point. Besides, if the main emphasis will not base on the concept of culture, its differences and features, then it will be purposeful to evaluate the reputation of the companies from branding perspective while utilizing of the alternative measurement models with which applying the Regression Analysis[103] might supplant the Correlation Analysis of this present study or after the elimination of the constraints of the study analyses like ANOVA[104] relating to the demographic datas might be conducted which help the subsequent studies and/or researches to end up closer to the truth.

[103] Regression Analysis identifies the nature of the relationship using an equation (Wilson, A., 2006, p. 237)

[104] Analysis of Variances (ANOVA) is a test for the differences among the means of two or more variables (Wilson, A., 2006, p. 397)

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Appendix 1

Case Processing Summary

AUSTRIA		N	%
Cases	Valid	54	90,0
	Excluded[a]	6	10,0
	Total	60	100,0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,851	25

Item-Total Statistics

AUSTRIA	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
overall perception of total experiences	104,06	355,601	,694	,841
good perception compared to other competitors	104,30	345,873	,621	,839
good long-term future	103,19	368,946	,312	,848
good market standing	103,70	365,495	,312	,848
high market visibility	103,72	379,525	,021	,857
satisfaction with restaurant	103,87	349,360	,654	,839
pleased with restaurant	104,22	350,365	,599	,840
favorably disposed towards restaurant	104,15	347,676	,698	,838
positive experiences	103,94	351,676	,705	,839
highly likely to dine again	103,24	361,545	,426	,845
recommend to other people who should to dine out	104,94	348,016	,573	,840
recommend to interested people in dining out	105,78	349,761	,521	,842
gladly talking	106,24	366,035	,281	,849
seeking out other franchised restaurants to patronize	106,06	367,940	,239	,850
being committed to patronize	106,35	347,289	,607	,839
willingness to pay higher price	107,00	356,528	,437	,844
buying the brand next time to dine out	106,31	353,729	,533	,842
intention to keep purchasing the brand	104,54	349,272	,602	,840
coherence of the values	105,74	353,215	,616	,841
sharing similar values	106,09	352,689	,617	,840
being satisfied	103,89	354,931	,671	,840
being pleased	104,19	352,003	,578	,841
favorable feeling	104,59	353,001	,653	,840
excellent dining experience	105,02	349,226	,520	,842
feeling content	103,54	355,725	,009	,913

Appendix 2

Case Processing Summary

TURKEY		N	%
Cases	Valid	70	87,5
	Excluded[a]	10	12,5
	Total	80	100,0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,970	25

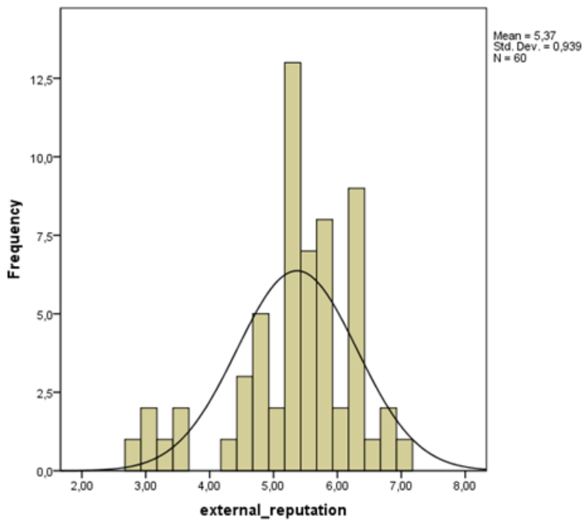
Item-Total Statistics

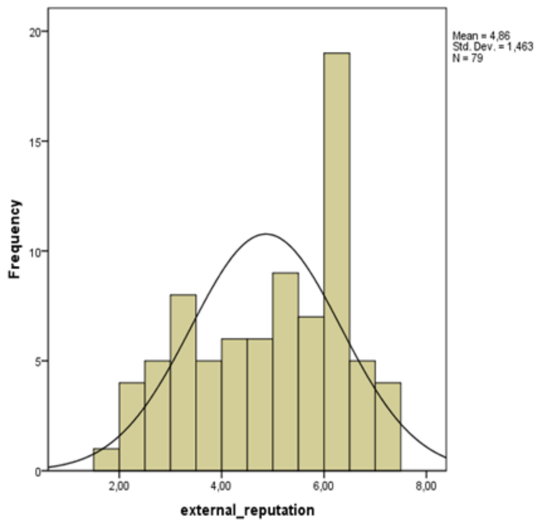
TURKEY	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
overall perception of total experiences	101,14	1023,631	,726	,969
good perception compared to other competitors	100,87	1034,288	,739	,969
good long-term future	100,61	1020,472	,680	,970
good market standing	100,37	1029,947	,672	,970
high market visibility	100,39	1030,443	,621	,970
satisfaction with restaurant	100,99	1006,710	,839	,968
pleased with restaurant	101,21	1003,446	,886	,968
favorably disposed towards restaurant	101,19	1006,385	,884	,968
positive experiences	101,00	1014,464	,853	,968
highly likely to dine again	100,91	1001,906	,811	,969
recommend to other people who should to dine out	101,53	999,006	,869	,968
recommend to interested people in dining out	101,56	1006,192	,868	,968
gladly talking	101,83	1033,796	,609	,970
seeking out other franchised restaurants to patronize	101,90	1050,874	,512	,971
being committed to patronize	102,07	1020,241	,717	,969
willingness to pay higher price	102,73	1061,911	,346	,972
buying the brand next time to dine out	101,97	1016,144	,739	,969
intention to keep purchasing the brand	101,50	1021,732	,727	,969
coherence of the values	101,90	1013,888	,762	,969
sharing similar values	102,03	1032,666	,608	,970
being satisfied	101,23	1014,788	,805	,969
being pleased	101,26	1020,889	,836	,969
favorable feeling	101,43	1013,176	,853	,968
excellent dining experience	101,44	1020,511	,765	,969
feeling content	101,34	1005,040	,882	,968

Appendix 3

AUSTRIA	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
My overall perceptions of total experience with this franchise system are very good	60	5,1	1.012	Frequency	0	0	2	18	14	22	3
				Percent %	0	0	3,4	30,5	23,7	37,3	5,1
My perceptions of this franchise system compared to its competitors are very good	60	4,83	1.463	Frequency	0	5	7	12	11	19	6
				Percent %	0	8,3	11,7	20,0	18,3	31,7	10,0
I believe in the good long-term future for this franchise system	60	5,92	1.062	Frequency	0	0	2	5	9	24	20
				Percent %	0	0	3,3	8,3	15,0	40,0	33,3
I believe that the market standing of this franchise system is good	60	5,46	1.317	Frequency	0	1	4	9	14	15	16
				Percent %	0	1,7	6,8	15,3	23,7	25,4	27,1
The market visibility of this franchise system in the marketplace is high	60	5,52	1.546	Frequency	1	3	3	6	11	16	20
				Percent %	1,7	5,0	5,0	10,0	18,3	26,7	33,3

TURKEY	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
My overall perceptions of total experience with this franchise system are very good	80	4,44	1.662	Frequency	3	9	12	14	16	17	8
				Percent %	3,8	11,4	15,2	17,7	20,3	21,5	10,1
My perceptions of this franchise system compared to its competitors are very good	80	4,69	1.444	Frequency	2	5	6	21	19	18	7
				Percent %	2,6	6,4	7,7	26,9	24,4	23,1	9,0
I believe in the good long-term future for this franchise system	80	4,94	1.838	Frequency	4	6	8	12	9	19	19
				Percent %	5,2	7,8	10,4	15,6	11,7	24,7	24,7
I believe that the market standing of this franchise system is good	80	5,12	1.747	Frequency	3	6	5	10	15	17	21
				Percent %	3,9	7,8	6,5	13,0	19,5	22,1	27,3
The market visibility of this franchise system in the marketplace is high	80	5,15	1.788	Frequency	4	4	7	10	12	18	23
				Percent %	5,1	5,1	9,0	12,8	15,4	23,1	29,5

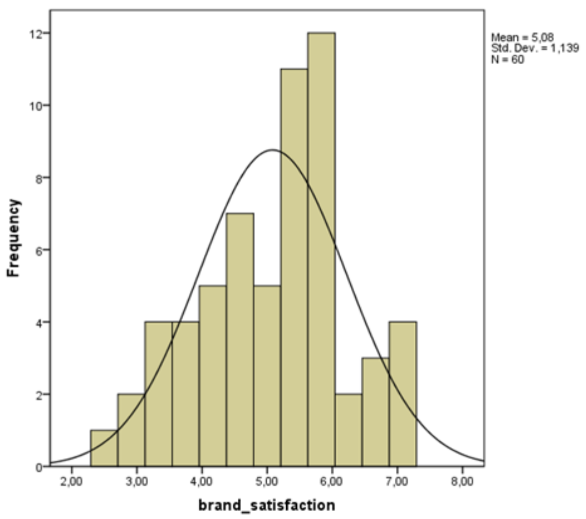


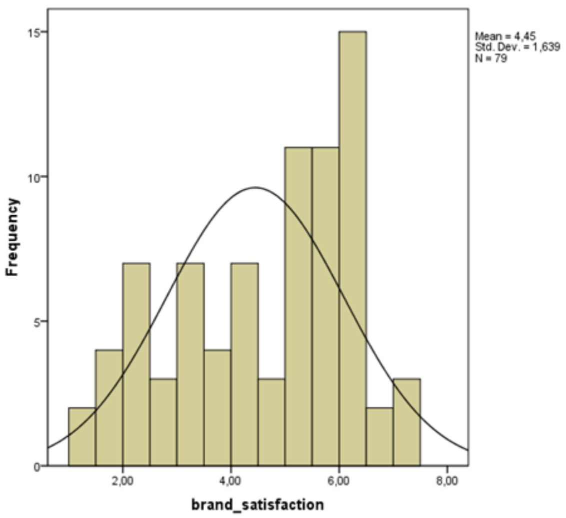


Appendix 4

AUSTRIA	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
I am satisfied with this franchised fast-food restaurant	60	5,27	1.287	Frequency	0	2	5	7	16	21	9
				Percent %	0	3,3	8,3	11,7	26,7	35,0	15,0
I am pleased with this franchised fast-food restaurant	60	4,92	1.381	Frequency	0	3	8	11	13	19	6
				Percent %	0	5,0	13,3	18,3	21,7	31,7	10,0
I am favorably disposed toward this franchised fast-food restaurant	60	4,95	1.305	Frequency	0	3	4	15	14	17	6
				Percent %	0	5,1	6,8	25,4	23,7	28,8	10,2
My experiences with this brand have been positive	60	5,18	1.157	Frequency	0	0	5	13	15	20	7
				Percent %	0	0	8,3	21,7	25,0	33,3	11,7

TURKEY	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
I am satisfied with this franchised fast-food restaurant	80	4,49	1.846	Frequency	7	9	5	15	12	22	9
				Percent %	8,9	11,4	6,3	19,0	15,2	27,8	11,4
I am pleased with this franchised fast-food restaurant	80	4,33	1.756	Frequency	7	9	7	12	19	19	5
				Percent %	9,0	11,5	9,0	15,4	24,4	24,4	6,4
I am favorably disposed toward this franchised fast-food restaurant	80	4,35	1.742	Frequency	8	7	7	12	20	20	4
				Percent %	10,3	9,0	9,0	15,4	25,6	25,6	5,1
My experiences with this brand have been positive	80	4,66	1.560	Frequency	3	7	7	15	17	25	5
				Percent %	3,8	8,9	8,9	19,0	21,5	31,6	6,3

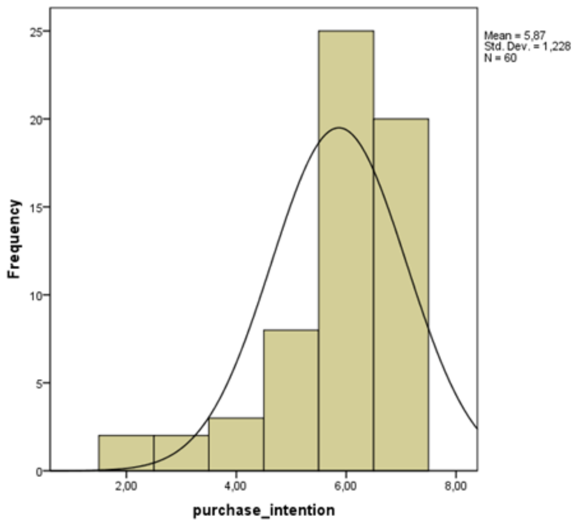


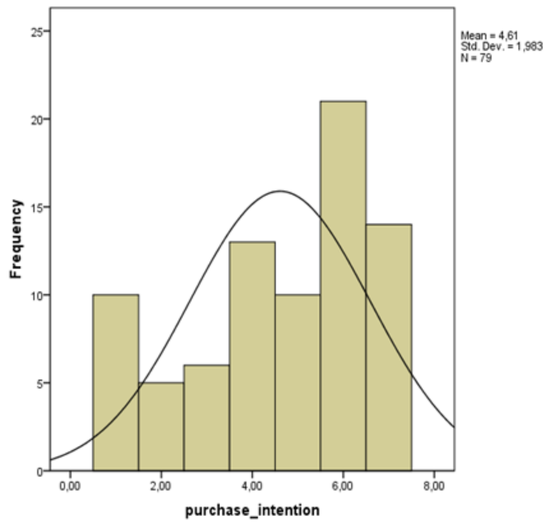


Appendix 5

AUSTRIA	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
All things considered, it is highly likely that I will actually dine at this brand of franchised fast-food restaurant again?	60	5,87	1.227	Frequency	0	2	2	3	8	25	20
				Percent %	0	3,3	3,3	5,0	13,3	41,7	33,3

TURKEY	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
All things considered, it is highly likely that I will actually dine at this brand of franchised fast-food restaurant again?	80	4,61	1.983	Frequency	10	5	6	13	10	21	14
				Percent %	12,7	6,3	7,6	16,5	12,7	26,6	17,7





Appendix 6

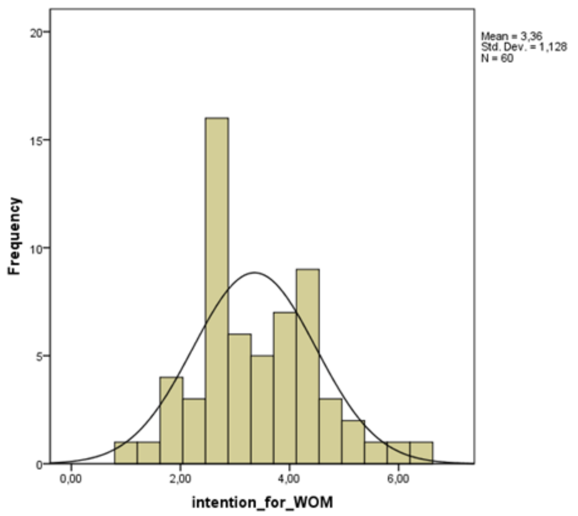
	AUSTRIA	YES	NO
Do you intend to dine again in this franchised fast-food restaurant brand in near future?	Frequency	37	14
	Percent %	72,5	27,5

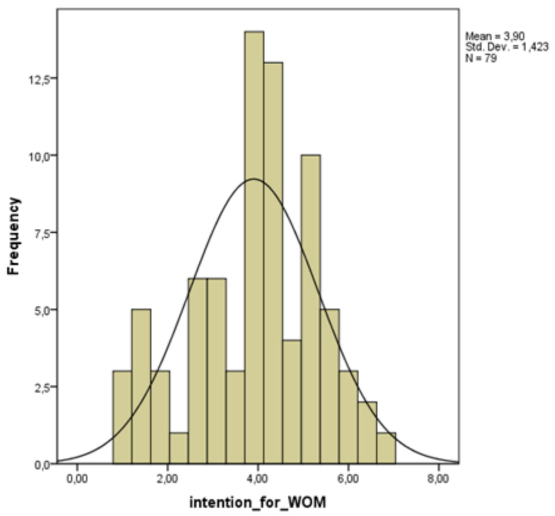
	TURKEY	YES	NO
Do you intend to dine again in this franchised fast-food restaurant brand in near future?	Frequency	35	15
	Percent %	70,0	30,0

Appendix 7

AUSTRIA	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHA T DİSAGREE	NEUTRAL	SOMEWHA T AGREE	AGREE	STRONGLY AGREE
I would recommend to other people that they should dine out at this brand of franchised fast-food restaurant	60	4,22	1.541	Frequency	3	4	12	18	8	11	4
				Percent %	5,0	6,7	20,0	30,0	13,3	18,3	6,7
I would recommend this franchise system to other people interested in dining out	60	3,35	1.655	Frequency	6	19	8	11	10	3	3
				Percent %	10,0	31,7	13,3	18,3	16,7	5,0	5,0
I would gladly talk about my experiences with this brand of restaurants to other people	60	2,85	1.424	Frequency	13	13	14	13	4	3	0
				Percent %	21,7	21,7	23,3	21,7	6,7	5,0	0
I would like to seek out other franchised fast-food restaurants to patronize	60	3,02	1.468	Frequency	11	12	13	15	5	2	1
				Percent %	18,6	20,3	22,0	25,4	8,5	3,4	1,7

TURKEY	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
I would recommend to other people that they should dine out at this brand of franchised fast-food restaurant	80	4,11	1.847	Frequency	11	8	6	18	13	18	5
				Percent %	13,9	10,1	7,6	22,8	16,5	22,8	6,3
I would recommend this franchise system to other people interested in dining out	80	4,04	1.747	Frequency	8	12	5	21	11	18	3
				Percent %	10,3	15,4	6,4	26,9	14,1	23,1	3,8
I would gladly talk about my experiences with this brand of restaurants to other people	80	3,7	1.697	Frequency	13	7	10	26	10	10	3
				Percent %	16,5	8,9	12,7	32,9	12,7	12,7	3,8
I would like to seek out other franchised fast-food restaurants to patronize	80	3,76	1.587	Frequency	10	10	4	34	9	10	2
				Percent %	12,7	12,7	5,1	43,0	11,4	12,7	2,5

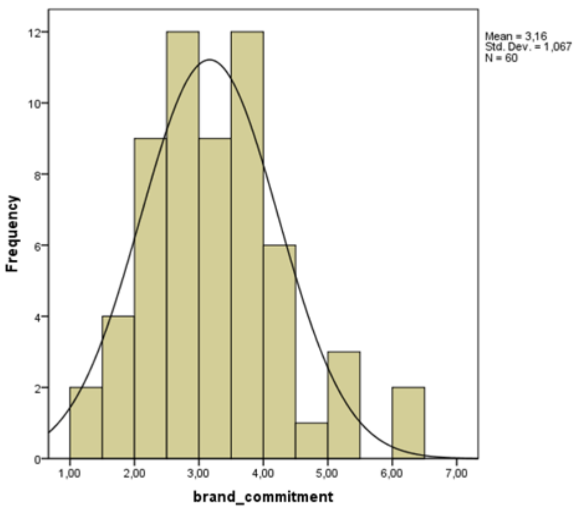


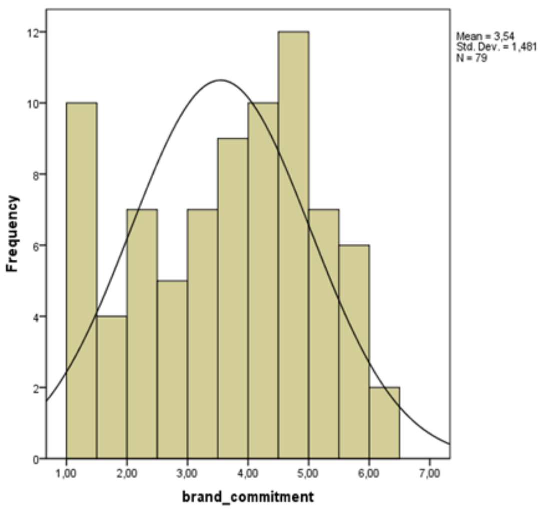


Appendix 8

AUSTRIA	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
I am committed to patronizing this franchised brand	60	2,83	1.610	Frequency	16	13	9	12	5	3	1
				Percent %	27,1	22,0	15,3	20,3	8,5	5,1	1,7
I would be willing to pay a higher price to dine in this franchised brand over other brands	60	2,2	1.538	Frequency	26	17	8	2	3	3	1
				Percent %	43,3	28,3	13,3	3,3	5,0	5,0	1,7
I will buy this brand the next time I dine out	60	2,9	1.446	Frequency	12	16	8	17	4	3	0
				Percent %	20,0	26,7	13,3	28,3	6,7	5,0	0
I intend to keep purchasing this brand	60	4,6	1.405	Frequency	2	4	2	21	14	13	4
				Percent %	3,3	6,7	3,3	35	23,3	21,7	6,7
I feel that the values of this franchise system match my own	60	3,38	1.209	Frequency	6	8	11	29	4	2	0
				Percent %	10,0	13,3	18,3	48,3	6,7	3,3	0
This brand and I appear to share similar values	60	3,07	1.274	Frequency	8	12	15	21	1	3	0
				Percent %	13,3	20,0	25,0	35,0	1,7	5,0	0

TURKEY	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
I am committed to patronizing this franchised brand	80	3,55	1.751	Frequency	16	7	10	20	13	9	2
				Percent %	20,8	9,1	13,0	26,0	16,9	11,7	2,6
I would be willing to pay a higher price to dine in this franchised brand over other brands	80	2,89	1.732	Frequency	26	10	14	13	10	4	2
				Percent %	32,9	12,7	17,7	16,5	12,7	5,1	2,5
I will buy this brand the next time I dine out	80	3,58	1.791	Frequency	14	12	8	19	12	10	3
				Percent %	17,9	15,4	10,3	24,4	15,4	12,8	3,8
I intend to keep purchasing this brand	80	4,06	1.757	Frequency	10	7	7	20	14	15	4
				Percent %	13,0	9,1	9,1	26	18,2	19,5	5,2
I feel that the values of this franchise system match my own	80	3,68	1.762	Frequency	15	6	9	23	12	10	3
				Percent %	19,2	7,7	11,5	29,5	15,4	12,8	3,8
This brand and I appear to share similar values	80	3,59	1.717	Frequency	13	11	8	23	12	8	3
				Percent %	16,7	14,1	10,3	29,5	15,4	10,3	3,8

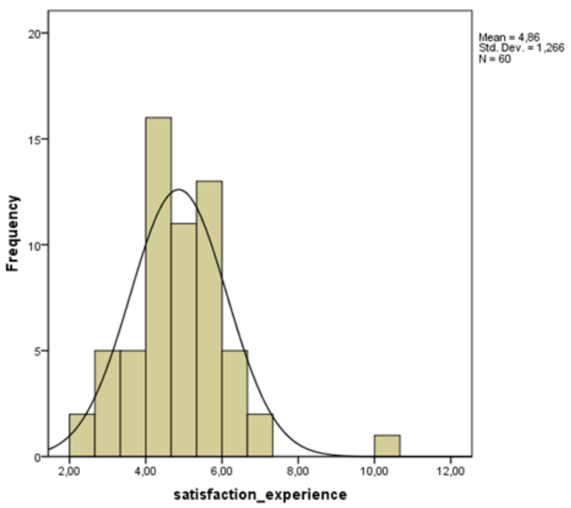


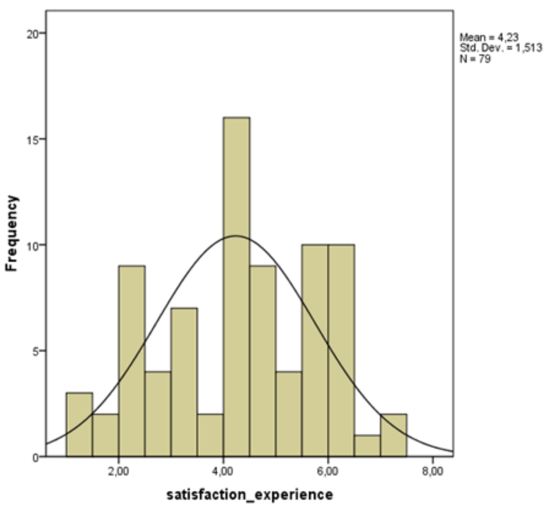


Appendix 9

AUSTRIA	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
I am satisfied with my dining experience in this restaurant	60	5,21	1.056	Frequency	0	0	2	15	16	19	6
				Percent %	0	0	3,4	25,9	27,6	32,8	10,3
I am pleased with my dining experience in this restaurant	60	4,9	1.349	Frequency	0	2	7	14	16	16	4
				Percent %	0	3,3	11,7	23,3	26,7	26,7	6,7
My dining experience in this restaurant created a favorable feeling toward this brand	60	4,55	1.171	Frequency	0	2	8	21	16	10	3
				Percent %	0	3,3	13,3	35,0	26,7	16,7	5,0
My dining experience in this restaurant is excellent	60	4,13	1.589	Frequency	3	8	5	22	11	8	2
				Percent %	5,0	13,3	8,3	36,7	18,3	13,3	3,3
I feel content with my experience in this restaurant	60	5,48	4.838	Frequency	0	2	7	14	15	15	6
				Percent %	0	3,3	11,7	23,3	25,0	25,0	10,0

TURKEY	N	Mean	Std. Deviation	Distribution	STRONGLY DİSAGREE	DİSAGREE	SOMEWHAT DİSAGREE	NEUTRAL	SOMEWHAT AGREE	AGREE	STRONGLY AGREE
I am satisfied with my dining experience in this restaurant	80	4,33	1.688	Frequency	5	10	7	17	15	19	5
				Percent %	6,4	12,8	9,0	21,8	19,2	24,4	6,4
I am pleased with my dining experience in this restaurant	80	4,35	1.519	Frequency	3	8	9	22	15	17	4
				Percent %	3,8	10,3	11,5	28,2	19,2	21,8	5,1
My dining experience in this restaurant created a favorable feeling toward this brand	80	4,14	1.631	Frequency	6	9	9	24	8	21	2
				Percent %	7,6	11,4	11,4	30,4	10,1	26,6	2,5
My dining experience in this restaurant is excellent	80	4,12	1.630	Frequency	5	10	8	26	9	14	5
				Percent %	6,5	13,0	10,4	33,8	11,7	18,2	6,5
I feel content with my experience in this restaurant	80	4,24	1.707	Frequency	6	8	11	18	11	19	5
				Percent %	7,7	10,3	14,1	23,1	14,1	24,4	6,4





Appendix 10

Paired Samples Statistics

AUSTRIA		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	external_reputation	5,3675	60	,93943	,12128
	brand_satisfaction	5,0819	60	1,13853	,14698
Pair 2	external_reputation	5,3675	60	,93943	,12128
	purchase_intention	5,8667	60	1,22774	,15850
Pair 3	external_reputation	5,3675	60	,93943	,12128
	intention_for_WOM	3,3569	60	1,12769	,14558
Pair 4	external_reputation	5,3675	60	,93943	,12128
	brand_commitment	3,1644	60	1,06719	,13777
Pair 5	external_reputation	5,3675	60	,93943	,12128
	satisfaction_experience	4,8608	60	1,26585	,16342

Paired Samples Correlations

AUSTRIA		N	Correlation	Sig.
Pair 1	external_reputation & brand_satisfaction	60	,427	,001
Pair 2	external_reputation & purchase_intention	60	,355	,005
Pair 3	external_reputation & intention_for_WOM	60	,035	,793
Pair 4	external_reputation & brand_commitment	60	,325	,011
Pair 5	external_reputation & satisfaction_experience	60	,349	,006

Paired Samples Test

AUSTRIA		Paired Differences					t	df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper			
Pair 1	external_reputation - brand_satisfaction	,28556	1,12518	,14526	-,00511	,57622	1,966	59	,054
Pair 2	external_reputation - purchase_intention	-,49917	1,25295	,16175	-,82284	-,17550	-3,086	59	,003
Pair 3	external_reputation - intention_for_WOM	2,01056	1,44248	,18622	1,63792	2,38319	10,796	59	,000
Pair 4	external_reputation - brand_commitment	2,20306	1,17020	,15107	1,90076	2,50535	14,583	59	,000
Pair 5	external_reputation - satisfaction_experience	,50667	1,28678	,16612	,17426	,83908	3,050	59	,003

Appendix 11

Paired Samples Statistics

TURKEY		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	external_reputation	4,8646	79	1,46312	,16461
	brand_satisfaction	4,4473	79	1,63937	,18444
Pair 2	external_reputation	4,8646	79	1,46312	,16461
	purchase_intention	4,6076	79	1,98338	,22315
Pair 3	external_reputation	4,8646	79	1,46312	,16461
	intention_for_WOM	3,9040	79	1,42338	,16014
Pair 4	external_reputation	4,8646	79	1,46312	,16461
	brand_commitment	3,5439	79	1,48116	,16664
Pair 5	external_reputation	4,8646	79	1,46312	,16461
	satisfaction_experience	4,2319	79	1,51295	,17022

Paired Samples Correlations

TURKEY		N	Correlation	Sig.
Pair 1	external_reputation & brand_satisfaction	79	,740	,000
Pair 2	external_reputation & purchase_intention	79	,699	,000
Pair 3	external_reputation & intention_for_WOM	79	,702	,000
Pair 4	external_reputation & brand_commitment	79	,441	,000
Pair 5	external_reputation & satisfaction_experience	79	,652	,000

Paired Samples Test

TURKEY		Paired Differences					t	df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper			
Pair 1	external_reputation - brand_satisfaction	,41730	1,12962	,12709	,16428	,67032	3,283	78	,002
Pair 2	external_reputation - purchase_intention	,25696	1,41968	,15973	-,06103	,57495	1,609	78	,112
Pair 3	external_reputation - intention_for_WOM	,96055	1,11392	,12533	,71104	1,21005	7,664	78	,000
Pair 4	external_reputation - brand_commitment	1,32068	1,55721	,17520	,97188	1,66947	7,538	78	,000
Pair 5	external_reputation - satisfaction_experience	,63270	1,24219	,13976	,35446	,91094	4,527	78	,000

Appendix 12

Paired Samples Statistics

AUSTRIA		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	ext_rep	5,3675	60	,93943	,12128
	total	4,4662	60	,87427	,11287

Paired Samples Correlations

AUSTRIA		N	Correlation	Sig.
Pair 1	ext_rep & total	60	,400	,002

Appendix 13

Paired Samples Statistics

TURKEY		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	ext_rep	4,8646	79	1,46312	,16461
	total	4,1469	79	1,39003	,15639

Paired Samples Correlations

TURKEY		N	Correlation	Sig.
Pair 1	ext_rep & total	79	,754	,000

Appendix 14

Group Statistics

	Countries	N	Mean	Std. Deviation	Std. Error Mean
external_reputation	Austria	60	5,3675	,93943	,12128
	Turkey	79	4,8646	1,46312	,16461
brand_satisfaction	Austria	60	5,0819	1,13853	,14698
	Turkey	79	4,4473	1,63937	,18444
purchase_intention	Austria	60	5,8667	1,22774	,15850
	Turkey	79	4,6076	1,98338	,22315
intention_for_WOM	Austria	60	3,3569	1,12769	,14558
	Turkey	79	3,9040	1,42338	,16014
brand_commitment	Austria	60	3,1644	1,06719	,13777
	Turkey	79	3,5439	1,48116	,16664
satisfaction_experience	Austria	60	4,8608	1,26585	,16342
	Turkey	79	4,2319	1,51295	,17022

Appendix 15

Dear Franchise Customer:

Thank you for your willingness to participate in this important survey on your experiences with this franchised restaurant. Please be reassured that your individual identity will never be revealed. So, please be frank.
This survey should take approximately, 10 minutes to complete.

Thank you again in advance for your cooperation.

SECTION 1: This section seeks your opinions about how you feel about McDonald's / Burger King franchised fast-food restaurant business <u>in general</u>. To answer, review the statements below, and indicate your answers by checking the boxes that best reflect your opinions.

	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
My overall perceptions of total experience with this franchise system are very good.	☐	☐	☐	☐	☐	☐	☐
My perceptions of this franchise system compared to its competitors are very good.	☐	☐	☐	☐	☐	☐	☐
I believe in the good long-term future for this franchise system.	☐	☐	☐	☐	☐	☐	☐
I believe that the market standing of this franchise system is good.	☐	☐	☐	☐	☐	☐	☐
The market visibility of this franchise system in the marketplace is high.	☐	☐	☐	☐	☐	☐	☐

SECTION 2: This section seeks your opinions about your brand experiences in McDonald's / Burger King franchised fast-food restaurant. To answer, review the statements below, and indicate your answers by circling the rate that best reflect your opinions.

	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
I am satisfied with this franchised fast-food restaurant.	☐	☐	☐	☐	☐	☐	☐
I am pleased with this franchised fast-food restaurant.	☐	☐	☐	☐	☐	☐	☐
I am favorably disposed toward this franchised fast-food restaurant.	☐	☐	☐	☐	☐	☐	☐
My experiences with this brand have been positive.	☐	☐	☐	☐	☐	☐	☐
All things considered, it is highly likely that I will actually dine at this brand of franchised fast-food restaurant again?	☐	☐	☐	☐	☐	☐	☐

Do you intend to dine again in McDonald's / Burger King franchised fast-food restaurant brand in near future? Yes ☐ No ☐

	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
I would recommend to other people that they should dine out at this brand of franchised fast-food restaurant.	☐	☐	☐	☐	☐	☐	☐
I would recommend this franchise system to other people interested in dining out.	☐	☐	☐	☐	☐	☐	☐
I would gladly talk about my experiences with this brand of restaurants to other people.	☐	☐	☐	☐	☐	☐	☐
I would like to seek out other franchised fast-food restaurants to patronize.	☐	☐	☐	☐	☐	☐	☐
I am committed to patronizing this franchised brand.	☐	☐	☐	☐	☐	☐	☐
I would be willing to pay a higher price to dine in this franchised brand over other brands.	☐	☐	☐	☐	☐	☐	☐
I will buy this brand the next time I dine out.	☐	☐	☐	☐	☐	☐	☐
I intend to keep purchasing this brand.	☐	☐	☐	☐	☐	☐	☐
I feel that the values of this franchise system match my own.	☐	☐	☐	☐	☐	☐	☐
This brand and I appear to share similar values.	☐	☐	☐	☐	☐	☐	☐

SECTION 3: This section seeks your opinions about your brand experiences at McDonald's / Burger King restaurant among all franchised restaurant chain locations. To answer, review the statements below, and indicate your answers by checking the boxes that best reflect your opinions.

Satisfaction with McDonald's / Burger King restaurant among franchised fast-food restaurants chain locations

	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
I am satisfied with my dining experience in this restaurant.	☐	☐	☐	☐	☐	☐	☐
I am pleased with my dining experience in this restaurant.	☐	☐	☐	☐	☐	☐	☐
My dining experience in this restaurant created a favorable feeling toward this brand.	☐	☐	☐	☐	☐	☐	☐
My dining experience in this restaurant is excellent.	☐	☐	☐	☐	☐	☐	☐
I feel content with my experience in this restaurant.	☐	☐	☐	☐	☐	☐	☐

SECTION 4: Classification Questions: This final set of questions is asked so that we can combine your answers with other like-minded individuals. They are not meant to identify you. We absolutely guarantee that your individual identity will never be revealed.

Your Gender? ☐ Male ☐ Female Your Approximate Age? ____________ Years

How many years of post high school education have you had? ____ years

Brand of this franchised restaurant chain ______________________________

Location of this franchised restaurant chain ______________________________

How frequently do you eat at this franchised restaurant chain? ____

How often do you dine out per week? ____

What are your three most favorite menu items in this franchise restaurant chain?

[1] ______________________________ [2] ________________________________ [3]______________________________

Any comments for the research team?

Thank you very much for your participation in this important survey.

CURRICULUM VITAE

Personal Information

Surname / First name	**Güngören Gülçin**
Address(es)	Neubaugasse 26/1/52 1070 Vienna - AUSTRIA
	Ataköy 7-8. Kısım Barış sit. C-2 Blok I kapısı no:82 / 34156
	Bakırköy/İstanbul/TÜRKİYE
Telephone(s)	(0043) 676 475 92 12
	(0090) 532 660 03 54
E-mail	ggulcin@msn.com
Nationality	Turkish
Date of birth	11 March 1985
Gender	Female

Education

1991 – 1996	Selim Pars Primary School
1996 – 2003	Cağaloğlu Anatolian High School
2003 – 2007	T.C. Yeditepe University – Business Administration (in German)
Since 2008	University of Vienna – Master of International Business Administration & International Marketing (in English)

Training

May 30 – July 08 *2005* **Mercedes – Benz Türk AŞ.** / Marketing Communication

▪ Supporting the marketing team of Smart cars, automobiles, buses, commercial vehicle and LCV, preparing strategic market analysis, updating and administrating standard reportings (e.g. Market Share Reports), excel – based data analysis and translations the reports from german to english and to turkish, helping to launch Maybach

July 25 – Sep. 02 *2005* **Turkish Airlines** / Overseas Marketing & Sales Management

▪ Helping to control of customers data and to collaborate with firms and members of subsidiaries for sales campaigns, to order the data of flights

May 29 – July 28 *2006* **Doğuş Automotive - Porsche AG** / Marketing & Sales Manag.

▪ Supporting the team during media events, helping to launch 911 Turbo with Quintessentially, interpreting into Turkish language during international training events, preparing training materials, sales folders and pres portfolios

July 02 – Aug.03 *2007* **Türkiye İş Bankası** / Leasing & Marketing Management

▪ Getting the offers for various firms, to control the payment arrangement of firms, preparing the pre-condition circumstances for firms, using the TURKUAZ system of the bank

Jan. 02 – June 02 *2008* **Doğuş Holding** / Financial Management

▪ Helping to internal control of the firm, to control and arrange expenditures, preparing cost – benefit, CVP analysis, risk analysis and budget report, to compare foreign exchange rates of various banks

July. 05 – Aug. 27 *2010* **ARIES / Special Agency of the Chamber of Commerce of Trieste *(in Italy)***

▪ TURKEY BUILD 2011 (Istanbul) - partecipazione alla fiera, nell'ambito del Progetto Filera Abitare Friuli Venezia Giulia / Responsable for Project

Sept. 06 – Dec. 03 *2010* **RAUMEDIC AG *(in Austria)***

▪ Marktforschung für Katheter in der Türkei / Market Reserach about Catheter in Turkey (Urology & Neurosurgery) Responsable for Project

Certificates and Workshops

1997 Goethe Institute Course for German

1998 Humbolt Institute Course for German

2004 Institute for International Communication – Heinrich Heine University Düsseldorf Course for business German

July 31 – Aug. 25 2006 Sprachcaffe International English Language Course

Sep. 15 – Dez. 14 2007 Auburn University Intensive English Program

April 2003 German Sprachdiplom of Kulturministerkonferenz

2004 Die Geldpolitik der EZB – Workshop in Europaeische Zentralbank (Germany)

2004 Nachhaltigkeit – Workshop in Bayer AG (Germany)

2004 Manufacture & Montage – Workshop in Daimler – Chrysler (Germany)

Projects and Seminars

- Country Market Report: Men’s Toiletries and Fragrances in Italy
- Market Research - Dr. Martens Airway
- Marketing Research Report - Lingerie: Palmers and Triumph

- Philips Speech Processing *(Qualitative Reserach)*
- Philips Speech Processing *(Quantitative Reserach)*
- The Emergence of Resource Based Theory of Multinational Firms
- Competitive advantage through International Clusters
- Knowledge Transfer and Learning Aspects of International HRM: An Empirical Study of Singapore MNCs
- International Outsourcing and Firm Level Characteristics
- Global, Local, and Foreign Cultural Positioning in Advertising: Can it Help Tie Consumers' Emotional Bonds with their Brands? *(Product Category: CARS)*
- COO-Cues – Do They Effect Brand Judgement? *(High Involvement Product Category: CARS in Italy & Germany; Low Involvement Product Category: JUICE/SOFT DRINK in Brazil & Switzerland)*

Personal skills and competences

Mother tongue	**Turkish**
Other Languages(s)	German, English (Proficient user C2)
	Italian (Independent user B1)
	Russian (Basic user A2)
	(*) Common European Framework of Reference for Languages
Computer skill(s)	MS Office (Word, Excel, Powerpoint), SAP, SPSS
Social skill(s)	Swimming, Playing Tennis and Piano, Reading, Dancing
Competence(s)	- Distinct ability to adapt to multicultural environments
	- Good problem - solving skills and ability of working independently
	- Organizing social activities
	- Taking responsibility
	- Team spirit
	- Creativity

English Abstract

Individual cultures around the world strongly influence the attitudes, behaviors and feelings of the people who live within them. Correspondingly their daily lives might be seen as a reflection of cultural taboos, norms and values in common with consumption patterns, eating habits, gift giving, matrimony…etc. For this reason cultural differences are an important consideration for companies as they develop their strategies if they operate in more than one country or globally. Companies have come to realize that effective operation and ultimate success depends on adapting their strategies to account for cultural differences. At the same time, however, a trend has emerged which pulls in the opposite direction. This trend, known as globalization, makes applying a standardization approach quite attractive for companies as it has advantages in cost savings and stabilizing communication with consumers particularly as cultural distances between different countries shorten by virtue of such technological advances as internet, satellite broadcast, increasing immigration…etc. As a result, nowadays the majority of the companies as they try to reinforce their images relating to their reputation meet with the dilemma between the attractiveness of standardization and adaptation of their strategies for each individual culture. Many researchers have undertaken to provide a solution, but no single approach has been agreed upon.

Building on and in parallel with much other research, this study has tried to observe the influence of Austrian and Turkish cultural characteristics on the reputation of the fast-food franchise companies; namely McDonald's and Burger King. These companies both apply mainly standardization approaches around the world. This study began by explaining the concept of culture, which is the main emphasis of this study. This was done in conjunction with Hofstede Cultural Theory and its dimensions (e.g. PDI, IDV, MAS, UAI, LTO, IVR). The theory was applied in detail afterwards focused on the characteristics of each of the surveyed countries. Following that was an overview and exploration of global branding and franchising as an entry mode since the surveyed companies are perceived as global brands and both expanded through franchising into foreign countries. The franchising section started with an exposition of its definition from different views and proceeded to its theories and its advantages and disadvantages. Of course the quandary between standardization and adaptation to local culture, its current situation in Austria and Turkey and ultimately its practice in fast-food industry also receive attention. The global branding part that followed started with an explanation relating definitions such as product, brand and global brand. It continued with its drivers, its role as a value-added marketing communication, its strategies,

the dilemma between standardization – adaptation and its advantages – disadvantages just as in the previous section. It ended with a discussion of the branding process of foods.

After the extensive literature review a quantitative survey followed. The survey included data collected from 140 questionnaires completed by Austrian and Turkish respondents. The survey was constructed to monitor cultural influences from the consumers' perspective. In company with the obtained data the requisite and relevant analysis using the SPSS program was applied. This included reliability analysis, descriptive statistics, dependent *t*-test, correlation analysis and independent *t*-test to uncover the influence of individual cultures and excursions among its differences between the surveyed countries. Finally, considering the results, it was seen that the characteristics of each culture directed the people of each society differently and thus they evaluated each company's reputation quite differently from each other.

German Abstract

In der Gegenwart werden die Verhaltensweisen, Einstellungen und Gefühle der Menschen von Ihren einzelnen Kulturen, in denen Sie leben, beeinflusst. Daher könnte das tägliche Leben als eine Reflexion der jeweiligen kulturellen Tabus, Normen und Werte gemeinsam mit Konsummuster, Essgewohnheiten, Schenken, Ehestand usw. angesehen werden. Aus diesem Grund spielen die kulturellen Unterschiede eine wichtige Rolle für die Unternehmen bei der Entwicklung ihrer Strategien wenn sie mehr als in einem Land oder weltweit tätig sind. Denn die Unternehmen haben begriffen, dass sie für einen effektiven und erfolgreichen Betrieb an eine Anpassung der kulturellen Unterschiede angewiesen sind. Zudem ist ein neuer Trend "Globalisierung" entstanden, welcher die Anwendung der Standardisierung neben den Vorteilen wie der Kostenersparnis, ein stabiles Kommunikations-Tool mit den Verbrauchern usw. attraktiv macht, da kulturelle Distanzen zwischen den einzelnen Ländern aufgrund der technologischen Fortschritte wie z.B. Internet, Satelliten-Broadcast, zunehmende Einwanderung usw. verkürzt werden. Aus diesem Grund entsteht für die Unternehmen ein Dilemma zwischen der Attraktivität der Standardisierung und der Adaptation der Strategien für einzelne Kulturen um das Ansehen des Unternehmens zu steigern. Bezüglich zu diesem Thema haben viele Forscher Untersuchungen gemacht um eine passende Lösung zu finden aber eine eindeutige Art und Weise konnte nicht gefunden werden.

Parallel zu viele Untersuchungen in dieser Studie wurde versucht, den Einfluss der österreichischen und türkischen kulturellen Besonderheiten auf den Ruf der Fast-Food Franchise-Unternehmen zu beobachten, da McDonalds und Burger King, die meistens Standardisierungsmethoden auf der ganzen Welt anwenden. In dieser Studie wird zuerst der Begriff Kultur, der ein Schwerpunkt dieser Studie ist, in Verbindung mit Hofstede Cultural Theory und ihre Dimensionen (z.B. PDI, IDV, MAS, UAI, LTO, IVR) im Detail erklärt. Danach fokussiert sich die Studie auf die Merkmale der untersuchten Ländern. Anschließend wurde dieses Konzept mit den Wechselwirkungen mit globalem Branding und Franchising als Einstieg weitergeführt, da die befragten Unternehmen als globale Marke wahrgenommen werden und durch Franchising in fremden Ländern in Verbindung erweitert worden sind. Dementsprechend wurden die Themen, Franchising und Global Branding angeführt um einen Überblick zu geben. Im Franchising Abschnitt werden zuerst die Definitionen aufgrund underschiedlicher Ansichten angeführt, danach werden die Theorien, die Vor- und Nachteile, das Dilemma zwischen der Standardisierung und Anpassung an die lokalen Kulturen, die derzeitige Situation in Österreich und der Türkei und schließlich die Anwendung in der Fast-Food Industrie angeführt. Im folgenden Global Branding Abschnitt werden zuerst die

Definitionen von Produkt, Marken und globale Marken erklärt und werden weitergeführt mit deren Treibern, ihrer Rolle als Mehrwert-Marketing-Kommunikation, ihren Strategien, dem Dilemma zwischen Standardisierung - Adaption und deren Vorteilen - Nachteilen wie im vorherigen Abschnitt und schließt mit dem Branding-Prozess von Lebensmitteln ab.

Nach einer umfangreichen Literaturrecherche wurde eine quantitative Studie beruhend auf den Ergebnisse von 140 Fragebögen, die von österreichischen und türkischen Befragten ausgefüllt wurden um die kulturellen Einflüsse aus der Perspektive der Verbraucher beobachten zu können. Mit den erhaltenen Daten wurden die erforderlichen und passenden Analysen sowie die Zuverlässigkeits-Analyse, deskriptive Statistik, Abhängigkeits *T*-Test, Korrelations-Analyse und Unabhängigkeits *T*-Test mit dem SPSS Programm angewendet um den Einfluss der einzelnen Kulturen und Variationen deren Unterschiede zwischen den untersuchten Ländern beobachten zu können. Am Ende der Studie hat sich gezeigt, dass angesichts der Ergebnisse die Menschen in jeder Gesellschaft von den Eigenschaften seiner eigenen Kultur in einer anderen Weise beeinflusst werden. Daher unterscheiden sich die Bewertungen von Ansehen der Unternehmen voneinander.