



UNIVERSIDADE ESTADUAL DE CAMPINAS
Faculdade de Ciências Aplicadas



MATHEUS DERMONDE

**ENTREPRENEURIAL ORIENTATION IN THE BRAZILIAN
FRANCHISE SYSTEM**

**ORIENTAÇÃO EMPREENDEDORA NO SISTEMA BRASILEIRO
DE FRANQUIAS**

LIMEIRA

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To my mother Cássia, who has always inspired me to seek more and more knowledge, and to Thales, with whom I chose to share my life.

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ABSTRACT

Entrepreneurial Orientation (EO) is one of the most relevant topics discussed in the Entrepreneurship field. Its importance reflects empirical results that reveal a positive relationship between this set of attributes and various organizational outputs. Several business models have been analyzed from this perspective. More recently, the first EO discussions in the franchise context emerged. However, most of the EO-franchise research was conducted in developed countries with mature markets. Therefore, this thesis aims to explore the Entrepreneurial Orientation dynamic in the context of franchises in a developing country. Based on this general goal, three specific objectives are derived: i) elaborate a comprehensive vision of the impacts of Entrepreneurial Orientation (EO) and Digital Marketing Capabilities (DMCs) on Performance taking as the object of analysis of the Brazilian franchise system; ii) understand the association between the stage of maturity of local Entrepreneurial Ecosystems (EE) in the use of Entrepreneurial Orientation (EO) rhetoric in the Brazilian franchise's context; iii) explore the relationship between Entrepreneurial Orientation (EO) and the internationalization pathways of Brazilian franchises. This thesis presents three research articles, each one had as its general objective the items presented previously. Two data collection techniques were used for EO measurement: application of an in-person survey with Brazilian franchisors; and content analysis of the profile of Brazilian franchises registered with the Brazilian Franchise Association (ABF). This information, when necessary, was complemented with data related to the dynamics of the Entrepreneurial Ecosystems in which the franchisors are inserted, and with data related to the internationalization of franchises operating abroad. For the analysis, we used Partial Least Squares Structural Equation Modeling in the first article. For the second and third ones, we used fuzzy-set qualitative comparative analysis (fsQCA). The general result of this research highlights the importance of considering the level of economic maturity and the context of regions in the analysis process of the configurations and patterns of entrepreneurial activities. Furthermore, it is essential to understand that in certain contexts, not even geographic proximity or even similarities in organizational characteristics are sufficient to determine the existence of one specific pattern to be followed by these companies. Therefore, it can be concluded that the dynamics related to organizational attributes (in this case, EO) should not be approached and understood in a rigid and pre-established way. Considering the specificities of each organization, as well as the context in which they operate is essential to obtain a broader and more complete view of entrepreneurial activity and its consequences and nuances in general. Conducting this research contributed to the literature on EO in general by promoting an articulation of this construct with other emerging themes in Entrepreneurship. At the same time, it contributes to the specific franchise literature by presenting an analysis of the dynamics of EO focused on a context different from that generally used.

Keywords: Franchises (Retail trade); Entrepreneurial orientation; Digital marketing Entrepreneurship ecosystem; Entrepreneurship; Partial least squares; Structural equation modeling

RESUMO

A Orientação Empreendedora (OE) configura-se com um dos mais relevantes temas discutidos no campo do Empreendedorismo. Sua importância reflete os resultados empíricos que apontam para uma relação positiva entre este conjunto de atributos e diversos outputs organizacionais. Vários modelos de negócio vêm sendo analisados por meio desta ótica, sendo que mais recentemente surgiram as primeiras discussões a respeito da OE especificamente no contexto das franquias. Entretanto, a maioria das pesquisas realizadas sobre este modelo de negócio na área foram conduzidas em países desenvolvidos e com mercados maduros. Sendo assim, esta tese teve como objetivo explorar as dinâmicas da OE no contexto das franquias de um país em desenvolvimento. Partindo deste objetivo geral, são derivados três objetivos específicos: i) elaborar uma visão abrangente dos impactos da OE e das Capacidades de Marketing Digital na performance, tomando como objeto de análise o sistema de franquias brasileiro; ii) compreender a associação entre o estágio de maturidade dos Ecossistemas Empreendedores locais e o uso da Retórica da Orientação Empreendedora no contexto das franquias brasileiras; iii) explorar a relação entre a OE e os padrões de internacionalização das franquias brasileiras. A tese foi organizada em três artigos de pesquisa, sendo que cada um teve como objetivo geral, os itens apresentados anteriormente. Para mensuração da OE foram utilizadas duas técnicas de coleta de dados: aplicação presencial de survey com franqueadoras brasileiras; e análise de conteúdo do perfil das franquias brasileiras cadastradas junto à Associação Brasileira de Franquias (ABF). Estas informações, quando necessário, foram complementados com dados relacionados à dinâmica dos Ecossistemas Empreendedores nos quais as franqueadoras estão inseridas, e com dados relacionados à internacionalização das franquias que operam no exterior. No primeiro artigo, foi utilizada como técnica de análise a Modelagem de Equações Estruturais por meio dos Mínimos Quadrados Parciais. Já para o segundo e terceiro artigo, conduziu-se a fuzzy-set qualitative comparative analysis (fsQCA). Destaca-se como resultado geral desta pesquisa a importância de se considerar o nível de maturidade econômica e o contexto de uma determinada região no processo de análise e compreensão das configurações e padrões das atividades empreendedoras. Para além disso, é fundamental compreender que em determinados contextos, nem mesmo uma proximidade geográfica, ou até mesmo similaridades de características organizacionais são suficientes para determinar a existência de um padrão único a ser seguido por estas empresas. Sendo assim, pode-se concluir que as dinâmicas relacionadas aos atributos organizacionais (neste caso, OE) não devem ser abordadas e compreendidas de forma rígida e pré-estabelecida. Considerar as especificidades de cada organização, bem como o contexto em que estão inseridas, é essencial para obter uma visão mais ampla e completa da atividade empreendedora e das suas consequências e nuances em geral. A condução desta pesquisa contribuiu com a literatura sobre OE de uma maneira geral, ao promover uma articulação deste constructo com demais temas emergentes do Empreendedorismo. Ao mesmo tempo em que contribui com a literatura específica sobre franchising ao apresentar uma análise sobre as dinâmicas da OE focada em um contexto diverso daquele geralmente utilizado.

Palavras-Chave: Franquias (Comércio varejista); Orientação empreendedora; Marketing digital; Ecossistema de empreendedorismo; Empreendedorismo; Mínimos quadrados parciais; Modelos de equações estruturais.

LIST OF TABLES

<u>Table 1.1 Sample description</u>	32
<u>Table 1.2 Confirmatory Factor Analysis</u>	33
<u>Table 1.3 Evaluation of measurement model</u>	35
<u>Table 1.4 Evaluation of structural model – Model 1</u>	36
<u>Table 1.5. Evaluation of structural model – Model 2</u>	37
<u>Table 1.6 Mediating effect analysis</u>	37
<u>Table 1.7 Moderation effect analysis</u>	38
<u>Table 2.1 Conceptual Description of EE's Dimensions</u>	69
<u>Table 2.2 Descriptive analysis and calibration values</u>	71
<u>Table 2.3 Analysis of necessary conditions for Rhetoric (high Rhetoric and low Rhetoric)</u>	72
<u>Table 2.4 Truth table for the configurations to predict the Rhetoric</u>	73
<u>Table 2.5 Configurational paths for high levels of Rhetoric</u>	75
<u>Table 2.6 Configurational paths for low levels of Rhetoric</u>	76
<u>Table 3.1 Sample description</u>	100
<u>Table 3.2 Analysis of necessary conditions for International Complexity</u>	103
<u>Table 3.3 Analysis of necessary conditions for International Intensity</u>	104
<u>Table 3.4 Configurational paths for International Complexity</u>	104
<u>Table 3.5 Configurational paths for International Intensity</u>	105

TABLE OF CONTENTS

INTRODUCTION	13
Objective	17
Articles.....	17
CHAPTER I: ARTICLE: DIGITAL MARKETING CAPABILITIES, ENTREPRENEURIAL ORIENTATION AND FRANCHISE SYSTEMS' PERFORMANCE	21
Abstract:	21
Keywords:.....	21
Introduction	21
Literature Background.....	24
Performance in franchise systems	24
Dynamic Capabilities	25
Entrepreneurial Orientation (EO) in franchise systems	26
Digital Marketing Capabilities (DMCs) in service activities	27
Conceptual Models	30
Method.....	31
Results	33
Discussion.....	38
Conclusion	41
References.....	44
Annex - Applied Questionnaire	51
CHAPTER II: ARTICLE: AN INQUIRY INTO THE ASSOCIATION BETWEEN ENTREPRENEURIAL ORIENTATION RHETORIC AND ECOSYSTEM DYNAMICS: A CONFIGURATIONAL APPROACH IN BRAZILIAN FRANCHISES	53
Abstract:	53
Keywords:.....	53
Introduction	53
Theoretical Framework	57
Entrepreneurial Ecosystems.....	57
Entrepreneurial Culture	59
Entrepreneurial Rhetoric.....	60
Entrepreneurial Orientation Rhetoric	61
Analytical Propositions.....	62
Method.....	64
Entrepreneurial Orientation measurement	65

Entrepreneurial Ecosystems measurement	67
Fuzzy-set qualitative comparative analysis	69
Results	70
Discussion	77
Concluding Remarks	81
References	83
CHAPTER III: ARTICLE: ENTREPRENEURIAL AND INTERNATIONAL? THE ROLE OF ENTREPRENEURIAL ORIENTATION IN THE BRAZILIAN FRANCHISES' INTERNATIONALIZATION PROCESS	92
Abstract:	92
Keywords:	92
Introduction	93
Theoretical Framework	95
Internationalization of Franchises	95
International Entrepreneurial Orientation (IEO)	97
Method	99
Fuzzy-set qualitative comparative analysis	102
Results	103
Discussion	105
Concluding Remarks	108
References	110
CHAPTER IV: DISCUSSION	118
CONCLUDING REMARKS	122
REFERENCES	124
APPENDIX I	130

INTRODUCTION

Entrepreneurial Orientation (EO) has become a central discussion in the entrepreneurship literature (Covin and Wales, 2012) and is considered a prominent topic of research in the field (Martens et al., 2016). The roots of this concept are linked to assessments in the strategy field, mainly by Mintzberg (1973). The seminal author conceptualized an “*entrepreneurial strategy-making model*” for organizations, composed of attributes that provide the basis for the EO construct (Covin and Wales, 2012). Alternative perspectives defend the relationship of this concept with other theories, such as the Schumpeterian Theory of Entrepreneurship (Wales et al., 2021). However, the work of Miller (1983) is considered the foundation stone of the EO concept and the starting point for discussions of this construct (although he did not use this specifically this term) (Covin and Lumpkin, 2011; Covin and Wales, 2012).

In an exercise of simplification, Covin and Lumpkin (2011, p.857), define EO as being: “*a usually general or lasting direction of thought, inclination, or interest pertaining to entrepreneurship*”. A more complex definition that was used as a guide for the development of this thesis was presented by Covin and Wales (2019, p.5): “*EO as an attribute of an organization that exists to the degree to which that organization supports and exhibits a sustained pattern of entrepreneurial behavior reflecting incidents of proactive new entry*”.

According to Covin and Lumpkin (2011), (in agreement with a substantial part of the literature), the EO construct should be understood as a firm-level attribute. Deriving from this perspective, the authors comprehend the configuration of entrepreneurship as a strategic stance, not considering the isolated action of opening a new venture (Covin and Lumpkin, 2011). In other words, even though companies present sporadic actions related to the dimensions of EO, if they do not show permanent and sustained patterns, they should not be understood as entrepreneurial companies (Covin and Lumpkin, 2011).

One of the central discussion points related to EO is the conceptualization and composition of this construct. Notably, there are two interpretations most commonly used (Covin and Wales, 2019). In the first perspective, derived from

Miller (1983), EO is understood as a unidimensional construct composed of innovativeness, risk-taking, and proactiveness. Therefore, for EO to be manifested in an organization, it is essential to observe a covariance and presence of the three attributes (Covin and Wales, 2012). The second approach, developed by Lumpkin and Dess (1996), conceives EO in a multidimensional perspective, being composed of innovativeness, risk-taking, proactiveness, autonomy, and competitive aggressiveness. Unlike the unidimensional approach, in this perspective, the five dimensions can vary in degree and do not necessarily need to present a covariance to evaluate the construct (Covin and Wales, 2012).

Covin and Wales (2019) understand the unidimensional perspective as being one that reflects *“being entrepreneurial”*, that is, how the three dimensions that make up the construct if observed, lead to the interpretation that a company is entrepreneurial. In another hand, in the multidimensional version, it is understood that the construct reflects an organizational attribute. In this sense, the EO defines how companies that have these sets of characteristics can be different from others (Covin and Wales, 2019).

Another topic that has been generating some debate among researchers refers to methodological aspects of research in this field. Covin and Lumpkin (2011) pointed out the difficulties involved in conducting research in this area based on secondary data. According to them, most of the research on this topic is based on the application of questionnaires with representatives of the organization. Covin and Wales (2019) argued in favor of the utilization of alternative methodological approaches, for example, the use of Computer-Aided Text Analysis (CATA) and the use of fuzzy-set qualitative comparative analysis (fsQCA). Both methodological perspectives mentioned were used in the articles that compose this thesis.

Another highlight in the field is related to the interpretation of EO with other theoretical perspectives, thus strengthening the theoretical bases for the development of the theme (Covin and Lumpkin, 2011). In this sense, this thesis sought to promote an understanding of the dynamics of EO in dialogue with other conceptual approaches (i.e., dynamic capabilities & and digital marketing capabilities in the first article; entrepreneurial ecosystems and entrepreneurial culture in the second article; and international entrepreneurship in the last one).

The relevance and interest in researching EO in the organizational context is derived from the diverse empirical evidence (in the most diverse contexts) about the positive influence of this construct on enterprises performance (i.e., Rauch et al., 2009; Cui et al., 2019; Ali et al., 2020; Arabeche et al., 2020; Wang, 2020; Niemand et al., 2021). The same could be observed in international performance (i.e., Thanos et al., 2017; Hossain et al., 2023).

Additionally, to the well-established effects over performance, several studies have sought to understand other effects of EO on organizational dynamics. Dubey et al. (2020), for example, indicate the positive relationship between the construct and the level of adoption of Artificial Intelligence and Big Data. In the same sense, Zhou et al. (2021) highlighted the support of EO in the process of digitalization. Ferreras-Mendez et al. (2021) found a positive relationship between EO and new product development performance and business model innovation, while Penco et al. (2023) highlighted the importance of EO in the context of major environmental disruptions, as in the case of the COVID-19 pandemic. In the international context, Karami et al. (2023) pointed to the contribution of EO in the development of international opportunities, and Ripollés-Meliá et al. (2007) noted a positive influence of the construct over the process and pathways of enterprises internationalization.

In summary, it can be understood that the emphasis given to EO by researchers in recent decades reflects the observed empirical importance of this construct in organizational attributes. However, it cannot be assumed that the local context of the organization does not affect the dynamics of these relationships. In this sense, empirical evidence points to a variability in the importance of each of the EO dimensions between countries, indicating the influence exerted by the local context on this construct (Basco et al., 2020). In the same sense, although the literature on EO in the context of emerging markets has been gaining ground in recent years (Anwar et al., 2022; Arabeche et al., 2022; Ali et al., 2020) there is still an important gap to be overcome in contexts such as Latin America (Martens et al., 2016).

Another topic to be explored regarding EO refers to the observation of different business models as an object of analysis (Martens et al., 2016). Franchises are a business model that offers a rich avenue for discussion in the

EO context (Dada and Watson, 2013a), especially by the congruence of two different kinds of entrepreneurs, the franchisor (responsible for the development of the brand and business format) and franchisee (responsible for the exploration and replication of the business model) (Fernández-Monroy et al., 2018; Gillis et al., 2020), materializing therefore the concept of entrepreneurship (Dada et al., 2012). Additionally, the economic relevance of franchises worldwide (Lanchimba et al., 2021), justifies the focus that academics in general have been directing to research with this object in the last decades.

Empirical results in the field suggest a positive relationship between EO and performance in franchisors (Dada and Watson, 2013a; Le Nadant et al., 2019). According to Dada and Watson (2013b, p. 969), a system with high levels of EO “*enable a true entrepreneurial partnership between the franchisor and the franchisee*”, affecting positively the quality of relationships within a franchise system. In this sense, the authors point out the importance of having an alignment between the franchisor's EO and franchisees.

Although Dada and Watson (2013a, 2013b) question the extent to which encouraging EO in franchisees is desirable, empirical evidence demonstrates that in certain contexts it is beneficial. Chien (2014), for example, found a positive relationship between Taiwanese franchisees' EO and their performance. In the same sense, Asgharian et al. (2023), found, analyzing Swedish and Iranian franchisees, that the proactive and aggressive competitiveness dimensions have a positive relationship with performance. In turn, in the case of French franchisees, Colla et al. (2020) observed the same for the aggressive competitiveness and autonomy dimensions. These non-uniform results reinforce the importance of considering the context of local dynamics in the case of EO, even when analyzing franchise chains. However, most studies in the area are concentrated in developed countries (Dada and Watson, 2013a; Le Nadant et al., 2019), and it is noteworthy that research that seeks to understand the dynamics of franchise EO in the context of emerging countries are rare (Naidu et al., 2023).

Brazil is considered a relevant and mature franchise market, despite being classified as an emerging economy. This importance, however, is not reflected in academic research focusing on Brazilian chains. Works that address the Brazilian franchise market in general are still sparse, compared to developed countries and

even other emerging/less developed markets. Specifically, in the case of EO, only the thesis developed by Nakao (2019) addressed the topic. Interestingly, the result obtained by the author contrasts with part of the literature, as it did not observe a valid relationship between EO and the performance of franchisees in a Brazilian franchise network.

Objective

Considering the aspects mentioned, the main objective of this thesis is to ***explore the Entrepreneurial Orientation dynamic in the context of franchises in a developing country***. The specific objectives for this research can be observed in each of the three articles that compose this thesis:

I - Elaborate a comprehensive vision of the impacts of Entrepreneurial Orientation (EO) and Digital Marketing Capabilities (DMCs) on Performance taking as the object of analysis the Brazilian franchise system.

II - Understand the association between the stage of maturity of local Entrepreneurial Ecosystems (EE) in the use of Entrepreneurial Orientation (EO) rhetoric in the Brazilian franchise's context.

III - Explore the relationship between Entrepreneurial Orientation (EO) and the internationalization pathways of Brazilian franchises.

Articles

We proposed the development of three research articles. All of them are presented as completed, and on the date of finishing thesis writing, they were in the evaluation process in international journals, as described below. In addition to the yet mentioned contribution in analyzing the franchise EO in another country development context, we proposed in each article the inclusion of alternative approaches and constructs (i.e., dynamic capabilities and digital marketing capabilities; ecosystems and entrepreneurial culture; and international entrepreneurship) aiming to contribute to the debate of EO in the franchise context.

- **Article 1 - Digital Marketing Capabilities, Entrepreneurial Orientation and Franchise Systems' Performance^{1 2}:**

We adopt the conceptual lens of the Dynamic Capabilities Approach to evaluate the relationship between Entrepreneurial Orientation (EO), Digital Marketing Capabilities (DMC), and Performance in Brazilian franchises. We applied a survey with franchisors at the Brazilian Franchising Association Expo 2022. Data were collected for 145 franchise systems. We used Partial Least Squares Structural Equation Modeling and tested two distinct models. Model 1 presents the direct effects of EO and DMC on Performance. In Model 2 we include the mediation effect of DMC on the relationship between EO and Performance. Aligned with prior literature, in our first model we found a direct association between EO and Performance and between DMC and Performance. In our second model, when analyzing the combination of EO and DMC, we observed a full mediation effect of DMC in the relationship between EO and performance, and an indirect effect of EO on performance. We advance in the debate of the relationship between EO and Performance in the franchise context, adding to our model the DMC perspective. Findings shed light on the importance of digital marketing capabilities for franchise systems. These elements open important avenues for dedicated research to further understand how digitalization process can be redefining the drivers of performance in entrepreneurial firms.

- **Article 2 - An Inquiry into the Association Between Entrepreneurial Orientation Rhetoric and Ecosystem Dynamics: A configurational approach in Brazilian Franchises³:**

¹ This research has been approved by Ethics Research Committee – University of Campinas under the register number CAAE: 55567522.8.0000.5404 (available on Appendix I)

² Article submitted to Management Decision <<https://www.emerald.com/insight/publication/issn/0025-1747>> in May 2023. It is currently in the second round of peer review (minor revisions).

³ Article submitted to Entrepreneurship & Regional Development <<https://www.tandfonline.com/journals/tepn20>> in April 2023. It is currently in the third round of peer review (major revisions).

Within the field of Entrepreneurial Ecosystems, the evaluation and measurement of Entrepreneurial Culture remains a challenge. In this article we propose that the Entrepreneurial Rhetoric of agents could represent a valuable – and measurable – manifestation of entrepreneurial culture. We adopted a process of configurational theorizing, dedicating empirical attention to addressing the association between contextual conditions of Entrepreneurial Ecosystems (i.e., its configurations) and the intensity of entrepreneurial rhetoric in franchising firms in Brazil. Using a sample composed of 520 franchises located in 32 Brazilian cities, we built an Entrepreneurial Rhetoric vector based on information disclosed by these firms. By applying fuzzy-set Qualitative Comparative Analysis, we identified heterogeneous configurations that lead up to both high and low degrees of Entrepreneurial Rhetoric at the ecosystem-level. No specific dimension (out of the eight ecosystem dimensions used in our analysis) is indispensable (necessary condition) for manifesting the outcome variable. This finding, based on the franchising context, corroborates the idea that EE is not an isomorphic structure that follows homogenous trajectories. Instead, variegated paths seem to be related to the emergence of organizational discourses that conform Entrepreneurial Culture.

- **Article 3 - Entrepreneurial and International? The role of Entrepreneurial Orientation in the Brazilian franchises' internationalization process⁴**

We investigate the relationship between Entrepreneurial Orientation (EO) and the internationalization pathways of Brazilian franchises. Our aim is to unravel the patterns of firm-level entrepreneurial characteristics vis-à-vis to their corresponding processes of internationalization. We sourced data from the directories of the Brazilian Franchising Association (ABF). Additionally, we scrutinized the International Intensity, International Complexity, and EO degree of 27 Brazilian franchises engaged in international activities. Associations between these dimensions were

⁴ Article submitted to Competitiveness Review <
<https://www.emerald.com/insight/publication/issn/1059-5422>> in December 2023. It is currently in the first round of peer review.

assessed through fuzzy-set qualitative comparative analysis (fsQCA). Our findings suggest that franchisees can enhance their international activities by adopting various configurations of EO attributes. This discovery illuminates the intricacies of EO and its association with firms' operations and performance. Accordingly, we empirically demonstrate that EO is not a monolithic element. Instead, it should be perceived as a multifaceted and dynamic construct. This study aimed to examine the internationalization process of franchises through the EO lens, a perspective that has not been explored in the existing literature. This unique approach offers novel insights about the internationalization processes of this particular business model. Furthermore, our research delves into the intricate relationship between firm-level EO and the trajectories of internationalization.

CHAPTER I: ARTICLE: DIGITAL MARKETING CAPABILITIES, ENTREPRENEURIAL ORIENTATION AND FRANCHISE SYSTEMS' PERFORMANCE⁵

Abstract: We adopt the conceptual lens of the Dynamic Capabilities Approach to evaluate the relationship between Entrepreneurial Orientation (EO), Digital Marketing Capabilities (DMC), and Performance in Brazilian franchises. We applied a survey with franchisors at the Brazilian Franchising Association Expo 2022. Data were collected for 145 franchise systems. We used Partial Least Squares Structural Equation Modeling and tested two distinct models. Model 1 presents the direct effects of EO and DMC on Performance. In Model 2 we include the mediation effect of DMC on the relationship between EO and Performance. Aligned with prior literature, in our first model we found a direct association between EO and Performance and between DMC and Performance. In our second model, when analyzing the combination of EO and DMC, we observed a full mediation effect of DMC in the relationship between EO and performance, and an indirect effect of EO on performance. We advance in the debate of the relationship between EO and Performance in the franchise context, adding to our model the DMC perspective. Findings shed light on the importance of digital marketing capabilities for franchise systems. These elements open important avenues for dedicated research to further understand how digitalization process can be redefining the drivers of performance in entrepreneurial firms.

Keywords: Entrepreneurial Orientation; Franchising; Digital Marketing Capabilities; Performance; Developing Countries; Dynamic Capabilities.

Introduction

The importance of franchises in the modern economy is well-discussed in dedicated literature (Lanchimba et al., 2021). Fostering Dynamic Capabilities

⁵ Article submitted to Management Decision <<https://www.emerald.com/insight/publication/issn/0025-1747>> in May 2023. It is currently in the second round of peer review.

seems to be crucial for improving the levels of competitiveness of franchise systems (El Akremi et al., 2015; Roberts et al., 2022; Perdreau et al., 2023). Through the theoretical lens employed, two significant constructs could be analyzed within the franchise context: Entrepreneurial Orientation (EO) (Teece, 2007; Helfat and Martin, 2015; Rodrigo-Alarcón et al., 2018), and Digital Capabilities (Weill and Woerner, 2015; Ciampi et al., 2022). Building on the idea that franchising embodies the concepts of entrepreneurship and recognizing the benefits of entrepreneurial behavior for both franchisors and franchisees (Dada et al., 2012), prior studies have discussed the EO in the context of franchise systems (Dada et al., 2013a; Le Nadant et al., 2019). EO is considered one of the most important and discussed constructs of entrepreneurial activity (Chien, 2014; Kantur, 2016). The origin of this concept relies on Miller's (1983) seminal work. The perspective derived from Miller's view is called 'unidimensional', and composed of innovativeness, proactiveness, and risk-taking. In the last years, some studies have discussed the effects of EO in many business models, especially having a positive association with Performance (Niemand et al., 2021; Wang, 2020). These findings coincide with examinations of the franchise context, both from the perspective of franchisors (Dada and Watson, 2013a; Le Nadant et al., 2019) and franchisees (Chien, 2014; Naidu et al., 2023; Asgharian et al., 2023).

Empirical evidence on the topic remains highly concentrated in examples located in Anglo Regions and Germanic Europe, thus representing a conspicuous lack of assessments of other institutional and socioeconomic contexts – particularly those of developing countries (Kantur, 2016). This is particularly relevant because the dynamics of entrepreneurial activity in developing markets tend to diverge from the ones observed in developed ones. According to Cao and Shi (2021), aspects related to digitalization, resource scarcity, support of the government, and entrepreneurial policies are different in the context of high and low levels of economic development, thus affecting entrepreneurial capabilities, outcomes and processes.

In addition to these debates, Digital Capabilities stand for a topic that has been gaining importance in the entrepreneurship literature. Digitalization represents a new era in the field mainly motivated by the pursuit of

entrepreneurial opportunities (Nambisan, 2017; Niemand et al., 2021). According to Nambisan (2017), the entrepreneurial opportunities derived from this process are a reality across industries, although analyzing digitalization in the franchise context is an opportunity yet to be explored. Gladilina et al. (2019), for example, pointed out the necessity for franchise systems to adapt to digital trends by taking into consideration this process as a driver of strategy. Exploring these opportunities could help franchisors to develop more effective strategic approaches considering the multiple sources of information in the network involving franchisees, customers, and suppliers.

Integrating EO with firm-level digitalization, Zhou et al. (2021) pointed out that, in financial industries, EO can support the process of digitalization while digitalization can foster entrepreneurial behavior, concluding that both aspects combined can generate significant impacts on organizational Performance. Interestingly, these results are inconsistent with Niemand's et al. (2021) findings for the same industry. This inconclusive context led us to question if in a sector, in this case less entrepreneurial and digitalized and with specific arrangements (i.e., the franchise sector), this relationship between EO, digitalization and Performance could be observed. Considering the specificities of franchise systems and the architecture of their operations, Digital Marketing Capabilities (DMCs) could represent a robust focus of analysis in the discussions of digitalization in this kind of business. The DMCs' inclusion in our model represents a tentative advance in the comprehension of the EO – Performance relationship in the franchise context. Due to the lower level of digitalization in this market, we theorized that fostering this specific kind of Dynamic Capability could improve the Performance of franchises characterized as entrepreneurial through the EO lens (i.e., franchises that innovate, act proactively, and assume risks).

In summary, we investigate the potential synergies between EO and DMCs in shaping performance within the franchise context. Therefore, the purpose of our study is to elaborate a comprehensive vision of the impacts of EO and DMCs on Performance taking as the object of analysis the Brazilian franchise system. The main contribution of our assessment relies on the comprehension of the effects of the interaction between entrepreneurial features and digitalization on Performance. Additionally, we enrich franchise literature by discussing the role

of digitalization, particularly the DMC dimension, in the success of this business model. Finally, we also contributed to the EO literature by exploring the effects of this construct on Performance outside the context of a developed market.

Following this introductory section, the remaining of the article is structured as follows: the next section develops a literature background focusing on the concepts and empirical evidence related to Performance in franchises, dynamic capabilities, entrepreneurial orientation, and digital marketing capabilities. From these discussions, a set of testable hypotheses is derived. The subsequent section outlines the methodological approach. Then we present the results from the analytical exercise. The next section discusses our main findings, and the concluding section closes with final remarks, avenues for future research and limitations of our research.

Literature Background

Performance in franchise systems

Franchising is a particular form of corporate entrepreneurship (Chirico et al., 2021). The specificities of this kind of business are justified by the organizational contract-based relationship between two different kinds of entrepreneurs: the franchisor, responsible for exploiting a new venture opportunity; and the franchisee, in charge of replicating the model developed by the former (Fernández-Monroy et al., 2018; Gillis et al., 2020). In this relationship, the franchisor is the developer of the concept, while the franchisee is allowed to explore the business model (Watson et al., 2005; Karmeni et al., 2018).

One central aspect of the franchise decision is related to the growth speed promoted by this model and consequently the higher probability of survival (Gillis et al., 2020). However, this specific entrepreneurial model has some nuances when it comes to evaluating Performance (Boulay et al. 2023). Some aspects that impact the Performance of the system are governance modes adopted by franchisors (Chirico et al., 2021); franchisor's experience, legal conditions, and degree of internationalization (El Akremi et al., 2015); and the proportion of franchised units. Other aspects related to this context, for example, conflict management, knowledge sharing, and brand reputation are considered by Wu

(2015). From this literature, we know that the specific configuration of the franchising model generates complex settings when addressing the causal relationships between firm-level attributes and Performance.

In the franchise system, as in the general context, the Performance measurement can be assessed by objective financial measures or by self-perceptions and subjective indicators (Dada and Watson, 2013a). According to these authors, the first perspective is not always possible, due to a difficulty in retrieving confidential financial information. In this sense, the use of subjective indicators, promoting a comparison with competitors, for example, and mixing financial and non-financial dimensions is justified (Lumpkin and Dess, 2001). Some examples are the evaluation of the profitability, sales growth, market share, and overall financial Performance of franchise systems in comparison to other competitors over the last years, and franchise goals, customer satisfaction, and employee perceptions (Dada and Watson, 2013a; Chien, 2014). In addition to operational issues, El Akremi et al. (2015) suggested the comprehension of franchise systems Performance through the Dynamic Capabilities approach. The argument of the authors is related to the centrality of organizational learning and replication; the development of processes and routines; and knowledge sharing in the chains, aligned with the fundamentals proposed by Teece et al. (1997). According to Perdreau et al. (2023, p. 327), Dynamic Capabilities are considered: *“higher-order strategic processes that integrate, recombine, and generate new organizational know-how for franchisors and new local know-how for franchisees, which in turn shape franchise system performance”*.

Dynamic Capabilities

The Dynamic Capabilities approach seeks to understand how firms create and capture value to enhance competitive advantage (Teece et al., 1997). They include *“the capacity (1) to sense and shape opportunities and threats, (2) to seize opportunities, and (3) to maintain competitiveness through enhancing, combining, protecting, and, when necessary, reconfiguring the business enterprise’s intangible and tangible assets.”* (Teece, 2007, p.1319). This approach has been used to understand firm-level EO (Teece, 2007; Helfat and Martin, 2015; Rodrigo-Alarcón et al., 2018; Sturm et al., 2023) and the process of digital transformation (Wang, 2020; Ciampi et al., 2022).

Considering this perspective, in this research, we operationalized Dynamic Capabilities concept in the franchising context by addressing the EO and DMC constructs, as suggested by El Akremi et al. (2015) and Perdreau et al. (2023). The next subsections will explore these pillars of Dynamic Capabilities with a focus on the franchising context.

Entrepreneurial Orientation (EO) in franchise systems

The critical foundation of EO is related to the Schumpeterian perspective of innovation-driven entrepreneurship (Wales et al., 2021). According to Covin and Wales (2019, p. 5), EO is an: *“attribute of an organization that exists to the degree to which that organization supports and exhibits a sustained pattern of entrepreneurial behavior reflecting incidents of proactive new entry.”* The evaluation of this attribute in an enterprise is directly influenced by its Dynamic Capabilities (Teece, 2007; Helfat and Martin, 2015; Rodrigo-Alarcón et al., 2018).

The relevance that this theme has been gaining in literature derives from the impacts of *“entrepreneurial firm”* in the socioeconomic context. For example, Chien (2014) points out that firms with EO are more likely to pursue market opportunities considering the changes in the environment, materializing superior Performance and generating widespread gains for the productive system. In the franchising context, according to Dada and Watson (2013b, p. 969), a system with high levels of EO *“enable a true entrepreneurial partnership between the franchisor and the franchisee”*. Despite this positive relationship, some studies (for example, Dada and Watson, 2013a) noted a low level of EO in these organizations.

Some antecedents of EO were verified by the literature in the franchise context. For example, the franchisor's resources (Chien, 2014) and the franchisor's support (Dada and Watson, 2013a). Additionally, Naidu et al. (2023) explored some contingencies between EO and Performance. For example, organizational and environmental aspects have a moderation effect on the EO - Performance relationship. Another aspect to be highlighted is the necessity to foster an alignment between the franchisors and franchisee EO in a chain (Dada and Watson, 2013b). In this case, incentives for entrepreneurial behavior in franchisees do not necessarily impact positively the Performance of the whole system.

Despite the conflicting evidence on the degree of EO at the franchisee's level, many studies have noted the positive effects of these behaviors and practices (Chien, 2014; Asgharian et al., 2023). One central aspect of the franchise context is to decide whether the entrepreneurial actions of franchisees should be encouraged or not by franchisors (Asgharian et al., 2023). Therefore, based on previous literature we outline our first hypothesis:

Hypothesis 1: *The level of Entrepreneurial Orientation has a positive impact on the Performance of franchise systems.*

As observed in the literature on franchising, discussions about the impacts of EO on the Performance of franchise systems largely rely on empirical evidence drawn from the context of developed markets. The only study on the theme in the Brazilian context (taking as objective of analysis franchisees of one specific brand) interestingly did not find a valid relationship between EO and Performance (Nakao, 2019).

Digital Marketing Capabilities (DMCs) in service activities

Digitalization has led to many transformations in society and in the business context (Hagberg et al., 2016). The intense use of digital technologies represents a new paradigm and path to dealing with uncertainty, and the use of Dynamic Capabilities is mandatory for enterprises in this process (Witschel et al., 2018). Enterprises are using tools like cloud computing, social media, and data analytics as strategic tools in the entrepreneurial context. This represents what Nambisan (2017) classifies as digital entrepreneurship. According to the author: *“digitization of entrepreneurial initiatives implies a new set of accompanying assumptions - (1) more fluid or less bounded entrepreneurial processes and outcomes, and (2) less predefined and more distributed entrepreneurial agency.”* (Nambisan, 2017, p. 1047).

The increase in the use of mobile devices is a key enabler in this process, directly affecting the consumer's practices and behaviors, as well as reducing information asymmetries (Hagberg et al., 2016). Hence, a strategic response is the reconfiguration of businesses, aiming to take advantage of the information generated through the adoption of digital technologies. In this respect, the successful implementation of such technologies goes beyond solely technical

issues, also involving changes in organizational culture and business models to promote proximity with customers concerning value co-creation. In this sense, digital capabilities are Dynamic Capabilities (Ciampi et al., 2022) that represent a source of information that needs to be explored by companies in order to remain competitive (Weill and Woerner, 2015).

Digital Marketing Capabilities (DMCs) are one specific aspect related to digital capabilities. In this research, due to the specific context of franchise systems, we considered the DMCs as a central element in the process of digitalization. DMCs are a set of Dynamic Capabilities associated with traditional marketing capabilities taking place in the digital context (Wang, 2020). This represents myriad challenges for companies due to highly dynamic competitive environments (Phiri, 2020). According to Day (2011), technological advances led marketing capabilities to incorporate a dynamic essence in response to shifts in market speed and complexity. According to Wang (2020, p. 559): *“DMCs refer to relational competencies that are required to leverage the benefits of digitalization.”* The exploration of DMCs represents a better linkage between suppliers, customers, and channel partners (Wang, 2020), thus being characterized as a central aspect in the context of the new paradigm of entrepreneurship. Therefore, it represents a prominent topic to be analyzed in business contexts.

Some studies have addressed the positive relationship between the level of DMCs and the Performance of companies (for example, Phiri, 2020; Wang, 2020; Homburg and Wielgos, 2022). However, we could not identify studies that analyze the effects of DMCs on franchise systems' Performance. In this respect, the idea that: *“the digital revolution is a powerful driver of the development of franchising”* (Gladilina et al., 2019, p. 3894), and *“that IT use impacts knowledge transfer effectiveness, and absorptive capacity, and that the influence of IT use on firm performance is completely mediated by absorptive capacity”* (Iyengar et al., 2015, p. 633) inspired us to propose our second hypothesis:

Hypothesis 2: *The level of Digital Marketing Capabilities has a positive impact on the Performance of franchise systems.*

Furthermore, extant investigations have established a consensus that the provision of digital services, contingent upon the level of entrepreneurial orientation (EO), engenders a notable enhancement in organizational Performance (Zhou et al., 2021; Vrontis et al., 2022). Wang (2020, p. 565) posits that a *“more entrepreneurial firm is likely to see more business opportunities in digitalization and develop digital capabilities to support innovative activities”*. This proposition underscores the expectation of a positive relationship between EO and digital competencies, with their combined influence positively impacting organizational performance. However, it is crucial to acknowledge the intricate nature characterizing the interplay between EO and Performance, which is subject to the modulating influence of supplementary factors (D'Souza and Fan, 2022).

Within this context, Digital Marketing Capability (DMC) emerges as a catalytic driver of iterative innovation rooted in digital technology (Wang, 2020). Furthermore, recent research has identified the pivotal role of DMC as a mediating agent, wielding substantial influence over the interactive relationships shaping corporate Performance (Bhatti et al., 2022; D'Souza and Fan, 2022; Homburg and Wielgos, 2022). Against this background, we derive our third and fourth hypotheses:

Hypothesis 3: *The level of Entrepreneurial Orientation exerts a positive impact on the level of the Digital Marketing Capabilities of franchise systems.*

Hypothesis 4: *Digital Marketing Capabilities mediate the relationship between Entrepreneurial Orientation and the Performance of franchise systems.*

It is important to remind that the digitalization process in developing countries involves different challenges than those observed in developed countries, a function of the maturity stage of their respective digital ecosystems (OECD, 2020). One useful concept to understand these differences between countries is the digital divide, described as: *“the gap between individuals, households, businesses and geographic areas at different socio-economic levels with regard both to their opportunities to access information and communication technologies (ICTs) and to their use of the Internet for a wide variety of activities.”* (OECD, 2001, p.5). This complex and dynamic phenomenon (van Dijk and

Hacker, 2003) represents a gap between developed and developing countries. From the organizational perspective, a corporate digital divide emerges, encompassing the adoption of ICT in core business processes (Bach et al., 2013). However, in spite of managerial and technological challenges, digitalization processes represent an opportunity for developing countries' firms to achieve sustainable growth (Vrontis et al., 2022).

Conceptual Models

In consonance with other approaches on similar topics (e.g., Dada and Watson, 2013a; Chien, 2014; Le Nadant et al., 2019), we considered the unidimensional EO perspective. According to Miller (1983), this view reflects the organizational attribute of *“being entrepreneurial”*, materialized by the observation of innovativeness, risk-taking, and proactiveness (Covin and Wales, 2019). For Wales et al. (2020, p. 640), such perspective is characterized by the association between the three elements, whereas all need to be observed for a firm to be considered entrepreneurial.

Figure 1 illustrates our proposed conceptual models. From the franchisor view, the EO latent variable materializes in the evaluation of the firm's EO degree. The EO represents an enterprise's entrepreneurial behavior (Covin and Wales, 2019) derived from its Dynamic Capabilities (Teece, 2007; Helfat and Martin, 2015; Rodrigo-Alarcón et al., 2018). In other words, it represents actions that a company can take related to innovativeness, risk-taking, and proactiveness. When a company assumes a posture encompassing these three aspects, it tends to have a better position in the market than its competitors (Miller, 1983). This situation also seems to hold for the case of franchise systems (Dada and Watson, 2013a; Le Nadant et al., 2019). The other latent variable, DMC, represents Dynamic Capabilities (Wang, 2020; Ciampi et al., 2022) that illustrate how the franchisors deal with the digitalization process, focusing on the aspects of the marketing strategies. As Phiri (2020) and Wang (2020) pointed out, companies exploring this new market paradigm achieve better performance. Finally, as Zhou et al. (2021) and Wang (2020) argued, the interaction of aspects related to EO and DMCs is expected to positively affect the business's Performance.

Model 1 presents the direct effects of EO and DMC on Performance, respectively Hypotheses 1 and 2 of the research. In Model 2 we add the relationship between EO and DMC (H3), also analyzing the mediation effect of DMC on the relationship between EO and Performance.

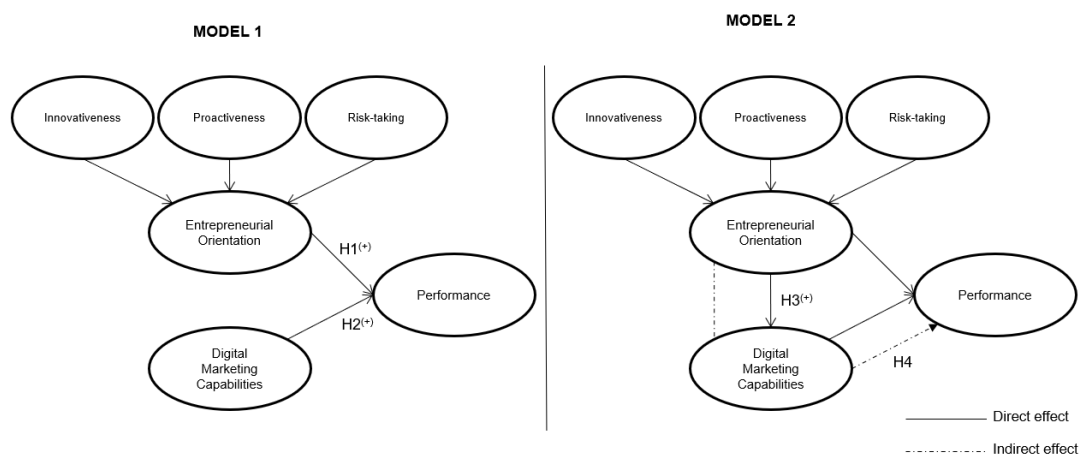


Figure 1.1 Conceptual models

Method

We adopted a quantitative methodology through the use of Partial Least Squares Structural Equation Modeling (PLS-SEM). The PLS-SEM is suitable for the study since it allows identifying degrees of prediction and explanation of the presented constructs, and also because the model presents a 2nd order construct (Hair et al., 2022). Following the approach proposed by Dada and Watson (2013a), this research was developed considering three central aspects: i) degree of EO related to the franchise system; ii) Performance of the franchise system as a whole; iii) information collected from the perspective of the franchisor. Although we can expect some bias in the franchisor's self-declaration of attributes and Performance, they can be considered (as well as their representatives) as the only agents with enough knowledge to evaluate the information from the franchise system perspective, that is, taking into account aspects related to the franchisor and franchisees.

This research was carried out within the scope of the Brazilian Franchising System. Despite being an emergent economy, its franchise market is mature and well-established, standing as sixth in the world in the number of units and fourth in the number of franchised networks (Brazilian Franchising Association, 2017). Data collection took place with franchisors participating at the Brazilian Franchising Association Expo 2022 in the city of São Paulo, Brazil. The number of expositors comprehended 353 franchisors. The application of questionnaires was conducted primarily in person by the principal researcher. All the exposition stands were visited and asked to participate in the research. After four days of the event, the number of answered questionnaires was 136, representing a response rate of 38.5 percent. The same questionnaire was sent to the remaining expositors in the following week. After one reminder, nine new responses were obtained, resulting in final sample of 145, an adequate number to apply our empirical model. This sample represents 41.1 percent of the expositors at the event. Table 1.1 summarizes the sample structure.

Table 1.1 Sample description

Segment	Number of responses	Avg. Brand Age	Abs. Brand Age as Franchisor	Avg. Number Owned Units	Avg. Thir Part Franchise Units
Food Services	52	20.8	11,5	32.9	152.8
Fashion	23	33.1	9.4	14.3	106.5
Health, Beauty, and Wellness	22	11.7	8.9	12.8	230.2
Services and other Business	19	15.8	6.6	8.0	57.4
Educational Services	9	25.3	22.7	24.9	379.2
House and Building	8	21.5	10.8	27.6	180.9
Others ^a	7	14.1	12.3	5.0	183.1
Communication, Informatics and Eletronics	5	15.4	6.2	5.2	43.6
Total	145	20.5	10.6	20.6	158.0

The applied questionnaire was developed considering items that were used in prior research. The measurement of the EO construct was composed of 12 questions with a 5-point Likert scale. Most items were the same used by Dada and Watson (2013a) and Chien (2014). The five items for the DMC construct were adapted from Wang (2020, using a 5-point Likert scale. For the Performance construct, which was composed of two groups of four items each, we considered

the questions proposed by Dada and Watson (2013a) and Chien (2014). The last part of the questionnaire comprehends identification information. The questions were translated from English to Portuguese and were validated by the research group and by an independent academic with expertise in franchising research.

Results

The first step of our analysis involves a Confirmatory Factor Analysis (CFA). Following Hair et al. (2022), we excluded four factors (one for Innovativeness, one for Proactiveness, and two for Performance). The excluded indicators had factor loadings between 0.4 and 0.7, and their exclusion positively impacted the Average Variance Extracted (AVE) and the Composite Reliability (CR). Other indicators had factor loadings between 0.4 and 0.7, but their exclusion did not increase AVE or CR, so they were maintained in the model (Hair et al., 2022). It is possible to see in Table 1.2 our CFA result for each indicator.

Table 1.2 Confirmatory Factor Analysis

Questions	Path Loading	Mean	Standard Deviation	Critical Ratio	P-value
IN1. In our franchise system, there exists a very strong emphasis on franchisee-driven research and development, technological leadership, and innovations	0.865	4.441	0.769	11.493	0.000
IN2. The changes in product lines (e.g. types/number of products) by our franchisees have usually been dramatic (inverted)	0.694	3.731	1.052	5.869	0.000
IN3. Our franchisees have introduced many innovations in the past 5 years	0.671	3.752	1.124	8.241	0.000
IN4. We prefer the strategy of innovating even knowing that some attempts will fail (excluded)	-	-	-	-	-
RT1. My franchisees tend to have a strong preference for high-risk projects (with chances of very high return)	0.833	2.745	1.173	4.966	0.000
RT2. Owing to the nature of the environment, our franchisees believe that bold wide-ranging acts are necessary on their part in order to achieve our franchise system's objectives	0.822	3.310	1.007	6.356	0.000
RT3. To succeed, we are willing to take risks	0.538	4.048	0.949	2.395	0.017
RT4. We prefer investing in risky projects with a high return than in safe projects with low return potential	0.669	3.048	1.122	4.141	0.000
PR1. My franchisees, by themselves, are typically the first to initiate actions to competitors, for which the competitors then respond (excluded)	-	-	-	-	-
PR2. Very often, our franchise outlets are the first to introduce new products/services, techniques, technologies	0.669	4.214	0.926	4.440	0.000
PR3. We firmly believe that a change in the market can create a positive opportunity for us	0.768	4.572	0.630	8.430	0.000
PR4. Anticipating market trends and expectations are relevant aspects of our strategy	0.720	4.572	0.651	6.665	0.000

DC1. Digital customer bonding capabilities (i.e. creating and managing lasting customer relationships through digital media) ^a	0.860	3.772	1.042	33.516	0.000
DC2. Market-sensitive digital capabilities (predict changes in customer preferences using digital media) ^a	0.903	3.676	0.982	49.312	0.000
DC3. Digital channel bonding capabilities (building lasting relationships with channel members such as wholesalers and retailers using digital media) ^a	0.741	3.559	1.050	10.619	0.000
DC4. Capabilities in creating lasting relationships with suppliers through digital platforms ^a	0.799	3.662	1.078	21.032	0.000
DC5. Capabilities in creating lasting relationships with suppliers through digital platforms ^a	0.851	3.945	1.029	38.496	0.000
PERF1. Profitability ^b	0.807	4.055	0.877	18.388	0.000
PERF2. Sales growth ^b	0.892	4.097	0.858	41.856	0.000
PERF3. Market share ^b	0.759	3.924	0.903	18.517	0.000
PERF4. Overall financial performance ^b	0.858	4.048	0.874	25.022	0.000
PERF5. Our system allows us to satisfy customer needs (excluded)	-	-	-	-	-
PERF6. Our system provides secure jobs for employees of our franchisees (excluded)	-	-	-	-	-
PERF7. Our system achieves the franchise goals	0.514	4.421	0.661	6.128	0.000
PERF8. We are satisfied with the overall performance of our franchisees	0.484	4.076	0.797	4.341	0.000

a: to compare their digital capabilities to that of their competitors

b: to compare their franchise systems to that of their competitors in the last three years

Next, we carried out the PLS-SEM analysis. We used a two-step approach as the model has a second-order construct (EO). In the first stage, the first-order reflective constructs (Innovativeness, Proactiveness, and Risk-taking) were individually related to Performance (H1), and the DMC construct was related to Performance as well (H2). Next, we evaluate the measurement model. As the first stage model contains only reflective constructs, the criteria suggested by Hair et al. (2022) are reliability, discriminant validity, and convergent validity. Table 1.3 presents the indicators of all constructs (before the second-order model). It is possible to observe that the AVE values are greater than 0.50 and CR values are greater than 0.70 (Hair et al., 2022). Some Cronbach's Alpha values are below 0.70, but Hair et al. (2022) mention that these can be sensitive to the number of indicators in the construct, making it more suitable for assessing CR. Table 1.3 also presents the factor loadings and t-values for all indicators. Additionally, to assess discriminant validity, we compared the root of the AVE of each construct to the correlation with any other construct (Fornell-Larcker criterion). Shared variance for all model constructs showed values less than the square of AVE, indicating discriminant validity (Hair et al., 2022). We also evaluated HeteroTrait-

MonoTrait (HTMT) ratio of correlations and no high value (above 0.90) was observed, indicating good discriminant validity (Hair et al., 2022).

Table 1.3 Evaluation of measurement model

Constructs (1st order)	Items description	Loading	T-value	Cronbach's α	Composite reliability	AVE
Innovativeness	IN1	0.884	5.338	0.649	0.775	0.541
	IN2	0.600	2.360			
	IN3	0.711	3.584			
Risk-taking	RT1	0.896	8.360	0.716	0.787	0.500
	RT2	0.789	5.603			
	RT3	0.575	2.276			
	RT4	0.631	4.025			
Proactiveness	PR2	0.690	4.254	0.535	0.764	0.520
	PR3	0.750	5.840			
	PR4	0.715	4.696			
Digital Capabilities	DC1	0.865	28.863	0.889	0.919	0.694
	DC2	0.901	44.437			
	DC3	0.729	9.986			
	DC4	0.809	25.873			
	DC5	0.852	32.454			
Performance	PF1	0.823	19.173	0.814	0.864	0.542
	PF2	0.895	43.006			
	PF3	0.781	17.934			
	PF4	0.879	25.631			
	PNF3	0.448	4.78			
	PNF4	0.435	3.519			

In the second stage, the EO construct was added as a second-order construct, containing the construct scores as indicators (Sarstedt et al., 2019). The second-order construct is classified as formative because the model is a reflexive-formative type (Sarstedt et al., 2019). For the formative construct (EO), we analyzed the convergent validity, collinearity, statistical significance, and relevance (Hair et al., 2022). The convergent validity was estimated from the value of the formative construct's path coefficient, relating the formative construct with a total measure indicator. Path coefficient values greater than 0.8 support

the convergent validity of the formative construct (Hair et al. 2022). The value of the second-order level construct path coefficient was 0.806, supporting the convergent validity. The variance inflated factor (VIF) value was used to assess the collinearity of the construct, and values should be less than 5 (Hair et al., 2022). The VIF values for all indicators of the formative construct were within the acceptable range. The bootstrapping technique was used to evaluate the statistical significance of the EO. Each item's relative importance (outer weight coefficient) was analyzed. When the relative importance is significant, there is empirical support for keeping the indicator in the model (Hair et al., 2022), and all the indicators presented relative significance. According to the results, all items were retained in the model.

The structural model was evaluated using the bootstrapping technique to evaluate the parameters of Models 1 and 2. Table 1.4 presents the results of Model 1. The coefficient of determination (R^2) for Performance is 0.374, and the coefficient of prediction (Q^2) is 0.176 – both values can be considered adequate. Structural coefficients analysis indicates a significant and positive effect of EO on Performance ($\beta_1 = 0.145$; $t = 1.981$) and a significant and positive effect of DMC on Performance ($\beta_2 = 0.489$; $t = 8.044$), confirming H1 and H2. This result allows us to continue our analysis of Model 2, introducing the relationship between EO and DMC, thus introducing the mediation effect.

Table 1.4 Evaluation of structural model – Model 1

		Performance
	R²	0.374
Quality adjustment	Q²	0.176
Entrepreneurial Orientation -> Performance	$\beta_1 = 0.145^*$ ($t = 1.981$) ($M = 0.159$; $SD = 0.073$)	
Digital Capabilities -> Performance	$\beta_1 = 0.489^{***}$ ($t = 8.044$) ($M = 0.485$; $SD = 0.061$)	

In Table 1.5 it is possible to observe the assessment indicators for Model 2. The R^2 and Q^2 for Performance and DMC can be deemed as adequate. We noted that the relationships between DMC and Performance and between EO

and DMC are positive and significant (confirming H3), while the relationship between EO and Performance is not. This result represents a different perspective from the conclusions observed in previous studies (Dada and Watson, 2013a). One possible explanation could be related to a full mediation effect of DMC in the relationship between EO and Performance. Previous studies explored the positive impact of the combination of EO and digitalization on Performance. Zhou et al. (2021) found that DMC impacts are contingent upon high levels of EO in Chinese banks. Wang (2020) found similar dynamics for the case of internationalized Taiwanese firms. Our findings provide additional evidence on the interplay between these driving dimensions of firm-level performance.

Table 1.5 Evaluation of structural model – Model 2

	Performance	Digital Capabilities
Quality adjustment	R²	Q²
	0.366	0.131
	0.173	0.083
Entrepreneurial Orientation -> Performance	$\beta_1 = 0.141^{NS}$ (t = 1.588) (M = 0.144; SD = 0.089)	
Digital Capabilities -> Performance	$\beta_1 = 0.483^{***}$ (t = 7.392) (M = 0.472; SD = 0.065)	
Entrepreneurial Orientation -> Performance	$\beta_1 = 0.362^{***}$ (t = 4.000) (M = 0.384; SD = 0.091)	

We performed the specific indirect effects and total effects tests to test our H4 about the mediation of DMC in the relationship between EO and Performance. In the mediation scenario, the SRMR is less than 0.08, thus representing a good level of adjustment to a saturated model, as pointed out by Hair et al. (2022). Table 1.6 demonstrates that in Model 2, the indirect effect of EO on Performance is positive and significant. Likewise, Table 1.6 demonstrates that the total effect of the three relationships is positive and significant. This result indicates a full mediating role of DMC in the relationship, confirming H4.

Table 1.6 Mediating effect analysis

Effects	Mean	SD	T statistics	P values
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Specific indirect effects

EO -> DC -> Performance	0.198	0.055	3.435	0.000
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Total effects

DC -> Performance	0.562	0.062	9.054	0.000
EO -> DC	0.352	0.089	3.761	0.000
EO -> Performance	0.246	0.101	2.237	0.026

Finally, to test whether the results remain consistent, we used the indicators “age of the franchise”, “number of wholly-owned units”, and “number of franchised units” as control variables. We conducted a moderation analysis of the variables (Becker et al., 2018) in the relationships between EO and DMC with Performance (Table 1.7). No significant moderation results emerged, thus demonstrating that the subgroups used produced similar estimates for the conceptual model (Hair et al., 2019).

Table 1.7 Moderation effect analysis

Relationship	Path coefficient	T-value	P-value	Significant at 5%?
Age x Entrepreneurial Orientation -> Performance	-0.040	0.551	0.582	No
Age x Digital Capabilities -> Performance	-0.035	0.379	0.704	No
Wholly-Owned Units x Entrepreneurial Orientation -> Performance	-0.200	0.930	0.353	No
Wholly-Owned Units x Digital Capabilities -> Performance	-0.165	0.518	0.605	No
Franchised Units x Entrepreneurial Orientation -> Performance	-0.065	0.600	0.549	No
Franchised Units x Digital Capabilities -> Performance	0.060	0.755	0.450	No

Discussion

The aim of this research was to provide a comprehensive understanding of the impacts associated with EO and the digitalization process on the Performance of franchise systems. The contributions of this work are threefold: i) to the best of our knowledge, it was the first research to address the EO – DMC – Performance interplay in the franchise context, a relevant business model in modern economies; ii) presents a systematic view of digitalization (considering the DMC dimension) processes in the franchise context, an area that remains largely unexplored in the existing literature; iii) contributes with the EO literature

by examining the effects of this construct on Performance outside the context of a developed market.

Overall, in consonance with prior contributions comprehending other business models (Wang, 2020; Zhou et al., 2021), our findings establish a positive and valid relationship between EO and Performance, as well as between DMC and Performance. However, when introducing the relationship between EO and DMC, we observed a full mediation effect of DMC on the relationship between EO and Performance, with an indirect effect of EO on Performance. These outcomes diverge from the conclusions of previous franchise research in developed countries (Dada and Watson, 2013a; Le Nadant et al., 2019), emphasizing idiosyncrasies evident outside the socio-economic context of developed markets. This observation underscores the pivotal role of digital capabilities in sustaining competitive businesses.

The level of DMC indicates that Brazilian franchisors hold a positive perception of their market positions concerning digitalization potentially signifying the growing importance of these technologies in the franchising context (Gladilina et al., 2019). A similar optimistic perception is noted in the Performance dimension, where an average of 4.255 (range 1 to 5) was observed, suggesting that franchise systems perceive themselves as performing well compared to competitors.

The full mediation of DMC in the second model, signifying an indirect impact of EO on Performance, contradicts prior literature that highlighted a direct and positive relationship between EO and Performance in the franchising context, both for franchisors (Dada and Watson, 2013a; Le Nadant et al., 2019) and franchisees (Chien, 2014; Naidu et al., 2023). Interestingly, the only previous study to address this relationship in the Brazilian context did not find a direct and valid relationship between these analytical dimensions (Nakao, 2019). In turn, findings from our research lead us to believe that, even with the confirmation of the H1, the impact of EO on Performance is weakened without the presence of DMC in franchise contexts. Such findings add a new perspective on the composition of Dynamic Capabilities in an increasingly digital competitive context. Moreover, it appears that the specific dynamics of the entrepreneurial context in less developed countries, such as Brazil, pose additional challenges in

attaining higher levels of Performance. Unlike franchise systems in developed countries, where adopting an entrepreneurial orientation alone appears sufficient for achieving superior results (Dada and Watson, 2013a; Le Nadant et al., 2019), our sample indicates that digitalization processes play a crucial role in connecting EO and Performance. This is in line with the view that digital technologies drive the enterprise's value creation in developing countries (Vrontis et al., 2022). Such conditions can also be taken as signals of immature digital ecosystems in these countries, where digital capabilities remain concentrated and are more capable of differentiating firms in terms of competitiveness levels.

In this context, the path to digitalization emerges as a prevailing trend for most, if not all, businesses, including franchising. As noted in previous studies (Wang, 2020), we confirm H2 that proposes a direct and positive relation between DMC and Performance. Interestingly, Wang (2020) found that EO moderates the relationship between DMCs and Performance, which is aligned with Zhou's et al. (2021) results between digitalization and Performance. However, we found a mediation effect of DMC in the relationships analyzed, derived from the confirmation of H3 and H4. In any case, more than isolated effects, it seems to be the combination of high degrees of EO and DMC that promotes a positive impact on the Performance in different types of industries.

Notwithstanding, for a firm to achieve superior outcomes through the digitalization process, the observation of an adequate digital ecosystem (for example, infrastructure, human capacities, and business environment) is necessary (OECD, 2020). In this sense, we should not ignore the context in which our sample is embedded. Beyond structural improvements needed for the digital ecosystem in countries like Brazil, firms must invest in aspects such as workers' skills, firms' capabilities, and managerial competencies (OECD, 2020). In this respect, the fact that Brazil, as a developing country, promotes a corporate digital divide needs to be highlighted (OECD, 2001). The main issue here does not involve access to digital technologies per se, but how they have been used in the business strategies of franchise systems (Bach et al., 2013). Despite the observed positivity in our analysis, there appears to be room for franchisors to enhance their digital capabilities, both organizationally and in terms of employee

qualifications, to intensify the use of these technologies and achieve better Performance.

In our model, the relationship between EO over DMC results in a better fit than what could be observed in the opposite direction (EO mediating the impacts of DMC), contrasting with previous research (Wang, 2020; Vrontis et al., 2022). Additionally, this option allowed us to explore the mediation effect of DMC on the relationship between EO and Performance. In our interpretation, this can be explained by a combination of the challenges associated with firm-level digitalization in a developing country and by the fact that franchise systems - due to the low level of knowledge intensity in their operations - are not commonly involved with high levels of digital orientation. Therefore, those firms which invest in such technologies can differentiate from competitors and present better market outcomes.

In conclusion, our contributions extend to both theoretical and practical implications. Theoretically, the research enriches the discussion on dynamic capabilities in franchising, unraveling the relationships between EO, DMC, and Performance. It provides evidence that the combined exploitation of EO and DMC leads to enhanced Performance in the franchising context. From a managerial perspective, the paper underscores the significance of entrepreneurial orientation and digital process investments in franchise systems, suggesting that a combination of these aspects is likely to elevate the competitive capabilities of franchise companies. In this vein, data processing and analysis with intelligent tools represent an opportunity to improve firm-level decision-making (OECD, 2020). However, to fully exploit these opportunities, in addition to investments in technology, companies need to invest in human capital formation, an essential asset that is lacking in developing countries. Additionally, digitalization requires managerial capabilities to integrate digital technologies with the company's existing strategy and value propositions (Bach et al., 2013).

Conclusion

The primary objective of this article was to engage in an in-depth assessment of the interaction between DMC – EO – Performance in the context

of franchise systems. To the best of our knowledge, this represents a novel approach to literature on this topic, thus opening valuable paths that deserve closer scrutiny in future research. Our contributions underscore the significance of dynamic capabilities as a crucial driver of competitive performance. Specifically, we investigated the effects arising from EO and DMC as elements associated with franchise-level outcomes – as well as their respective interplay. This marks a crucial advancement in gaining deeper insights into the ramifications of digital capabilities within the realm of franchising firms, with a particular emphasis on their distinctive effects observed in the context of a developing country.

In summary, our findings underscore the significance of accounting for the developmental level of countries in shaping the dynamics of relationships between organizational characteristics and Performance, thereby contributing valuable insights to the EO literature. Our findings reaffirm the importance of the economic maturity level of a country in shaping the conditions for entrepreneurial activity. Therefore, we suggest for future studies to carry out similar assessments in cross-country settings. Additionally, beyond the expansion of the scope of analysis of EO in franchise systems, we contributed to franchise literature by highlighting the role of digitalization for this specific business model. Our results also have practical implications by indicating that franchise systems from developing countries should consider investments in DMC as strategic assets that can enhance Performance, also contributing to the exploration of the entrepreneurial orientation of their businesses. Within competitive contexts that have become increasingly digital, these aspects seem to have become pivotal pieces of the Dynamic Capabilities puzzle. In this vein, further assessments of digitalization processes in franchise systems appear to be a promising avenue to be explored – due to the centrality of this process in the configuration of modern economic systems and their respective effects on the design of value creation. Another suggestion is to explore the nuances related to specific segments that operate with franchises, since enterprises with different activities could exhibit divergent patterns of EO and DMCs.

Our research does not go without limitations. Firstly, the results presented here solely reflect the perspective of franchisors. Incorporating the viewpoint of

franchisees could enrich the discourse by offering a more nuanced, and perhaps less optimistic, insight into the dimensions under investigation. Also, our cross-section approach does not allow a thorough examination of how the interplay between the constructs of interest unfolds over time. Having a clearer view on how EO, DMC and Performance affect each other from an evolutionary perspective can be of value to better understand the causal trajectories that underlie such relationships. Despite these limitations, we believe our study marks a significant step forward in unraveling the key drivers of competitiveness, not only within franchising firms but also in entrepreneurial ventures more broadly.

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Annex - Applied Questionnaire



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QUESTIONÁRIO DE PESQUISA

Este questionário enquadra-se numa investigação no âmbito de uma tese de Doutorado em Administração, realizada na Universidade Estadual de Campinas (UNICAMP), tendo sido aprovada pelo Comitê de Ética em Pesquisa (CEP) da mesma instituição (CAAE: 55567522.8.0000.5404). Os resultados obtidos serão utilizados exclusivamente para fins acadêmicos, sendo realçado que as respostas dos inquiridos representam apenas uma opinião individual, as quais preservarão o anonimato do respondente. Agradecemos a sua colaboração!

Doutorando: Me. Matheus Dermonde

Orientador Prof. Dr. Bruno Brandão Fischer

Coorientador Prof. Dr. Gustavo Herminio Salati Marcondes de Moraes

I. AVALIE AS SEGUINTESS ASSERTIVAS DE ACORDO COM O GRAU DE CONCORDÂNCIA:

1 - Discordo totalmente	2 - Discordo	3 - Indiferente	4 - Concordo	5 - Concordo totalmente	
Em nossa rede de franquias, existe uma ênfase muito forte em pesquisa e desenvolvimento orientados ao franqueado, liderança tecnológica e inovações	1	2	3	4	5
As mudanças nas linhas de produtos (por exemplo, tipos/número de produtos) pelos nossos franqueados geralmente são um processo dramático	1	2	3	4	5
Nossos franqueados introduziram muitas inovações nos últimos 5 anos	1	2	3	4	5
Preferimos a estratégia de inovar mesmo sabendo que algumas tentativas irão falhar	1	2	3	4	5
Nossos franqueados, por si só, são normalmente os primeiros a iniciar ações contra os concorrentes, pelas quais os concorrentes respondem	1	2	3	4	5
Muitas vezes, nossa rede de franquias é uma das primeiras a introduzir novos produtos/serviços, técnicas, tecnologias, etc	1	2	3	4	5
Acreditamos firmemente que uma mudança no mercado pode criar uma oportunidade positiva para nós	1	2	3	4	5
Antecipar tendências e expectativas de mercado são aspectos relevantes em nossa estratégia	1	2	3	4	5
Nossos franqueados tendem a ter uma forte preferência por projetos de alto risco (com chances de elevado retorno)	1	2	3	4	5
Devido à natureza do ambiente, nossos franqueados acreditam que são necessários atos arrojados e abrangentes de sua parte para atingir os objetivos de nossa rede de franquias	1	2	3	4	5
Para alcançarmos o sucesso, estamos dispostos a correr riscos	1	2	3	4	5
Preferimos investir em projetos arriscados e com elevado potencial de retorno, do que em projetos seguros e com baixo potencial de retorno	1	2	3	4	5

II. COM RELAÇÃO À REDE DE FRANQUIAS, NOS ÚLTIMOS 3 ANOS, COMO VOCÊ AVALIA AS SEGUINTESS ASSERTIVAS:

1 - Discordo totalmente	2 - Discordo	3 - Indiferente	4 - Concordo	5 - Concordo totalmente	
Nosso sistema permite-nos satisfazer as necessidades dos clientes	1	2	3	4	5
Nosso sistema fornece empregos seguros para os empregados de nossos franqueados	1	2	3	4	5
Nosso sistema está realizando seus objetivos de franquia	1	2	3	4	5
Estamos satisfeitos com o desempenho geral de nossos franqueados	1	2	3	4	5



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Faculdade de Ciências Aplicadas

III. COM RELAÇÃO AOS SEUS COMPETIDORES DE MERCADO, NOS ÚLTIMOS 3 ANOS, COMO VOCÊ AVALIA:

1 - Muito mais fraco	2 - Mais fraco	3 - Similar	4 - Mais forte	5 - Muito mais forte	
A lucratividade da rede	1	2	3	4	5
O crescimento das vendas da rede	1	2	3	4	5
O Market Share da rede	1	2	3	4	5
O desempenho financeiro geral da rede	1	2	3	4	5

IV. COM RELAÇÃO AOS SEUS COMPETIDORES DE MERCADO, COMO VOCÊ AVALIA O DESEMPENHO DA MARCA COM RELAÇÃO AS:

1 - Muito mais fraco	2 - Mais fraco	3 - Similar	4 - Mais forte	5 - Muito mais forte	
Capacidades digitais de vinculação ao cliente (ou seja, criar e gerenciar relacionamentos duráveis com o cliente por meio de mídia digital)	1	2	3	4	5
Capacidades digitais sensíveis ao mercado (prever mudanças nas preferências do cliente usando mídia digital)	1	2	3	4	5
Capacidades digitais de vinculação de canal (criando relacionamento durável com membros do canal, como atacadistas, varejistas usando mídia digital)	1	2	3	4	5
Capacidades na criação de relacionamentos duradouros com fornecedores através de plataformas digitais	1	2	3	4	5
Capacidade de usar o marketing digital para reter clientes	1	2	3	4	5

INFORMAÇÕES GERAIS:

Nome do Respondente: _____

Cargo do Respondente: _____

Nome da Franqueadora: _____ Estado Sede da Franqueadora: _____

Tempo (em anos) da fundação da marca: _____ Tempo (em anos) do início da franquia: _____

Número de Unidades Próprias: _____ Número de Unidades Franqueadas: _____

Segmento de Atuação:

☐ Alimentação

☐ Casa e Construção

☐ Comunicação, Informática e Eletrônicos

☐ Entretenimento e Lazer

☐ Hotelaria e Turismo

☐ Limpeza e Conservação

☐ Moda

☐ Saúde, Beleza e Bem Estar

☐ Serviços automotivos

☐ Serviços e outros negócios

☐ Serviços educacionais

CHAPTER II: ARTICLE: AN INQUIRY INTO THE ASSOCIATION BETWEEN ENTREPRENEURIAL ORIENTATION RHETORIC AND ECOSYSTEM DYNAMICS: A CONFIGURATIONAL APPROACH IN BRAZILIAN FRANCHISES⁶

Abstract: Within the field of Entrepreneurial Ecosystems, the evaluation and measurement of Entrepreneurial Culture remains a challenge. In this article we propose that the Entrepreneurial Rhetoric of agents could represent a valuable – and measurable – manifestation of entrepreneurial culture. We adopted a process of configurational theorizing, dedicating empirical attention to addressing the association between contextual conditions of Entrepreneurial Ecosystems (i.e., its configurations) and the intensity of entrepreneurial rhetoric in franchising firms in Brazil. Using a sample composed of 520 franchises located in 32 Brazilian cities, we built an Entrepreneurial Rhetoric vector based on information disclosed by these firms. By applying fuzzy-set Qualitative Comparative Analysis, we identified heterogeneous configurations that lead up to both high and low degrees of Entrepreneurial Rhetoric at the ecosystem-level. No specific dimension (out of the eight ecosystem dimensions used in our analysis) is indispensable (necessary condition) for manifesting the outcome variable. This finding, based on the franchising context, corroborates the idea that EE is not an isomorphic structure that follows homogenous trajectories. Instead, variegated paths seem to be related to the emergence of organizational discourses that conform Entrepreneurial Culture.

Keywords: entrepreneurial ecosystems; entrepreneurial culture; entrepreneurial rhetoric; franchises; brazil; fsQCA.

Introduction

The Entrepreneurial Ecosystems (EE) concept emerged as an approach to address entrepreneurial activity from a contextual perspective, placing

⁶ Article submitted to Entrepreneurship & Regional Development <<https://www.tandfonline.com/journals/tepn20>> in April 2023. It is currently in the third round of peer review.

emphasis on the local embeddedness of events leading up to these events (Wurth et al., 2022). This interpretation has gained traction among academics and practitioners in recent decades. Stam (2015, p. 1765) defines “*the entrepreneurial ecosystem as a set of interdependent actors and factors coordinated in such a way that they enable productive entrepreneurship*”. The approach centered in contextual features, a multiplex phenomenon, is fundamental to understanding the development of entrepreneurship and the actions of entrepreneurs (Welter, 2011). Some studies addressed the composition of EEs and characterized Entrepreneurial Culture as one of the key pillars of their dynamics (Stam and van de Ven, 2021; Mason and Brown, 2014). The importance of this element is related to its dynamic interplay with other EE’s attributes (Stam and van de Ven, 2021), ultimately affecting regional socioeconomic trajectories (Beugelsdijk, 2007). Additionally, it contributes to the strength and resilience of these ecosystems (Bischoff, 2021), triggering recursive dynamics that shape the evolution of the ecosystem (Fritsch and Wyrwich, 2017). Literature commonly understands this element as one of the most important characteristics of an effective EE and can hardly be replaced by other ecosystem elements (Vedula and Kim, 2019; Andersson, 2015).

However, the precise evaluation and measurement of Entrepreneurial Culture represent a challenge for management scholars (Credit et al., 2018). This stands for a significant gap in our comprehension on the complexity of EE concerning its configurational dynamics (Roundy et al., 2018). Entrepreneurial Culture has been evaluated through the social acceptance of entrepreneurial activities (Andersson, 2015) or by the persistence of entrepreneurship over time (Fritsch and Wyrwich, 2023). Such measurements of culture, however, are more strongly related to indirect outcomes of culture than to culture itself. In this respect, we borrow from discussions in the Sociology field, to build a measure of entrepreneurial culture based on agents’ rhetoric. Rhetoric represents a communication process exerting a linking between culture and practice (Loewenstein et al., 2012). According to the authors, “*vocabularies are products of social groups collectively communicating their understanding of organizing practices. Vocabulary meanings are both grounded in existing practices and constitutive of culture and action*” (Loewenstein et al., 2012, 55). Additionally,

according to Meyer (2009, 36), “*cultural evolution is reflected in language*”. In this sense, entrepreneurial rhetoric represents a process of communication in the organizational context between entrepreneurs and other stakeholders embedded in the entrepreneurial ecosystem (Watson et al., 2019; Wang et al., 2021).

Hence, in this article we propose that entrepreneurial rhetoric could represent a valuable – and measurable – manifestation of cultural aspects (Loewenstein et al., 2012; Meyer, 2009). Based on this understanding, and considering that culture is shaped by the local context (Roundy et al., 2018; Credit et al., 2018), it is possible to theorize that the rhetoric expressed by companies can be influenced by the environment in which they operate, an argument that is in line with Donaldson’s (2021) view. This opens up new arguments and possibilities when it comes to understanding the social mechanisms that underpin EE. More specifically, we explored the Entrepreneurial Orientation (EO) Rhetoric (Zachary et al., 2011) as an indicator of Entrepreneurial Culture within the EE debate. EO is one of the most consolidated constructs in Entrepreneurship (Wales, 2016). This “firm-level phenomenon” (Covin and Lumpkin, 2011) also understood as an element of the organizational strategy (Cui et al., 2018), has been receiving attention from academics and practitioners because of its positive relationship with the performance of organizations (Lumpkin and Dess, 1996). Here we theorize that the connection between Entrepreneurial Culture (as measured by EO Rhetoric) and EE components can generate valuable insights to understand the dynamic relationship between entrepreneurial activity and the local context in which it is embedded.

Few studies have addressed the recursive side of EE models (such as the feedback loops outlined in Stam and van de Ven (2021)). In this vein, our research goal is based on a novel approach that aims at comprehending the association between firm-level Entrepreneurial Culture and the other dimensions of Entrepreneurial Ecosystem. This allows generating insights on EE processes rather than outputs, an issue that has been largely overlooked by dedicated literature. This has been pointed out by Donaldson (2021) when he identifies a dearth of studies dealing with the ‘highly interactive and context-dependent nature’ of EE attributes. Therefore, the guiding question of this research can be stated as follows: How can EE dimensions be configured to drive the

manifestation of EO Rhetoric (a measure of Entrepreneurial Culture)? Our main finding concerns the comprehension of how EE features are associated with EO Rhetoric in the context of franchising, thus outlining the dynamic interplay between EE dimensions and the emergence of Entrepreneurial Culture in places.

We adopted a process of configurational theorizing⁷, following the three stages proposed by Furnari et al., (2021): scoping, linking, and naming. Specifically, we dedicate attention to addressing the complex association between contextual conditions of EE (i.e., its configurations) and the intensity of entrepreneurial rhetoric in franchising firms in Brazil. The economic relevance of these businesses justifies the attention that this kind of enterprise has receiving in entrepreneurship discussions (Lanchimba et al., 2021). In empirical terms, we assess how franchisors from different regions of the same country, in this case, Brazil, explore the EO rhetoric for potential franchisees. We then take into consideration the regional aspects of the respective EE in which these firms are embedded. Our choice for analyzing the location of headquarters is related to the importance of franchisors in the decision-making process. One example is the innovation process in the franchise context. Although innovation in such organizations can be driven by both franchisors and franchisees (Karmeni et al., 2018; Chen, 2019; Watson et al., 2020), Karmeni et al., (2018) identify that franchisors perform a leading role in this process, considering the definition of strategies as well as the investment direction to practices related to that. Additionally, in the case of franchisee-led innovations, the validation and chain's replication decision belong to the franchisor (Watson et al., 2020). Hence, there is a power asymmetry in franchise networks that justify looking into the interplay between franchisors' headquarters and the entrepreneurial ecosystems in which they are embedded⁸.

To the best of our knowledge, this is the first assessment that proposes the analysis of the relationship between these three prominent topics in the

⁷ According to Furnari et al., (2021, 779): *"In configurational theorizing, the focus lies on understanding how or why multiple attributes combine into distinct configurations to explain a phenomenon, while also recognizing that complex causal explanations may involve more than one configuration of attributes leading to the outcome of interest"*.

⁸ Of course, to some extent, franchises receive inputs and influences from the different contexts in which they are embedded. But this complex spatiality of firms and entrepreneurial ecosystems can be deemed as valid for any entrepreneurial venture (Fischer et al., 2022).

Entrepreneurship Literature, thus offering novel insights into the dynamics of cultural elements associated with elements of EEs. Our approach makes a significant contribution to this issue and adds a key piece to the theoretical puzzle of EE: assessing EE-level culture through EO rhetoric. Hence, our empirical assessment, by means of addressing aggregate expressions of entrepreneurial manifestation in firms, offers a novel perspective on the dynamics of Entrepreneurial Culture at the level of local EE.

In addition to this Introduction, our paper is composed of 5 sections. First, we have the i) Theoretical Framework with the articulation between EE, Entrepreneurial Culture, and Entrepreneurial Rhetoric. Subsequently, the ii) Methodology describes the process of collection and refinement of data and presents the method of fuzzy-set qualitative comparative analysis. Next our iii) Results are presented, followed by a discussion (iv) based on the Theoretical Framework presented previously. We close with v) Concluding Remarks, summarizing our main findings.

Theoretical Framework

Entrepreneurial Ecosystems

Scholars point out the difficulty in establishing a defining consensus for EE since it is about *“an abstract idea of a real-world phenomenon”* (Wurth et al., 2022, 2). One relevant consideration about the topic, however, is the fact that characteristics of the individual lose centrality in favor of a focus oriented towards agents and institutions that shape conditions and incentives for entrepreneurial events to take place. Convergent with this definition, Wurth et al. (2022, 20) present their interpretation: *“Entrepreneurial ecosystems are open systems, which are to some degree dependent on or sensitive to outside conditions”*. This approach has become popular among policymakers. Some governments have been investing in the development of EEs seeking to foster economic prosperity through job creation and incentives for innovation (Spigel et al., 2020). These interventions, however, must be designed specifically for each EE, once they represent a *“highly variegated, multi-actor and multi-scalar phenomenon”* (Brown and Mason, 2017, 12).

The understanding of the concept is facilitated when analyzing the semantics of the words that compose it. The central aspect of this discussion resides in the concept of Ecosystem, which indicates the idea of a physical co-location in which the interaction between certain groups occurs. In this case, it is a complex system in which the interaction between economic agents takes place (Wurth et al., 2022; Roundy et al., 2018). These locations must be comparable, leading researchers to consider cities, regions, or countries as analytical units (Fischer et al., 2022). In turn, the idea of Entrepreneur is related to entrepreneurial practice. However, it is necessary to point out that the discussions on the topic move away from entrepreneurship as solely opening new businesses and bring it closer to the notion of Productive Entrepreneurship, a qualitative appraisal of entrepreneurial content largely based on innovation-driven businesses (Stam and van de Ven, 2021).

An idea that is commonly used in the context of Productive Entrepreneurship, and, consequently, present at the heart of discussions about EE, is the focus on high-growth ventures (Wurth et al., 2022). Spigel (2017) for example, highlights the association of EE with innovative and high-risk businesses, especially startups. Stam (2015) corroborates this view by dissociating the understanding of these concepts and the use of traditional entrepreneurship metrics.

However, Donaldson (2021) refers to an entrepreneurial ‘myopia’ focused solely on high-technology startups in specific industries. A broader view argues in favor of understanding Productive Entrepreneurship as a type of entrepreneurial activity that triggers socioeconomic development (O’Connor and Audretsch, 2022). This less restrictive view of Productive Entrepreneurship enables the inclusion of Franchise Systems as part of the EE discussion, considering their economic relevance and innovative potential (Kaufmann and Dant, 1999)⁹. Data from the Brazilian Franchising Association (2022), for

⁹ Contributing to this debate, Audretsch (2021) incisively criticizes the vision of Entrepreneurship based solely on the Silicon Valley model. According to the author, the understanding of an entrepreneurial practice based only on businesses with high growth potential is limiting and excluding.

example, indicated revenues exceeding R\$ 185 billion (roughly USD 38 billion) in 2021 and the employment of more than 1.4 million people in the country.

The EE discussions seek to understand which elements external to the organization, especially those of a regional nature, in addition to the already well-explored internal factors, contribute to the entrepreneurial activity (Wurth et al., 2022). That is, the reason why certain locations demonstrate a greater potential for business growth (Brown and Mason, 2017). However, it is important to consider the heterogeneity of different EE, demystifying the idea that only one configuration is the ideal and must be followed generate a thriving ecosystem (Schrijvers et al., 2023; Alves et al., 2021). According to Isenberg (2010), an EE is composed of a complex combination of several elements. An element that is taken as a pillar of any given EE – but which seldom goes overlooked due to its complex nature – concerns Culture (Stam and van de Ven, 2021; Stam, 2015).

Entrepreneurial Culture

In a broad view, the culture of a place is deeply ingrained and hard to be changed (Isenberg, 2010). This comprehension shaped the idea that a local culture, or even a local entrepreneurial culture, is a history-dependent process (Fritsch and Wyrwich, 2017). The focus that this topic has gained in the literature in the last decades is related to the direct and indirect relationship between entrepreneurial culture and economic growth (Beugelsdijk, 2007) and the determination of the success of a sustainable entrepreneurial ecosystem (Bischoff, 2021).

As considered by Isenberg (2010), culture is one of the attributes that compose an EE. In a deeper view, Stam and van de Ven (2021) considered Entrepreneurial Culture as one of the three elements (with formal institutions and network elements) that compose the Institutional arrangements of an EE. This concept gains relevance for an EE exerting a supportive role, promoting the normalization of entrepreneurial activity for society, and consequently supporting entrepreneurial development (Stam and Spigel, 2016; Anderson, 2015). According to Fritsch and Wyrwich (2017), an Entrepreneurial Culture is the manifestation of norms, values, and codes that promote the legitimacy and acceptance of entrepreneurial activities. In this sense, Brezaele et al. (2015) pointed out that the entrepreneurial event is influenced by the individual

perception of the local entrepreneurial culture and by the personal experience of the agents.

Empirical evidence demonstrated that Entrepreneurial Culture could be understood as an element that varies across regions - even when these are part of the same country (Fritsch and Wyrwich, 2017; Andersson, 2015). In turn, this can help explaining the spatial heterogeneities in terms of economic growth and development (Fritsch and Wyrwich, 2023). In Andersson's (2015) view, the entrepreneurial culture is a persistent process, reinforced by feedback loops, potentializing the recognition and materialization of entrepreneurial opportunities. However, Potter et al. (2023) pointed out that this is a non-deterministic process. For instance, regions characterized by a relevant degree of entrepreneurial activity and development can be subject to exogenous shocks (such as technological) that can cause severe disruptions in the geography of entrepreneurship.

Pezzi and Modrego (2020) proposed an anthropological view of the EE's dynamic. In their interpretation *"anthropology understands culture as an enduring set of shared values, and beliefs, which direct both entrepreneurial cognition and the whole construction of the social structures in which entrepreneurship is embedded. [...] culture and entrepreneurial agency are more structural elements than currently acknowledge by the EE model, both exerting a strong influence over the other systems components and driving the systems' outcomes and evolution"* (Pezzi and Modrego, 2020, 174). An analogous perspective is developed from a theoretical perspective in Donaldson (2021), where he makes the connection between entrepreneurial culture and agents' discourses. Based on the reasonings, we propose the interpretation of Entrepreneurial Rhetoric as an important manifestation of Entrepreneurial Culture.

Entrepreneurial Rhetoric

Rhetoric is a central aspect in the understanding process of societies and cultures (Meyer, 2009). Based on Kenneth Burke's contributions, Meyer (2009) argued that rhetoric is fundamental for socialization since peoples' identification process is centered on the use of language and symbols. Hence, rhetoric exerts a crucial role in culture creation and consolidation. This process of communication could also be observed in organizational contexts. For example,

in the interaction with investors (Wang et al., 2021) or with potential entrepreneurs (Watson et al., 2019).

In fact, the use of rhetoric has become popular among organizational researchers due to its capacity of offering a deeper comprehension on cultural elements taking place in business settings (Hartelius and Browning, 2008, 33). According to the authors: *“management research conceptualizes rhetoric as a theoretical lens focused on organizational interactions, as well as a practical mode of intervening in those interactions”*. This practice is aligned with the view of entrepreneurship as a rhetorical practice. Following Williams et al. (2016, 380), *“entrepreneurship is constructed in different cultural communities through communication and specifically through the narratives that active entrepreneurs tell.”* Considering this perspective, Entrepreneurial Rhetoric can represent a valuable measure of Entrepreneurial Culture, since it reflects attributes observed in firms – as well as its interplay with broader cultural instances that encompass the ecosystem. In this field, one topic that is emerging in the discussions related to Entrepreneurial Rhetoric is the consideration of one so-called EO Rhetoric (Wang et al., 2021; Watson et al., 2019).

Entrepreneurial Orientation Rhetoric

There are two major interpretations of EO. First, it can be understood as a unidimensional concept, composed by the full observation of three factors: risk-taking, innovativeness, and proactiveness. From this perspective, EO represents requirements that need to be completely observed for an organization to be considered entrepreneurial (Covin and Lumpkin, 2011; Wales et al., 2020). Second, we can take it as a multidimensional construct, characterized by elements that differentiate an entrepreneurial organization (Covin and Wales, 2019). Following this literature, the EO construct is composed of five factors ranging from low to high: risk-taking, innovativeness, and proactiveness, already presented in the unidimensional construct, complemented by autonomy and competitive aggressiveness. Not necessarily all factors are at a high level within an entrepreneurial organization, thus enabling the combination of factors (Wales et al., 2020; Covin and Wales, 2012).

The focus that has been directed toward the discussion of EO reflects the fact that empirical research found a positive relationship between EO and the

performance of organizations (Lumpkin and Dess, 1996). The consideration of EO as a *"firm-level phenomenon"* (Covin and Lumpkin, 2011) allows the construct to be applied in the most diverse types of businesses. In the meta-analysis conducted by Martens et al. (2016), some of these business models are explored. One of them is the franchising arrangement – a theme that has been largely uncharted by EO literature (exceptions include Dada and Watson, 2013; Watson et al., 2020; Colla et al., 2020). Based on Hartelius and Browning (2008), Zachary et al. (2011, 630) define EO Rhetoric in this context as: *"the strategic use of words to persuade potential franchisees of the value of the franchisor's opportunity"*. This communication occurs because the convergence between the network's EO and the franchised units EO is an aspect to be exploited within the franchise system. Watson et al. (2019) present relevant insights on this subject. They found that EO rhetoric varies according to the franchisor's national culture. According to them, EO rhetoric reflects: *"the strategic use of words to convey the extent to which organizational narratives refer to risk taking, innovativeness, proactiveness, autonomy, and competitive aggressiveness of the firm"* (Watson et al., 2019, 768).

Analytical Propositions

Inspired by the interpretation of Entrepreneurial Culture as a persistent aspect (Fritsch and Wyrwich, 2017; Andersson, 2015), as well as a critical element for EE's dynamics (Isenberg, 2010; Fritsch and Wyrwich, 2017; Stam and van de Ven, 2021), we develop an Analytical Model to guide our assessment on the association between Entrepreneurial Culture (as measured by EO Rhetoric) and EE configurations. EE have demonstrated variegated configurations in their evolutionary trajectories (Schrijvers et al., 2023; Alves et al., 2021). That is, contrary to the isomorphic notions conveyed by traditional EE models (e.g. Stam, 2015; Stam and van de Ven, 2021), empirical literature has underscored the manifestation of different combinations of dimensions in shaping the aggregate strength of EE.

For this reason, we do not expect a 'linear' association between EO Rhetoric and other components of EE configurations. Rather, we propose that these connections can be manifested in different ways, generating a complex

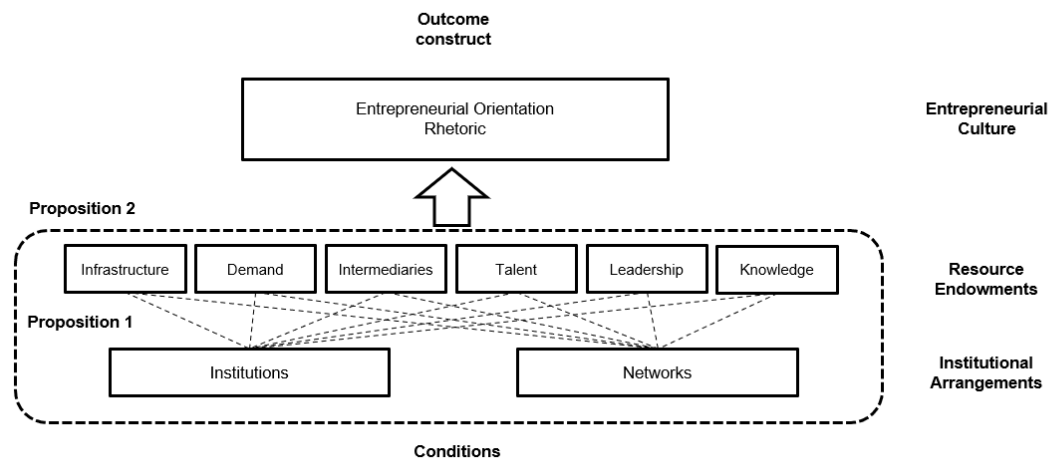
emergence of entrepreneurial rhetoric in ecosystems. From this discussion we outline our guiding Analytical Propositions:

Proposition I. *The association between Entrepreneurial Rhetoric and other influential dimensions of Entrepreneurial Ecosystems can be manifested in different configurations.*

Proposition II. *Mature Entrepreneurial Ecosystems (i.e., those with presenting the co-existence of a ‘complete’ set of influential dimensions) will present stronger levels of Entrepreneurial Culture as manifested by the intensity of Entrepreneurial Rhetoric.*

Figure 2.1 brings a visual outline of our analytical framework (the linking stage recommended by Furnari et al. (2021)). It is built upon prior literature on EE models (Stam and van de Ven, 2021), but it accommodates Entrepreneurial Culture as an outcome construct, i.e., a function of complex interactions and configurations concerning EE Resource Endowments and Institutional Arrangements (other than Culture itself). This allows assessing the structure of EE based on a recursive process in which entrepreneurs (franchisors in our analysis) are expected to present an entrepreneurial rhetoric that conform with features of the ecosystem in which their headquarters are embedded. Such examination focused on how EE configurations can indirectly affect Entrepreneurial Culture has been theoretically explored in Donaldson (2021) and our models offers, we believe, a pioneering empirical contribution in this respect. Proposition I was inserted in the model in a way to attach relevance to possible combinations among the model’s conditions. Proposition II is positioned to gather a sense of maturity (or ‘completeness’) of EE configurations.

Figure 2.1 Analytical Framework



Notes: The structure of this Analytical Framework is derived from Stam and van de Ven (2021). Yet, as per our research goal, Entrepreneurial Culture is taken as the Outcome Construct, thus allowing the examination of association between EO Rhetoric and other elements of EE (as suggested by Donaldson, 2021). Connections between EE components are illustrative and non-exhaustive of the possible configurations. The Finance component is missing due to methodological shortcomings (for details, see the Method Section).

Our approach based on EO Rhetoric and its linkages to EE dimensions represents an important step forward to begin systematizing our knowledge on the Cultural dimension of ecosystems. This is a key exploration to enhance our comprehension on the complex nature of EE (Roundy et al., 2018). By doing so, we hope to generate valuable insights for scholars and policymakers concerning rhetoric as a valuable measure to assess entrepreneurial culture – as well as its foundational dynamics concerning the trajectories of EE.

Method

Franchising is a method of distribution, characterized by the relation between the franchisor (responsible for the brand and who establishes the business system) and the franchisee (responsible for the unit and who pays for the use of the brand trademark) (Gillis et al., 2020). The approach presented in this research, as carried out in previous works in the field (e.g. Watson et al., 2019; Short et al., 2018) was centered on franchisors' communication with their potential franchisees on their institutional websites, reflecting, therefore, the rhetoric of franchise brands. Considering the necessity of a correct alignment between franchisors and their potential franchisees for the development of the

chain (Watson et al., 2019), the franchises are an interesting objective of analysis in the context of Entrepreneurial Rhetoric. Additionally, considering the multilocal characteristic of this business model, the franchise system emerges as an interesting object of analysis when addressing the issue of local EE within the same country.

The evaluation of EO based on rhetoric, centered in secondary data, is an attempt to reduce the respondent bias associated with individuals' subjective perceptions (i.e., information collected with entrepreneurs and managers by a survey). In our research, franchisors' data was collected in the national directory of franchises, organized by the Brazilian Franchising Association (ABF). In this website, franchisors create their profiles and complete with information about the chain. Such information has a strong prospective character, that is, it can be considered as one of the main ways for the franchisor to communicate with its potential franchisees.

From the perspective of Watson et al. (2019, 758), *“these promotional messages are an opportunity for franchisors to transmit their organizational identity to potential franchisees”*. In the ABF directory, each franchisor has mandatory fields to inform, such as level of investment, the total number of units in the chain, segment in which the brand operates, year of establishment, year of franchise, and location of the head office. In addition, there is an open field where franchisors can enter any information they consider relevant. This field was selected to proceed with the measurement of EO rhetoric. The information was collected in May 2021. 973 franchisors were catalogued, this number represents the total of brands associated with ABF. Among these, 561 had information in the open field and were kept in the analysis. Since our analytical unit was the Entrepreneurial Ecosystem (and not each individual firm), a second cut was done considering only Brazilian states with 10 or more franchises to minimize small-sample bias. The final sample was composed of 520 franchises located in 32 cities and dispersed across 8 states of the federation.

Entrepreneurial Orientation measurement

To proceed with the measurement of EO rhetoric we used computer-aided text analysis (CATA). Such technique is characterized as a way to analyze how an organization carries out its communications (Wales, 2016). This type of

analysis is a response to calls for the use of secondary data in the field, moving away from research focused only on surveys, representing a person's view, when the phenomenon analyzed occurs at the organizational level (Covin and Lumpkin, 2011). The operationalization of measurement was carried out through content analysis, a method that allows the classification and categorization of forms of communication (Weber, 1990). As performed by Watson et al. (2019), the word list of each of the 5 dimensions of the rhetoric EO used in this research (risk-taking, innovativeness, proactiveness, autonomy, and competitive aggressiveness) was developed and validated by Short et al. (2010). We conducted the translation of the words to Portuguese. At the end of the process, 266 keywords were considered for the EO lexicon (risk-taking = 29, innovativeness = 94, proactiveness = 32, autonomy = 42 and competitive aggressiveness = 69).

Using the Vantage Point software, we counted the number of times each word had been used by each franchisor. Since not necessarily the words were being used in the EO context, we manually evaluated each of the more than 2000 strings found in the first count. This refinement process was conducted by three independent researchers with extensive experience in entrepreneurship studies (discrepancies were jointly addressed and solved) to generate a more robust perspective on companies' EO, avoiding mistakes of interpretation based on the translations to Portuguese, or by the use of words in different contexts. This evaluation resulted in the use of the selected words 935 times, an average of 1.79 words per franchisor (average of 0.056 words related to Risk-taking by each franchisor; 1.040 for Innovativeness; 0.098 for Autonomy; 0.160 for Proactiveness; and 0.444 for Competitive Aggressiveness).

Although our sample draws from firm-level information concerning entrepreneurial rhetoric at different specifications, our research interest resides in associating such trends to local-level elements, an argument that has been theoretically developed in Donaldson (2021). For this purpose, we have assigned each franchise headquarter to its respective EE (city) based on information available on companies' websites. This strategy is aligned with other EE research, considering cities as analytical units (Fischer et al., 2022). In this case, our expectation is that local entrepreneurial contexts can affect the EO rhetoric

of companies. This idea derives from the understanding that EO Rhetoric is an element influenced by culture, as observed by Watson et al., (2019) in the national context, and the idea that culture could vary between regions within the same country (Donaldson, 2021; Fritsch and Wyrwich, 2017; Andersson, 2015). This is also in line with Donaldson's (2021) view on the interplay between EE Culture and discourse¹⁰. Hence, for analytical purposes, the average incidence of EO rhetoric in franchises located in any given city is taken as a measurement of Entrepreneurial Culture, our key outcome variable. A total of 32 cities composes our analytical units. No data was found for 5 franchisors at this stage, so they were removed from the final sample.

Entrepreneurial Ecosystems measurement

Based on Stam's (2015) configurational framework, we considered eight dimensions for the evaluation of EE's dynamics: Exogenous Demand¹¹; Knowledge; Institutions; Networks; Intermediaries; Leadership; Talent; and Infrastructure. We carried out a pairing between the concepts proposed by Stam (2015) and the city-level data for 2019 from the Sebrae Index of Local Economic Development (ISDEL)¹² (from the original acronym) for the indicators of Exogenous Demand, Knowledge, Networks, Leadership and Talent. The use of this Index as a proxy for the evaluation of EE dynamics is justified by its coverage of Brazilian municipalities and regions. This index is based on information from official sources comprehending 106 variables that are grouped into five dimensions: Competitive Insertion, Productive Organization, Governance for Development, Business Fabric, and Entrepreneurial Capital (see Table 2.1 below for a conceptual description)¹³. We draw from these dimensions to build our

¹⁰ Donaldson (2021, 311) explicitly refers to 'marketing endeavors' as forms of discourse that can be attached to Entrepreneurial Culture in ecosystems. Our source of textual data for EO Rhetoric falls within this definition.

¹¹ Stam (2015) do not refer explicitly to Exogenous Demand in his framework. Rather, he discusses exogenous demand (i.e., demand conditions from outside the ecosystem) as a subpart of the broader notion of Demand. Because our data only allows a thorough inspection of such exogenous demand, we used this term to convey our approach more clearly.

¹² Brazilian Micro and Small Enterprises' Support Service. Sebrae is an autonomous social institution. ISDEL represents a practical tool to evaluate the development level of Brazilian cities, being used to support the definition of public policies.

¹³ Further methodological details of ISDEL can be found at (in Portuguese): https://www.isdel-sebrae.com/files/ugd/d0f56d_b471fbb662cc4d6586d9cb3047669f13.pdf

analysis of EE's conditions. Values are normalized between 0 and 1 through a min-max approach.

For the Institutions indicator, we used the Firjan Municipal Development Index, which is a study by the FIRJAN System (Federation of Industries of Rio de Janeiro, Brazil) that monitors the socioeconomic development of all Brazilian municipalities using a similar approach to that of the Human Development Index, that is, combining data on income, education and health. The index is based on official public statistics from Brazil's Ministries of Labor, Education and Health and it has been used before to address respective levels of institutional quality in entrepreneurial ecosystems (Alves et al., 2021). For the Intermediaries indicator, we verified whether the municipality has Incubators in operation with data from the National Association of Entities Promoting Innovative Enterprises (ANPROTEC). For the Infrastructure indicator, we analyzed the percentage of urbanization of public roads in the municipality with data from the Brazilian Institute of Geography and Statistics (IBGE). Although this is not directly associated with infrastructure for entrepreneurship, it offers a consistent proxy for the overall quality of city-level infrastructural conditions. Table 2.1 presents the set of analytical variables and their correspondence to EE dimensions (following the structure proposed by Stam, 2015)¹⁴.

¹⁴ The only missing EE dimension in our model refers to Finance. We ran searches using Crunchbase for this purpose, but data lacked consistency. For the majority of cities in the sample, investment rounds had missing values for financial amounts. Such difficulties to assess EE-level finance in Brazil have been previously reported in literature (e.g. Alves et al., 2021; Fischer et al., 2018).

Table 2.1 Conceptual Description of EE's Dimensions

Stam's (2015) Dimension	Description	Source	Year
Exogenous Demand	Competitive Insertion indicator: Relationships established by each territorial unit with foreign markets.	Sebrae Index of Local Economic Development	2019
Knowledge	Productive Organization indicator: Productive and institutional structures related to the development process.	Sebrae Index of Local Economic Development	2019
Institution	Socioeconomic development of municipalities in three areas of activity: Employment and income, Education and Health.	Firjan Municipal Development Index	2016
Networks	Business Fabric indicator: Formal and informal networks of entrepreneurs and companies.	Sebrae Index of Local Economic Development	2019
Intermediaries	Whether the municipality has incubators in operation.	National Association of Entities Promoting Innovative Enterprises	2023
Leadership	Governance for Development: Association between civil society, the market and public authorities.	Sebrae Index of Local Economic Development	2019
Talent	Entrepreneurial Capital: Stock of entrepreneurial capabilities in the territory, manifested by the quantity and quality of companies, entrepreneurs and leaders.	Sebrae Index of Local Economic Development	2019
Infrastructure	Urbanization of public roads in the municipality measured in percentage.	Brazilian Institute of Geography and Statistics	2010

Fuzzy-set qualitative comparative analysis

The analytical approach of our research involved a fuzzy-set Qualitative Comparative Analysis (fsQCA). The outcome dimension, as highlighted in our analytical framework, is defined by EO Rhetoric as a measure of Entrepreneurial Culture. Causal conditions comprehend the items associated with the context of the entrepreneurial ecosystems (Exogenous Demand, Knowledge, Institutions, Networks, Intermediaries, Leadership, Talent and Infrastructure). Hence, our goal here is to understand associations between EE elements (and their respective configurations – or combinations) and the observed intensity levels in Entrepreneurial Culture (measured through EO rhetoric) in franchising firms. As a robustness test, besides testing the model for configurations leading to high levels of EO Rhetoric (i.e., the presence of the outcome variable), we include estimations for low levels of this same construct (absence of the outcome

variable). Such procedure allows a more nuanced view on EE dynamics vis-à-vis the manifestation of the cultural traits we are investigating.

The fsQCA explores the multiple causal conjunctures produced by an outcome and presents which factors are grouped to cause such an outcome (Ragin, 1987). Thus, the technique identifies sufficient and necessary conditions to achieve an outcome, combining different configurations of independent variables (Woodside, 2013; Rihoux and Ragin, 2008). The justification for using the technique is that it is suitable for studying small and medium samples, ensuring reliable conclusions, and being suitable for the qualitative comparison of a set of paths (Rihoux and Ragin, 2008). In recent years, there has been a significant increase in fsQCA applications in various research on entrepreneurship (Aluko et al., 2022; Beynon et al., 2020; Marzi et al., 2023) to complement other types of analysis, including assessments in the field of franchising (see Ommen et al., 2016; Wu, 2015; 2016).

Results

The analysis by fsQCA was performed in five steps. The first stage consisted of calibrating the variables. We identified three main qualitative points for the calibration. We established the threshold for full membership (high level of EO rhetoric), crossing point, and non-membership (low levels of EO rhetoric) (Ragin, 2009). The thresholds were established using the percentile method, according to Xie and Wang (2020). Thus, the threshold for non-membership (low level of EO rhetoric) was set at the original value that covered 5% of the data values; the threshold for crossing points was established at the original value that covered 50% of the data values, and the threshold for full membership (high level of EO rhetoric) was set at the original value that covered 95% of the data values. Table 2.2 presents the descriptive analysis and the calibration values.

Table 2.2 Descriptive analysis and calibration values

Indicators	Max	Min	Mean	Standard Deviation	Fuzzy scores		
					0.950	0.500	0.050
ED. Exogeneous Demand	1	0	0.533	0.267	0.953	0.586	0.050
KN. Knowledge	1	0	0.226	0.190	0.950	0.185	0.050
INST. Institutions	1	0	0.476	0.296	0.897	0.431	0.062
NET. Networks	1	0	0.500	0.250	0.950	0.499	0.030
INT. Intermediaries	1	0	0.843	0.368	0.950	0.500	0.050
LE. Leadership	1	0	0.648	0.242	0.941	0.689	0.050
TAL. Talent	1	0	0.571	0.245	0.950	0.625	0.030
INFRA. Infrastructure	1	0	0.468	0.268	0.950	0.473	0.050
RET. Rethoric	1	0	0.334	0.233	0.950	0.325	0.050

The second step was to verify if any of the eight conditions and the negation (\sim) of these conditions would represent a necessary condition for the result. According to Table 2.3, since no condition presented consistency and coverage values above 0.90, no condition could be classified as necessary for either the presence or absence of the outcome. The third step was creating the truth table with all possible configurations (Table 2.4). Rows with no cases or consistency less than 0.80 were removed (Ragin, 2009).

Table 2.3. Analysis of necessary conditions for Rhetoric (high Rhetoric and low Rhetoric)

		Outcome - Rhetoric			
		High-Rhetoric		Low-Rhetoric	
Condition		Consistency	Coverage	Consistency	Coverage
Exogeneous Demand	High	0.805	0.461	0.622	0.798
	Low	0.647	0.433	0.580	0.869
Knowledge	High	0.401	0.706	0.239	0.943
	Low	0.967	0.362	0.925	0.775
Institutions	High	0.879	0.399	0.769	0.782
	Low	0.522	0.502	0.410	0.884
Networks	High	0.773	0.476	0.595	0.820
	Low	0.708	0.438	0.619	0.859
Talent	High	0.812	0.421	0.815	0.684
	Low	0.647	0.494	0.228	0.892
Intermediaries	High	0.938	0.351	0.815	0.684
	Low	0.158	0.277	0.228	0.892
Leadership	High	0.706	0.460	0.551	0.804
	Low	0.700	0.410	0.630	0.827
Institutions	High	0.879	0.399	0.769	0.782
	Low	0.522	0.502	0.410	0.884

Table 2.4 Truth table, frequency and consistency threshold implications

ED	KN	INST	NET	INT	LE	TAL	INFRA	number of observation	Consistency PRI score			
									RET	~RET		
0	0	0	0	0	0	0	0	1	0.805	0.000	1.000	1.000
0	0	0	0	1	0	0	0	4	0.558	0.270	0.836	0.729
0	0	0	0	1	1	0	0	1	0.681	0.143	0.946	0.856
0	0	1	0	0	0	0	1	1	0.705	0.000	1.000	1.000
0	0	1	0	1	0	1	0	1	0.678	0.148	0.943	0.851
0	0	1	0	1	1	0	0	1	0.674	0.132	0.950	0.867
0	0	1	0	1	1	1	0	1	0.652	0.092	0.964	0.907
0	0	1	0	1	1	1	1	1	0.819	0.164	0.964	0.835
0	0	1	1	0	0	1	0	1	0.663	0.000	1.000	1.000
0	0	1	1	1	0	1	0	1	0.793	0.428	0.844	0.571
0	0	1	1	1	1	1	0	1	0.699	0.104	0.964	0.895
1	0	0	1	1	1	1	1	1	0.821	0.170	0.963	0.829
1	0	1	0	0	0	0	1	1	0.723	0.000	1.000	1.000
1	0	1	0	1	0	1	0	1	0.731	0.156	0.950	0.843
1	0	1	0	1	0	1	1	1	0.882	0.376	0.928	0.623
1	0	1	0	1	1	0	1	1	0.899	0.506	0.897	0.493
1	0	1	0	1	1	1	1	1	0.875	0.333	0.937	0.666
1	0	1	1	0	0	1	0	1	0.633	0.000	1.000	1.000
1	0	1	1	1	0	1	0	1	0.788	0.232	0.931	0.751
1	0	1	1	1	0	1	1	1	0.769	0.148	0.959	0.851
1	0	1	1	1	1	1	0	2	0.741	0.092	0.973	0.907
1	0	1	1	1	1	1	1	4	0.729	0.214	0.926	0.785
1	1	1	1	1	0	1	0	1	0.868	0.150	0.976	0.849
1	1	1	1	1	1	0	1	1	0.889	0.116	0.985	0.883

Note: ED = Exogenous Demand; KN = Knowledge; INST = Institutions; NET = Networks; INT = Intermediaries; LE = Leadership; TAL = Talent; INFRA = Infrastructure; RHET = Rhetoric.

The fourth step was calculating consistency and coverage for all possible configurations. We use the intermediate solution to identify the configuration also presenting the core and contributing causal conditions for each path. The categorization of conditions as core or contributors was determined through a counterfactual analysis conducted by the three different solutions generated, namely complex, parsimonious, and intermediate solutions (Fiss, 2011; Ragin, 2009). The conditions present in the parsimonious solution were designated as core conditions, while those that appeared exclusively in the intermediate solution were considered contributing conditions (Misangyi and Acharya, 2014). Finally, the fifth step was to identify the most relevant causal paths for the sample using the complex solution. Table 2.5 presents the causal paths for high levels of

Rhetoric and Table 2.6 presents the causal paths for low levels of Rhetoric, identifying the core and contributing causal conditions and the sufficient configurations with acceptable consistency and coverage to achieve high and low levels of Rhetoric.

For high levels of EO Rhetoric, four paths emerged. The first two paths (1a and 1b) share strong commonalities along their core conditions. These include reliance on Exogenous Demand, presence of Intermediary Organizations (incubators), good infrastructural conditions. Spigel (2017) refers to such elements as part of the ‘material attributes’ of EE which led us to refer to them as ‘Material Attributes-driven EE’. In turn, these cases demonstrate low levels in the values for the Networks indicator, a Social attribute of the ecosystem (Spigel, 2017). Contributing causal conditions slightly differ across configurations 1a and 1b. While ecosystems that fall under these trajectories present an absence in the variable Knowledge, they present an association with high levels of Institutional Quality. In turn, Leadership is a contributing factor solely in path 1a, while Talent appears only in path 1b. These can be deemed as “*Embryonic Ecosystems*” (Brown and Mason, 2017) in the context of our sample. Although cities included in these paths are well positioned in the Brazilian EE scene¹⁵ (Florianópolis ranks at 6th, Juiz de Fora, 21st, and Caxias do Sul, 11th), their respective configurations demonstrate weaknesses in some EE critical pillars. The low levels of Knowledge in these ecosystems, and, more importantly, the absence of Networks as a core causal condition, suggest that EO Rhetoric is strong in these ecosystems in spite of a lack of innovation capabilities and sense of cohesion among agents.

In turn, the remaining two paths comprise two of the leading EE in Brazil and Latin America. These paths coincide in terms of the critical role of Knowledge as a core causal condition¹⁶. Hence, we termed them as ‘Knowledge-driven EE’. São Paulo (path 2a) presents a rather complete configuration leading up to EO Rhetoric, with the exception of Leadership and Infrastructure dimensions.

¹⁵ Following rankings from, StartupBlink, a portal dedicated to EE data and analysis (<https://www.startupblink.com/>).

¹⁶ Although knowledge is critical for São Paulo and Rio de Janeiro, it is worth highlighting that these EE underperform in this dimension compared to international ecosystems following the latest data from the Startup Genome (based on research and patenting activity). Information available at <https://startupgenome.com/reports/gser2023>

Following data from Startup Genome, it is the leading EE in Latin America. In turn, Rio de Janeiro, allocated in path 2b, only presents an absence of Talent as a driving condition to the outcome. The ‘completeness’ of configurations in both cases suggests that these are “*Scale-up*” ecosystems (Brown and Mason, 2017).

When comparing the configurations that compose trajectories associated with high levels of EO Rhetoric, we can notice that the emergence of Entrepreneurial Culture (as manifested in the discourse of franchises) can take place across distinct stages of maturity of ecosystems. These are novel findings that indicate the non-linear, complex nature of cultural traits in entrepreneurial ecosystems. This offers support to Proposition II. Although we have cases that demonstrate rather ‘complete’ EE configurations, these are not necessary traits to achieve stronger EO Rhetoric in the ecosystem. Instead, embryonic locations can build robust entrepreneurial culture even in the absence of some key EE features. If such cultural elements can feedback the ecosystem and help shaping how local configurations look like over the evolutionary trajectory of the EE emerges as an exciting research avenue in this respect (a feature that we could not address with our data).

Table 2.5 Configurational paths for high levels of Rhetoric

Condition	Path 1a	Path 1b	Path 2a	Path 2b
	Material attributes-driven EE		Knowledge-driven EE	
Exogenous Demand	●	●	●	●
Knowledge	△	△	●	●
Institutions	●	●	●	●
Networks	▲	▲	●	●
Intermediaries	●	●	●	●
Leadership	●		△	●
Talent		●	●	△
Infrastructure	●	●	△	●
Cities	Florianópolis; Juiz de Fora	Florianópolis; Caxias do Sul	São Paulo	Rio de Janeiro
Raw coverage	0.443	0.467	0.301	0.311
Unique coverage	0.030	0.045	0.040	0.016
Consistency	0.879	0.868	0.868	0.889
Solution coverage	0.581			
Solution consistency	0.803			

Note: ● = core causal condition (present); ▲ = core causal condition (absent); ● = contributing causal condition (present); △ = contributing causal condition (absent).

As a robustness test, we ran the fsQCA analysis based on the absence of the outcome variable (Table 2.6). This is an important step to address the asymmetric nature of configurational paths (Woodside, 2013). In this respect, results for the absence of the outcome (EO Rhetoric) are rather dispersed across twelve possible paths. Interestingly, no condition appears in our analysis as a core contributing indicator. Most paths present high levels of ‘incompleteness’ in the presence of EE elements, suggesting that locations in which many EE attributes are lacking will also fall short in reaching a noticeable manifestation of entrepreneurial culture. In fact, these places can hardly be termed as EE. Notwithstanding, Paths 10 and 11 are good examples of the complex nature of EE and their association with EO Rhetoric. These paths show that relatively ‘complete’ configurations are not necessarily related to entrepreneurial discourses. This complements our previous analysis by outlining that having the proper ‘ingredients’ of the ecosystem is not necessarily enough to trigger the rise of an entrepreneurial culture in businesses.

Table 2.6 Configurational paths for low levels of Rhetoric

Cond.	Path 1	Path 2	Path 3	Path 4	Path 5	Path 6	Path 7	Path 8	Path 9	Path 10	Path 11	Path 12
ED		●		△	△		△	●	●	●	●	
KN	△	△	△	△	△	△	△		△	△	●	△
INST	●	●	●	△		●	●	●	●		●	●
NET	●		●	△	△	△	△	●	△	●		
INT		●	●		●	△	●	●	●	●	●	●
LE	△	△		△	●	△	●	△	●	●	●	△
TAL	●	●	●	△	△	△	●	●		●	△	●
INFRA	△		△	△	△	●		△	●	●	●	△
Cities	Bauru; Uberlândia; SJRP; Divinópolis	SJC; Foz do Iguaçu	Uberlândia; SJRP; BH; Joinville	Maceió; Pelotas; Fortaleza; Natal; Macaé	Recife; Ponta Grossa	Volta Redonda; Poços de Caldas	Vitória; Chapécó	SJRP	Goiânia	Londrina; Ribeirão Preto; Maringá; Campinas; Porto Alegre	Campinas	SJRP; Presidente Prudente; Uberlândia; Foz do Iguaçu
Raw cov.	0.264	0.284	0.290	0.226	0.197	0.105	0.217	0.219	0.200	0.308	0.153	0.250
Uniqu e cov.	0.046	0.026	0.025	0.074	0.016	0.039	0.023	0.016	0.001	0.055	0.006	0.014
Consist	0.904	0.916	0.900	0.859	0.956	1.000	0.971	0.938	0.889	0.926	0.985	0.861
Solution coverage	0.758											
Solution consistency	0.860											

Note 1: ED = Exogenous Demand; KN = Knowledge; INST = Institutions; NET = Networks; INT = Intermediaries; LE = Leadership; TAL = Talent; INFRA = Infrastructure, SJRP: São José do Rio Preto; SJC: São José dos Campos.

Note 2: ● = core causal condition (present); ▲ = core causal condition (absent); = ● = contributing causal condition (present); △ = contributing causal condition (absent).

Discussion

The level of EO rhetoric observed in the Brazilian franchises is the first aspect to be highlighted. The average per brand is 1.79 words. This result compared to the findings of Watson et al. (2019) (average of 6,53) reveals that Brazilian franchises have a lower propensity to use terms related to EO than what has been observed in other countries. This can be understood as a reflection of the lower stage of development of Entrepreneurial Culture in Brazil (Borges et al., 2018). The innovativeness dimension is the most used by franchises in our examination, in line with Watson et al. (2019). However, it is interesting to note that, the second dimension in the Brazilian case, competitive aggressiveness, is relatively more used in comparison to the countries analyzed by Watson et al. (2019). This might suggest a specificity of the Brazilian entrepreneurial discourse. According to Wales et al., (2020, 649): *“Competitive aggressiveness refers to a firm’s propensity to directly and intensely challenge rivals in the marketplace.”*. The importance of this aspect could be a reflection of the high dynamism and potential for growth (*“emerging market”*) of the Brazilian market for franchising firms (Fadairo et al., 2021).

Moving to the main objective of this paper, i.e., the extent to which the dynamics of local EE are associated with EO rhetoric, we highlighted how franchisors in different places (with different levels of EE maturity) could adopt different strategies related to entrepreneurial rhetoric (our measure of Entrepreneurial Culture). This interpretation considered Pezzi and Modrego’s (2020) perspective of the influence of culture in the evolution and outcomes of EE, as well as the theoretical insights provided by Donaldson (2021). Based on this, we interpreted that the differences in the use of elements of EO Rhetoric by Brazilian Franchisors (in different local contexts, i.e., different EEs) are grounded on the diversity of maturity of Entrepreneurial Cultures observed in a country. This idea is justified by the variation of Entrepreneurial Culture among regions (Fritsch and Wyrwich, 2017; Andersson, 2015). The use (or lack thereof) of rhetoric with elements of EO is a choice of the franchisors. In this sense, this communication, which has with objective the interaction with potential franchisees (Hartelius and

Browning, 2008), could be an indicator of the local acceptance of entrepreneurial activities (Donaldson, 2021; Andersson, 2015).

Our findings shed light on the importance of the strength of EE for the development of a more ingrained Entrepreneurial Culture. Derived from our fsQCA analyses, we could perceive the heterogeneity between the association of Ecosystems' configurations and the generation of high and low degrees of EO rhetoric. No specific dimension (out of the eight ecosystem dimensions used in our analysis) is indispensable (necessary condition) for manifesting the outcome variable. This finding, based on the franchising context, corroborates the idea that EE is not an isomorphic structure that follows homogenous trajectories (Schrijvers et al., 2023; Alves et al., 2021). Instead, variegated paths seem to lead to equifinal results when it comes to establishing stronger EO rhetoric in franchising firms.

Moreover, our configurational approach revealed a highly complex association between EE elements and the manifestation of an Entrepreneurial Culture through EO Rhetoric. EE literature takes culture as a key pillar for the development of EE (Stam and van de Ven, 2021; Mason and Brown, 2014) influencing the development of regions (Fritsch and Wyrwich, 2017). Nonetheless, the assessment of such interplays has been widely overlooked by prior research, particularly because of the inherent difficulties associated with exploring Entrepreneurial Culture as an analytical construct (Credit et al., 2018). To the extent that entrepreneurial rhetoric represents how firms see themselves and their respective competitive environments, our approach on EO rhetoric can likely contribute to this debate by identifying how EE configurations can lead to high levels of EO Rhetoric. Yet, as per our robustness tests, similar configurations can actually lead to diverging trajectories in terms of entrepreneurial culture in places.

This is in line with the view of EE as complex adaptive systems (Roundy et al., 2018), i.e., productive structures that do not follow 'linear' patterns solely based on the presence or absence of certain dimensions. This seems to be in sharp contrast with the traditional EE models that rely on linear causation logics (e.g. Stam and van de Ven, 2021). In our recursive exploration of the association between Culture and other EE elements (i.e., how EE dimensions can combine

to affect one another), the picture suggests a much more nuanced interplay – and one that does not necessarily comply with all cases. Such conditions open up room for interesting debates. First, Entrepreneurial Culture has been reported as a persistent trait of regions (Fritsch and Wyrwich, 2017). That does not mean it is necessarily embedded in ‘complete’ EE configurations (it might neither ‘create’ or ‘be promoted’ by them)¹⁷. Second, an alternative interpretation goes in the opposite direction: public and private efforts related to the promotion of EE can definitely enhance objective dimensions (such as Intermediaries, Infrastructure, and even Knowledge and Talent provision), but that may not be translated into important subjective factors – as it is the case of Entrepreneurial Culture. Or, at least, not in the short term. An interesting avenue that emerges from this debate concerns precisely the co-evolutionary nature of the association between objective and subjective attributes of ecosystems, an issue that lies beyond the scope of our research but that requires more systematic appraisal.

Connecting these elements with our propositions, we have found strong evidence in favor of Proposition I, given the co-existence of four different configurations associated with high levels of Entrepreneurial Culture (as measured by EO Rhetoric). Two of these paths point towards EE based on the presence of key material attributes (Spigel, 2017) and two heavily rely on the Knowledge dimension as a core driver. This provides additional evidence in favor of the perspective that EE perform as Complex Adaptive Systems rather than structures based on linear causation. By exploring the interplay between EE elements – instead of the usual input-output approach – we have added empirical insights to the theoretical work developed in Donaldson (2021). Our second proposition requires a more refined interpretation. As expected, more ‘mature’ EE in our sample are indeed strongly representative of cases that demonstrate high levels of EO Rhetoric¹⁸. On the other hand, when we evaluate the absence of the outcome condition (EO Rhetoric), as discussed, we also perceive the incidence of some ‘mature’ EE configurations. This leads us to partially accept Proposition

¹⁷ An important element of our discussion here is that the directionality of causation in the assessed model should not be taken for granted. Rather, we limit our assessment to address associations. This has been highlighted throughout the article.

¹⁸ Even though these cases do not show the simultaneous co-existence of all EE dimensions, they do present significant levels of most of these elements. This is expected for the case of EE located within a developing country context (Alves et al., 2021).

It with caution as the association between EE maturity and Entrepreneurial Culture is anything but deterministic.

While exploratory, these findings shed some light on the different configurations that can nurture EO in economic agents. Previous research has underscored similar dynamics by looking at entrepreneurial outputs (e.g., Torres and Godinho, 2021; Vedula and Fitza, 2019). Yet, our contribution on the configurations that lead to EO represents an effort to understand a pivotal *throughput* that permeates the core of entrepreneurial behavior and action. Such findings have important implications for policy oriented towards fostering the emergence and development of EE. It is likely the case that traditional models based on one-size-fits-all approaches are ineffective in capturing the diversity of EE components and dynamics. Also, considering the quintessential role of Entrepreneurial Culture in connecting the other dimensions in EE, our findings have significant implications for dedicated policy. Specifically, our approach underscores the difficult (if not impossible) task of putting in motion myriad elements of the socioeconomic system in order to foster entrepreneurial activity (as also suggested in Brown and Mason, 2017).

Although our sampling strategy based on franchising firms carries limitations associated with the representativeness of these firms' discourse to the rest of ecosystems, it also has a particularly interesting feature. Because of their organizational nature, these firms tend to spread across territories. In this case, their EO rhetoric (which seems to be associated to the local context where their headquarters are embedded) can feed "host" ecosystems with such Entrepreneurial Culture. This could generate a process of "*borrowed Entrepreneurial Culture*". Of course, we would expect that such events are contingent upon the relative weight of franchising firms in host locations. In this case, these effects are likely maximized in the early stages of EE formation in peripheral places. The practical relevance of this aspect is reinforced when we consider the linkage between entrepreneurial culture and economic growth (Beugelsdijk, 2007). Whether such conditions take place or not represents an exciting avenue for future research, particularly from an evolutionary standpoint (Fischer et al., 2022; Spigel and Harrison, 2018).

Concluding Remarks

Aligned with the less restricted vision of EE proposed by Wurth et al., (2022), our research aimed to understand the association between the stage of maturity of local ecosystems in the use of EO rhetoric in the Brazilian franchise's context. Additionally, we theorized about the centrality excreted by Entrepreneurial Culture in this linkage. Through an extensive content analysis of franchisors' descriptions of their own businesses, we have been able to map in detail the extent to which these companies deliberately communicate entrepreneurial perspectives in their business operations.

Thus, we present contributions to literature by bringing, to the best of our knowledge, an unprecedented approach linking three important topics in the literature on entrepreneurship: EE, Entrepreneurial Culture and EO rhetoric. The analysis of the former usually relies on aspects such as new venture formation rates or technological activity. In this sense, the link used in our work between this concept and the EO rhetoric represents a novel way to address the dynamics of EE. Since we are looking into EO rhetoric, we offer a view on a foundation of ecosystem dynamics, i.e., its culture. For practitioners, mainly for franchisors, our research could be useful in the design of strategies for communication with potential franchisees and in the definition of headquarter location of the company, considering the intrinsic benefits that may accrue from local EE.

As per our findings, Brazilian franchises do not use the EO rhetoric in the same intensity than other countries, probably a reflection of the lower stages of development in EE within the context of developing countries (Dionisio et al., 2021). However, despite this situation, our results present some interesting insights on the relationship between contextual features and the emergence of a stronger Entrepreneurial Culture in Brazilian cities. Our findings highlight the heterogeneous trajectories through which ecosystems seem to connect to stronger entrepreneurial discourses – and the intrinsic complexity of these non-deterministic associations. This has provided empirical evidence to theoretical claims laid out in Donaldson (2021) concerning the non-linearity of EE mechanisms associated with Entrepreneurial Culture. These results reinforce our conclusion in the sense of considering the analyzed relation as a building block

of how entrepreneurial behavior is enacted – but a rather difficult dimension to affect by means of EE policy (at least in the short run).

A limitation of our work concerns the appropriability of our results for other contexts, an aspect that calls for further research on the topic. Also, by limiting our sample to Brazilian franchises, we are left to wonder whether such interplay also applies to a broader array of entrepreneurial firms. Attempts to evaluate these conditions in other countries and the inclusion of companies with different business models will be helpful to advance our knowledge on the field of EO rhetoric, and, incidentally, in Entrepreneurial Culture at the ecosystem-level. Importantly, we have moved forward empirically by introducing EO Rhetoric as a measure of Entrepreneurial Culture. This opens up exciting avenues for future research oriented at gathering unstructured data on agents' discourses from a variety of sources (e.g. LinkedIn, X, Facebook). Such endeavors are critical to dig deeper into the complex nature of cultural attributes in entrepreneurial ecosystems. As already mentioned, another feature of interest concerns the rate of 'transfer' of entrepreneurial discourse to affiliated units, and how this might affect the emergence of an Entrepreneurial Culture in host locations. Last, our assessment has fallen short in providing an evolutionary view on the phenomenon under scrutiny. Considering that both EE and firms are not static elements, understanding how the connections between EE features and EO rhetoric in firms unfold over time represents a promising avenue for future research.

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CHAPTER III: ARTICLE: ENTREPRENEURIAL AND INTERNATIONAL? THE ROLE OF ENTREPRENEURIAL ORIENTATION IN THE BRAZILIAN FRANCHISES' INTERNATIONALIZATION PROCESS¹⁹

Abstract: We investigate the relationship between Entrepreneurial Orientation (EO) and the internationalization pathways of Brazilian franchises. Our aim is to unravel the patterns of firm-level entrepreneurial characteristics vis-à-vis to their corresponding processes of internationalization. We sourced data from the directories of the Brazilian Franchising Association (ABF). Additionally, we scrutinized the International Intensity, International Complexity, and EO degree of 27 Brazilian franchises engaged in international activities. Associations between these dimensions were assessed through fuzzy-set qualitative comparative analysis (fsQCA). Our findings suggest that franchisees can enhance their international activities by adopting various configurations of EO attributes. This discovery illuminates the intricacies of EO and its association with firms' operations and performance. Accordingly, we empirically demonstrate that EO is not a monolithic element. Instead, it should be perceived as a multifaceted and dynamic construct. This study aimed to examine the internationalization process of franchises through the EO lens, a perspective that has not been explored in the existing literature. This unique approach offers novel insights about the internationalization processes of this particular business model. Furthermore, our research delves into the intricate relationship between firm-level EO and the trajectories of internationalization.

Keywords: Entrepreneurial Orientation; Franchising; Internationalization; International Franchise; International Complexity; International Intensity Developing Countries.

¹⁹ Article submitted to Competitiveness Review <<https://www.emerald.com/insight/publication/issn/1059-5422>> in December 2023. It is currently in the first round of peer review.

Introduction

The academic discussions about International Entrepreneurship (IE) are deeply rooted in the perspective of the Entrepreneurial Orientation (EO). McDougall and Oviatt (2000, p.903) defined IE as: *“a combination of innovative, proactive, and risk-seeking behavior that crosses national borders and is intended to create value in organization”*. The well-accepted definition proposed by them carries in its core the dimensions of the Miller (1983)/Covin and Slevin (1989) perspective of EO.

Consequently, EO has emerged as a pivotal theoretical framework for scrutinizing the internationalization process and its pathways (Ripollés-Meliá et al., 2007; Hervé et al., 2020). Research indicates that enterprises with a heightened EO exhibit a higher scope and degree of internationalization (Ripollés-Meliá et al., 2007; Hervé et al., 2020), with a discernible impact on international performance (Knight, 2001; Thanos et al., 2017; Jin and Cho, 2018; Acosta et al., 2018; Hossain et al., 2023). The discussions in this field evolved to include the development of a so-called International Entrepreneurial Orientation (IEO) construct (Covin and Miller, 2014). According to them: *“IEO is, in essence, a subcategory of EO that shares the core elements of the broader EO construct yet includes an additional distinguishing element—namely, an “international” emphasis”* (Covin and Miller, 2014, p.14).

Within the context of IE, the franchise is a prominent business model that explores international strategies (Alon et al., 2017; Rosado-Serrano et al., 2018; Ghantous and Das, 2018; Lanfranchi et al., 2021; Phin et al., 2023). This model is characterized by the relationship between two different entrepreneurs, the franchisor, responsible for the identification and exploration of an opportunity, and the franchisees, who explore this opportunity in another market (Gillis et al., 2020). The motivation for a franchisor to operate abroad involves many aspects. Some examples are the brand and know-how leveraged in other markets (Ghantous and Das, 2018), the share of investments and risks with other partnerships (Aydin and Kacker, 1990), and the opportunity to create a higher brand value (Baena and Cervino, 2012). Madanoglu et al. (2017) succinctly encapsulate the international franchising entry as a collaborative mode, mitigating risks while ensuring a high level of contractual control.

Despite the ubiquity of discussions on internationalization and EO across various business types (Hervé et al., 2020; Satyanarayana et al., 2022; Chew, 2023), Rosado-Serrano et al. (2018) highlight a research gap in analyzing the internationalization of franchises through the EO lens. Despite this gap, the importance of IEO in the organizational learning process (Satyanarayana et al., 2022), a relevant aspect of the franchise internationalization process (Phin et al., 2023), lead us to believe in the promising path of analyzing franchise internationalization from the perspective from EO. Moreover, Covin and Miller (2014) posit that cultural contexts may influence the beliefs, preferences, and behaviors comprising IEO, warranting research in peripheral countries. Thanos et al. (2017) recommend exploring IEO studies in the Latin American context, emphasizing the diverse cultural landscapes. Additionally, Gupta et al. (2021) suggest delving into the role of alliances and partnerships in the internationalization context.

Considering this background, the prominent importance of Internationalization in the franchise context (Phin et al., 2023), and the dearth of research on the role of EO in this process (Rosado-Serrano et al., 2018), our research aims to explore the relationship between Entrepreneurial Orientation (EO) and the internationalization pathways of Brazilian franchises. Inspired by the broader IEO literature (Covin and Miller, 2014; Gupta et al., 2021), we theorize that observing this construct for franchises could be a distinctive and relevant element in their internationalization. The choice of Brazil as the study context is justified by its robust and mature franchise market, ranking fourth globally in franchised networks and sixth in units (Brazilian Franchising Association, 2017). Data from the Brazilian Franchising Association (2022) indicates that, in 2021, 183 Brazilian franchises (around 6% of all chains) operate abroad in 114 countries.

Our methodology involves the use of secondary data from internationalized Brazilian franchises, sourced from the directories of the Brazilian Franchising Association (ABF). We focused on analyzing International Intensity (i.e., the number of international markets that the franchise operates), International Complexity (i.e., a classification related to their respective

locations), and degree of EO. The method was based on fuzzy-set Qualitative Comparative Analysis (fsQCA).

Our results indicate EO path heterogeneities in the case of internationalized Brazilian franchises. It is possible to derive, therefore, that the EO attributes interact in different manners with the internationalization processes of franchises, reinforcing the complexity and nuances of internal characteristics of enterprises that operate abroad. Our major contribution is to the international franchising literature, addressing the issue of how entrepreneurial characteristics of the enterprise influence the process of going abroad, more specifically, analyzing the role exerted by EO. Additionally, we seek to contribute with IEO/EO research in general, exploring how these elements could be observed in the context of a developing country and in a prominent and relevant business model. Finally, our approach evaluated EO using the perspective of Entrepreneurial Orientation Rhetoric, a prominent and alternative (based on secondary data and with a less respondent bias association) way to analyze the degree of enterprises' EO (Watson et al., 2019).

Theoretical Framework

Internationalization of Franchises

According to Burton and Cross (1995, p.36), international franchising is defined as: *“a foreign market entry mode that involves a relationship between the entrant (the franchisor) and a host country entity, in which the former transfers, under contract, a business package (or format), which it has developed and owns, to the latter. This host country entity can be either a franchisee, a sub-franchisor, or it can be an entity in which the franchisor has made an equity investment”*. This global phenomenon (Lanfranchi et al., 2021) started to grow in importance in the 70s in the US, being potentialized in the 90s (Aydin and Kacker 1990; Alon and McKee, 1999), consecutively followed by other developed countries franchisors. In the 00s and 10s, this strategy (Aliouche and Schlentrich, 2011) started to be observed also in developing economies (de Souza Aguiar et al., 2017).

In the Brazilian context, this process is considered experimental (Cantoni et al., 2019) for most franchises. According to de Souza Aguiar et al. (2014),

Brazilian franchises do not internationalize by vocation (i.e., does not have this strategy as something pre-established in their long run planning). In a study carried out with 21 internationalized brands, the authors noted a “conducted” internationalization, which occurs on behalf of an external agent with an interest in exploring the brand in other countries. Also, the relatively closed and protected domestic market can act as a disincentive for Brazilian franchisors investing abroad, considering the risks involved in this process and the comfortable potential for growth observed in the country (Galhanone et al., 2020). Other topics explored by literature in the Brazilian context involve the governance models adopted by chains (Bretas et al., 2020; Bretas et al., 2021) and the impacts of institutional conditions of potential host markets (Melo et al., 2019; Lanfranchi et al., 2021).

The choice to operate in foreign countries can be positive to strengthen the reputation of a firm in local markets (Galhanone et al., 2020), overcome the scarcity of resources (Melo et al., 2015), and, according to Song et al. (2021), to mitigate the effect on stock declines in a crisis context, as observed in the pandemic of COVID-19.

International operations involve more complex dynamics than domestic activities (Aydin and Kacker, 1990; Alon et al., 2012; Rosado-Serrano et al., 2018). According to Galhanone et al. (2020) aspects as information and communication technologies, skilled and specialized teams, and relationship networks are fundamental for internationalization processes. Additionally, considering the more difficult knowledge transmission process, the internationalization of service franchises involves higher complexity than those observed in products, which causes a necessity for a greater experience in the domestic market before starting the operations abroad (Baena, 2018). Phin et al. (2023) highlighted the presence of a relationship between the maturity of franchise network and the dynamic of knowledge transfer within the international context.

Rosado-Serrano et al. (2018, p.242) summarize the principal challenges to operating an international chain in the franchise context: *“Partners must proactively manage cultural differences, demonstrate an awareness of and sensitivity to language barriers, business practices, and political and legal*

differences, and adapt accordingly to local market conditions.”. The choice of host market is a critical process and involves aspects such as market size, level of economic freedom, and geographical distance (Flores Villanueva et al., 2023). Considering this context, Baena (2018) pointed out to progress pathway of the internationalization process of franchisors, highlighting the role of franchising experience and years of operation abroad in the number of countries with operations. This view about franchise internationalization process could be aligned with the Uppsala Model. As pointed by Vahlne (2020, p.242): *“the essence of the model is the dynamic process, series of commitment processes, giving internationalization its typical incremental characteristic, rather than a one-time quantum commitment”*.

Rosado-Serrano et al. (2018) considered EO as an opportunity for further studies in the field. No franchising studies that address the internationalization process from this theoretical perspective were found. Analyzing the internationalization process of franchises with the EO lens, could represent an advance in this debate, once the manifestation of this construct, as noted by the literature, could represent a determinant of the success of operations abroad (Covin and Miller, 2014; Gupta et al., 2021).

International Entrepreneurial Orientation (IEO)

EO stands for *“an organizational orientation towards new entry and value creation, capturing the entrepreneurial decisions, methods, and actions actors use to create competitive advantage”* (Wales et al., 2021, p.564). The significance of this construct grows within the context of entrepreneurship in networks (as franchises are characterized) once evidence indicate a direct relationship between network structures and EO attributes (Corrêa et al., 2022).

In the literature, two principal perspectives of this construct have been used: the first, unidimensional, based on Miller (1983), and Covin and Slevin (1989), and the second, multidimensional, proposed by Lumpkin and Dess (1996). According to Covin and Wales (2019), the first perspective (composed of innovativeness, proactiveness, and risk-taking) reflects an organization's attribute of “being entrepreneurial”, whereas is necessary to observe the presence of the three core attributes. On the other hand, according to them, the multidimensional perspective reflects how the manifestation of entrepreneurship

(innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy) could position an enterprise differently, thus generating differentiating elements compared to other competitors in a market.

The most common EO perspective adopted by researchers in the IEO field relies on the unidimensional perspective (Covin and Miller, 2014). However, considering that the socio-cultural context of countries impacts the IEO components (Gupta et al., 2021) and the idea that economic and cultural particularities should be observed when the internationalization process of enterprises is analyzed (Sadeghi et al., 2019), research that adopts the multidimensional EO perspective is justified (i.e., Boso et al., 2017).

According to Covin and Miller (2014), two perspectives of operationalization in this field are possible to consider: first, presenting the IEO construct only with a context where the EO is observed (adoption of the same scale), or the second, considering the elements that compose the construct differently than the original construct (adapting the scale for international context). The materialization of EO is related to the “new entry” of an enterprise (Lumpkin and Dess, 1996). In this sense, the conceptualization of the IEO requires that this new entry occurs in a new market, in a foreign country (Covin and Miller, 2014).

The focus gained by IEO reflects the comprehension that this construct is an antecedent of the enterprise’s internationalization (Knight, 2001). More than that, extensive literature has found empirical evidence of the positive impact of this construct on the international performance of enterprises (Knight, 2001; Thanos et al., 2017; Jin and Cho, 2018; Acosta et al., 2018), and on opportunity recognition in foreign countries (Bianchi et al., 2017; Jin and Cho, 2018). Another empirical evidence indicated that enterprises that experienced an early process of internationalization tend to have a higher degree of EO (Ripollés-Meliá et al., 2007). Considering specifically the context of an emerging country, Hossain et al. (2023) verified a positive impact of EO on the export performance of SMEs.

Exploring an international market involves many complexities for a foreign enterprise (Knight, 2001). Formal relationships, alliances, and partnerships are fundamental and support this process (Paul, 2019). In this sense, Acosta et al.

(2018) and Yoon et al. (2018) found empirical evidence that the network capabilities of enterprises impact their international performance and are influenced positively by IEO. Comprehending franchise as a business model characterized by a partnership between franchisor and franchisee, whereas the network capabilities are fundamental (Phin et al., 2023), the evaluation of franchisor EO appears to be a relevant research avenue to be explored.

Method

The Brazilian Franchising Association (ABF) does not divulge a report with companies operating abroad. Part of them, however, have a profile on the website of *Franchising Brasil*. That is an initiative of ABF in partnership with the Brazilian Trade and Investment Promotion Agency (APEX) in an attempt to promote internationalization of Brazilian franchises. In October 2023, the database indicated 55 Brazilian brands, 38 explicitly mentioning units in operation abroad (Franchising Brasil, 2023). We developed a database indicating these franchisors that operate internationally. We pointed out the number of units abroad (International Intensity) and their respective locations (International Complexity).

The second source of data collection involved the franchisor's EO degree. Inspired by Watson et al. (2019), we evaluated this aspect considering the Entrepreneurial Orientation Rhetoric. The operationalization of this approach involved the analysis of secondary data (in a tentative to reduce the bias of respondents and their subjective perceptions, commonly present in surveys with managers/owners). The most common source for this analytical exercise is related to national directories of franchises in each country (Watson et al., 2019). In the Brazilian case, ABF has a website where franchisors could create their profiles and complete with information about the brands.

Each franchisor has mandatory fields to complete (i.e., level of investment, number of units in the chain, segment of the brand, year of establishment, year of franchise, and location of the head office). Additionally, they could fill an open field with any information they consider relevant. We evaluated EO Rhetoric by the analysis of this open field. From this point, a database with 973 franchisors was elaborated, in May 2021. The final sample definition was conducted by the

crossover between the two mentioned databases, totaling a final sample of 27 franchisors.

Computer-aided text analysis (CATA) was used to proceed with the measurement of EO rhetoric. We carried out a content analysis following Short et al. (2010). The authors proposed a dictionary of EO, composed of terms related to the five dimensions of the construct (risk-taking, innovativeness, proactiveness, autonomy, and competitive aggressiveness). We translated these words to Portuguese, totalizing, and amount of 266 keywords. We proceeded with the count of the number of times each word had been used by each franchisor. Additionally, with Vantage Point software we proceeded manually with the validation of each selected excepted, evaluating the context of use of each word. In the end, in our database, for each franchisor, we indicate the number of time that terms associated with each of the five dimensions of EO were used in the analyzed field.

The refinement process of the database involved the classification of International Complexity. Based on previous literature (Vahle, 2020; Beugelsdijk et al., 2018; Hortacsu and Tektas, 2009), we developed the classification considering: 1 – Low Complexity (operating only in the Latin American market); 2 -Low/Medium Complexity (operating in the Latin American market and/or operating in Portuguese-speaking countries); 3 – Medium/High Complexity (operating in Caribbean markets and/or European countries (except Portugal)); 4 – High Complexity (operating in markets in the Middle East, Asia, Oceania and non-Portuguese-speaking Africa). Our sample description could be observed at Table 3.1.

Table 3.1 Sample description

Franchise Brand	Number of Countries	Countries	International Complexity
FABRICA DI CHOCOLATE	1	Angola	2

IGUI	50	Angola, Germany, Antigua and Barbuda, Argentina, Algeria, Aruba, Australia, Barbados, Belgium, Bolivia, Bonaire, Chile, Colombia, Costa Rica, Curacao, Dominica, Egypt, El Salvador, United Arab Emirates, Ecuador, Spain, United States, France, Greece, Grenada, Guatemala, Honduras, British Virgin Islands, India, Italy, Jamaica, Jordan, Morocco, Martinique, Mexico, Nicaragua, New Zealand, Panama, Paraguay, Peru, Portugal, Qatar, Dominican Republic, Saint Lucia, Saint Kitts and Nevis, Saint Martin, Suriname, Thailand and Trinidad and Tobago and Turkey.	4
HOPE LINGERIE	3	Angola, Paraguay, and USA	3
USAFLEX	8	Saudi Arabia, Bolivia, Costa Rica, El Salvador, Ecuador, Honduras, Israel, and Kuwait	4
ESPAÇOLASER	4	Argentina, Colombia, Chile, and Paraguay	1
BIBI	1	Bolivia	1
CAFÉ DU CENTRE	1	Canada	3
TOP ENGLISH	4	Canada, USA, Japan, and Portugal	4
CI	3	Canada, Ireland, and Australia	4
SCHOOL OF ROCK	14	Canada, Mexico, USA, Colombia, Peru, Chile, Paraguay, Ireland, Spain, Portugal, Taiwan, Philippines, Australia, and South Africa	4
COIFE ODONTO	1	China	4
KUMON	6	Colombia, Chile, Argentina, Bolivia, Peru, and Uruguay	1
INSTITUTO EMBELLEZE	2	Ecuador and USA	3
SOBRANCELHAS DESIGN	6	Ecuador, El Salvador, Guatemala, Mexico, Panama, and USA	3
MORANA	1	USA	3
PATRONI PIZZA	1	USA	3
LIMPIDUS	12	USA, Mexico, Panama, Costa Rica, Colombia, Peru, Bolivia, Chile, Argentina, India, Australia, and New Zealand	3
CHILLI BEANS	10	USA, Portugal, Australia, Costa Rica, Peru, Colombia, Indonesia, Ecuador, Angola, and El Salvador	3
OAKBERRY AÇAÍ BOWLS	5	USA, Portugal, United Arab Emirates, Saudi Arabia, and Australia	3
ANJOS COLCHÕES	1	Paraguay	1
CASA DO CONSTRUTOR	1	Paraguay	1
SANTA LOLLA	1	Paraguay	1

L'ENTRECÔTE DE PARIS	1	Portugal	2
ONODERA ESTÉTICA	1	Portugal	2
ARRANJOS EXPRESS	2	Portugal and Bolivia	2
O BOTICÁRIO	6	Portugal, Colombia, Dubai, Bolivia, Paraguay, and Venezuela	4
DEPYL ACTION	1	Venezuela	1

Our assessment drew inspiration from configurational theorizing, following the framework proposed by Furnari et al. (2021). In accordance with their conceptualization, this approach revolves around unraveling a complex phenomenon by examining the potential combinations of a set of attributes. It acknowledges the possibility that multiple configurations of attributes may contribute to achieving the desired outcomes. In our study, the contextual conditions under consideration were EO attributes, represented by their configurations, and our outputs were measured in terms of International Complexity and Intensity.

Fuzzy-set qualitative comparative analysis

We carried a fuzzy-set Qualitative Comparative Analysis (fsQCA) as the analytical approach for our research. This methodology allows exploring multiple causal conjunctures that lead to an outcome following and equifinal principle (Ragin 1987). Starting from the combination of different configurations of independent variables, this technique aims to identify sufficient and necessary conditions to achieve an outcome (Woodside 2013; Rihoux and Ragin 2008). This approach has been spreading among entrepreneurship researchers (Aluko et al., 2022; Marzi et al., 2023).

We considered as conditional variables the items associated with EO (risk-taking, innovativeness, proactiveness, autonomy, and competitive aggressiveness). For the outcomes, we adopted two pathways: the first considering the number of international markets that the franchise operates (International Intensity), and the second, the classification of International Complexity, as mentioned previously. Our main objective was to understand associations between EO elements (and their respective combinations – or

configurations) and the observed degree of International Intensity and Complexity in Brazilian franchisors operating abroad. We adopted, as a robustness test, the evaluation of the model for configurations leading to high levels of International Intensity and Complexity, and estimations for low levels of this same construct (absence of the outcome variable).

Results

We carried out the fsQCA analysis in four steps. The first involved the calibration of the variables. We calibrated the fuzzy sets between 0 and 1 through quartiles. Independent variables and both dependent variables (International Complexity and International Intensity) were standardized by the use of the mean as the crossover point between high and low levels of International Complexity and Intensity. The second stage involved the verification of any of the five conditions and the negation (\sim), in both international attribute analyses, of these conditions would represent a necessary condition for the result. Observing Table 3.2 and Table 3.3, it is possible to infer that no condition could be classified as necessary for either the presence or absence of the outcome, since no condition presented coverage and consistency values above 0.90.

Table 3.2 Analysis of necessary conditions for International Complexity

Conditions tested:	International Complexity		~International Complexity	
	Consistency	Coverage	Consistency	Coverage
Risk-taking	0.075	0.600	0.208	0.844
~Risk-taking	0.980	0.709	0.901	0.331
Autonomy	0.175	0.777	0.208	0.469
~Autonomy	0.879	0.686	0.901	0.357
Competitive Aggressiveness	0.329	0.861	0.208	0.277
~Competitive Aggressiveness	0.723	0.642	0.895	0.404
Proactiveness	0.276	0.846	0.208	0.324
~Proactiveness	0.779	0.659	0.901	0.387
Innovativeness	0.583	0.649	0.703	0.397
~Innovativeness	0.458	0.752	0.379	0.316

Table 3.3 Analysis of necessary conditions for International Intensity

Conditions tested:	International Intensity		~International Intensity	
	Consistency	Coverage	Consistency	Coverage
Risk-taking	0.111	0.600	0.135	0.893
~Risk-taking	0.980	0.480	0.939	0.564
Autonomy	0.111	0.333	0.256	0.940
~Autonomy	0.980	0.518	0.818	0.529
Competitive Aggressiveness	0.233	0.413	0.338	0.734
~Competitive Aggressiveness	0.850	0.512	0.729	0.537
Proactiveness	0.196	0.406	0.308	0.782
~Proactiveness	0.895	0.513	0.766	0.538
Innovativeness	0.464	0.350	0.758	0.700
~Innovativeness	0.602	0.670	0.296	0.403

Our third step involved the calculation of coverage and consistency for all possible configurations. The intermediate solution was used to identify the configuration. We also indicated, for each path, the core and contributing causal conditions. Through a counterfactual analysis, we proceed with the categorization of conditions as core or contributing. This step involved the generation of three different solutions: complex, parsimonious, and intermediate solutions (Fiss, 2011; Ragin, 2009). The conditions present exclusively in the intermediate solution were classified as contributing conditions while the presence in the parsimonious solution was considered as core conditions (Misangyi and Acharya, 2014). Our fourth stage was, using the complex solution, proceeding with the identification of the most relevant causal paths for the sample. These results can be observed at Table 3.4 for International Complexity, and at Table 3.5 for International Intensity.

Table 3.4 Configurational paths for International Complexity

Condition	Path1	Path2	Path3	Path4	Path5	Path6
Risk-taking	○	○	○	○	○	○
Autonomy		○	●	●	○	○
Competitive Aggressiveness	○	●	●	○		●
Proactiveness			○	●	●	●
Innovativeness	○	●	○	●	○	
Raw coverage	0.357	0.226	0.106	0.120	0.156	0.176

Unique coverage	0.251	0.101	0.050	0.050	0.001	0.001
Consistency	0.703	1.000	1.000	1.000	0.757	1.000
Solution coverage	0.679					
Solution consistency	0.818					

Note: ● = core causal contributing condition (present); ○ = core causal contributing; ● = contributing causal conditions (present); ○ = contributing causal conditions (absent).

Table 3.5 Configurational paths for International Intensity

Condition	Path1	Path2
Risk-taking	○	○
Autonomy	○	○
Competitive Aggressiveness	●	○
Proactiveness	●	○
Innovativeness		○
Raw coverage	0.196	0.528
Unique coverage	0.114	0.446
Consistency	0.756	0.878
Solution coverage	0.642	
Solution consistency	0.824	

Note: ● = core causal contributing condition (present); ○ = core causal contributing; ● = contributing causal conditions (present); ○ = contributing causal conditions (absent).

For International Complexity, six paths emerged. It is possible to note that Competitive Aggressiveness emerged as a core causal contributing condition for three of them (Paths 2, 3, and 6), while Proactiveness for two (Paths 4 and 5). Interestingly, both dimensions of EO were simultaneously observed as core causal contributing conditions for Path 1 in the International Intensity context (Path 1). The other paths yet not mentioned (Path 1 for International Complexity and Path 2 for International Intensity) presented no dimension as a core causal contributing condition.

Discussion

Considering the sample used in our research, one first aspect to be highlighted is the choice of host markets. From 27 franchisors analyzed, 17

operate units in Latin America, indicating therefore, the importance of geographic proximity in the selection of host countries in the context of franchising, in line with the findings of Melo et al. (2015) and Flores Villanueva et al. (2023). Another point to be observed is related to the importance of local language. According to Rosado-Serrano et al. (2018), language is one of the barriers to operating in foreign countries. In our sample, 11 brands operate in Portuguese-speaking countries. Excluding the intersection between these two groups, that is, considering only franchises that neither operate in Latin America nor are present in Portuguese-speaking countries, only five of 27 franchises remain. This context confirms the complexity involved in the process of internationalization of franchises (Aydin and Kacker, 1990; Alon et al., 2012; Rosado-Serrano et al., 2018) and illustrates how Brazilian franchisors seek to minimize the risks involved in the choice of host markets. Analyzing the International Intensity (i.e., the number of international markets that the franchise operates), it is possible to note that 23 of 27 franchises in our sample operate in less than 10 countries. It corroborates the perspective that this process, for Brazilian franchises, is gradual and could be understood as an early-stage process (de Souza Aguiar et al., 2014). This interpretation is aligned with the Uppsala internationalization process model, which considers internationalization as an incremental and progressive process, not a *“one-time quantum commitment”* (Vahle, 2020).

In turn, looking into the necessary conditions (EO dimensions) - both for International Complexity and International Intensity – we can verify higher values of consistency for the absence of the EO aspects than for their presence. The dimension with the highest consistency is the absence of Risk-taking. A possible explanation for this result could be related to an intrinsic characteristic of Brazilian franchises. The search for foreign markets could represent a strategy to diversify, avoiding only the investment in the local market, notably a country with a long trajectory of macroeconomic instability. This interpretation contrasts with the idea that the incipient Brazilian franchise internationalization process is justified by the internal market potential (Galhanone et al., 2020).

By analyzing the configurational paths for the internationalization of Brazilian franchises, it is possible to derive, aligned with previous literature, how complex and multifaceted this process is for franchises (Aydin and Kacker, 1990; Alon et al., 2012; Rosado-Serrano et al., 2018). Both analyses, focusing on

International Complexity and International Intensity, indicate different characteristics (EO dimensions) to be observed in Brazilian franchises that operate abroad. Path 1 for International Complexity and Path 2 for International Intensity are examples of that. On the other hand, for the paths with the presence (relative) of EO, is possible to note a predominance of Competitive Aggressiveness and Proactiveness as core causal contributing conditions. Our results reinforce the importance of these attributes for franchise systems, as noted by Asgharian et al. (2023) in the specific context of franchisees. In this same sense, Boso et al. (2017) defined the former dimension as essential for strategies in international markets for SMEs. Also in that context, Dadzie et al. (2020) argued that international markets involved different challenges for SMEs, in this sense, Competitive Aggressiveness represents a desired posture for companies aiming at this strategy. Our result indicates that for a group of international Brazilian franchises, these attributes are common, whether related or not to the internalization decision and outcomes of this process. This heterogeneity corroborates our choice to adopt the multidimensional EO perspective. The existence of different patterns, with the presence or absence of attributes, is aligned with the comprehension of EO as a differentiating element for enterprises (Covin and Wales, 2019).

Looking at the results presented, it is possible to reinforce the idea that the internationalization process for franchises is notably complex and involves many nuances. Our research did not aim to look into the direct relationship between EO and internationalization. However, considering the path heterogeneities observed in our sample, it is possible to understand that the attributes of EO are present in some international Brazilian franchises, while in others, they are not. This is aligned with prior studies out of the franchise context. Boso et al. (2017), for example, verified that different dimensions of IEO affect in different ways the scope of internalization of SMEs. According to them, a firm's experiences and capabilities shape this relationship. This result calls into question the direct relationship between the presence of these attributes and the decision to operate abroad. Therefore, it is possible to conclude that different EO configurations, as observed in other internal enterprises' attributes, can induce a driving effect on the internationalization strategies. However, this effect should not be understood as something static or even, as a specific pathway to be followed. Additionally,

this result opens up paths for new research in the area. For example, understand the differences between franchises with and without EO and the impacts on trajectory and performance of these firms.

Concluding Remarks

Our research aimed to delve into the relationship between Entrepreneurial Orientation (EO) and the internationalization pathways of Brazilian franchises. Specifically, we focused on understanding potential patterns within the internal characteristics of international Brazilian franchises (i.e., their EO) drawing insights from an analysis of their International Intensity and Complexity. Both assessments of EO and International activities were grounded on secondary data sourced from the directories of the Brazilian Franchising Association (ABF).

By presenting an analysis that revolves around the nuanced relationship between EO and the franchising internationalization process—an aspect largely unexplored in franchising literature—we contribute to the ongoing debate surrounding the internationalization of this business model. Our findings indicate that franchises use different characteristic configurations to drive their internationalization strategies, underscoring the intricate nature of EO attributes. No single strategic and configurational process applies all franchises to engage in international operations in what concerns the construct of Entrepreneurial Orientation. These discoveries underscore the complexities inherent in the process of franchising internationalization. This exploratory analysis of intrinsic characteristics of networks (their respective EO) paves the way for future studies to delve into the relationships between entrepreneurial attributes of franchises and their internationalization strategies, including their outputs.

Beyond its specific contribution to the franchising field, our research delves into the issue of the relationship between the Entrepreneurial Orientation of organizations in general and its internationalization paths/strategies. This reinforces the understanding of EO not as a monolithic element but as a complex and evolving construct. Methodologically, our study introduces a valuable contribution by utilizing the fsQCA technique, an underexplored approach in the

context of franchising with no prior works identified specifically employing this methodology in the internationalization of this business model.

From a practical perspective, our assessment presents insights for franchisors that objective exploring international markets. It becomes apparent that there is no one-size-fits-all model for this type of company. Therefore, we suggest that the presence or absence of specific internal characteristics of an organization does not have a deterministic relationship with Internationalization Intensity and Complexity. Consequently, we recommend that franchisors interested in such strategies, rather than adhering strictly to pre-established models, should focus on cultivating specific skills pertinent to the international operating process.

This work is not free from limitations. Firstly, our approach exclusively considered Brazilian companies, overlooking the specificities of firms from other contexts. Additionally, aspects relating to the success of the international operation were not evaluated. Therefore, research in different markets, and that seek to evaluate the performance of international units are suggestion for future studies. Finally, given the dynamic nature of the process, conducting longitudinal studies on the interactions between EO and franchise internationalization could further enrich this important discourse.

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CHAPTER IV: DISCUSSION

An individual summary of each article's discussions is presented in this section. In the following one, we elaborated the Thesis Final Remarks, seeking to articulate the individual contributions and conclusions of each of the manuscripts presented, also indicating the limitations and suggestions for future studies.

In Article 1, the objective was to understand how EO attributes in interaction with DMCs affect the performance of Brazilian franchises. In addition to the already mentioned contributions regarding the context in which franchises are inserted, this research highlighted the importance of digitalization for franchises. Our results, in line with prior studies in other business models, indicated a positive and valid relationship between EO and Performance and between DMC and Performance (Wang, 2020; Zhou et al., 2021). However, we noted a full mediation effect of DMC on the relationship between EO and Performance, with an indirect effect of EO on Performance, contrasting with prior studies of franchises in developed markets (Dada and Watson, 2013a; Le Nadant et al., 2019). Therefore, it was highlighted that dynamic capabilities (in this specific case, DMCs) are relevant elements in the relationship between the entrepreneurial characteristics of franchises and their performance and suggest that specific dynamics of the entrepreneurial context in less developed countries, such as Brazil, impose more difficulties to achieve higher levels of Performance than in developed markets. In any case, more than isolated effects, it seems to be the combination of high degrees of EO and DMC that promotes a positive impact on the Performance in different types of industries.

The exploration of the interaction of these three elements in the context of franchises represented an unprecedented approach and paved the way for future discussions regarding how internal elements of franchises affect their results, also highlighting the importance of considering the local context in which these companies are located. In practical terms, the main implication of this work is related to the importance of franchised networks investing in DMC as a strategic asset as well in the entrepreneurial attributes of the chain.

In Article 2, we seek to theorize that the connection between EO Rhetoric and EE dynamics can generate valuable insights to understand the pervasiveness of Entrepreneurial Culture as a binding element in ecosystems. In empirical terms, we assess how franchisors from different regions of the same country, in this case, Brazil, explore the EO rhetoric for potential franchisees.

The development of this research presents numerous theoretical contributions. The first refers to strengthening research on EO based on secondary data, as suggested by Covin and Wales (2019). Based on EO Rhetoric's analysis, inspired by Watson et al. (2019), it was possible to evaluate how Brazilian franchisors transmit elements related to the internal characteristics of their businesses to potential franchisees. Based on the idea that an alignment between the profiles and characteristics of the franchisor and its respective franchisees is desirable (Dada and Watson, 2013b), it makes sense to look into how this communication is carried out. Furthermore, we seek to understand how the local characteristics of the cities in which the franchisors are based influence the configurations related to the use of EO Rhetoric by these companies.

The main contribution of this research is anchored in the consideration of Entrepreneurial Culture as a binding element in the dynamics studied. In other words, based on the results obtained, and inspired by sociological discussions (Pezzi and Modrego, 2020; Loewenstein et al., 2012), we were able to theorize that Entrepreneurial Culture is a central attribute in the dynamics of the Entrepreneurial Ecosystem, while EO Rhetoric can be understood as a product of the Entrepreneurial Culture of a location. This idea is aligned with the notion that Entrepreneurial Culture could vary among regions (Fritsch and Wyrwich 2017; Andersson, 2015). Finally, it was possible to conclude that similar configurations can lead to diverging trajectories in terms of entrepreneurial culture in places, in line with the view of EE as complex adaptive systems (Roundy et al. 2018).

This is an unprecedented approach, both in the context of franchising and in literature in general, seeking to articulate three prominent topics in the Entrepreneurship Literature (EE, Entrepreneurial Culture, and EO rhetoric), thus offering novel insights into the dynamics of cultural elements associated with elements of EEs. Regarding practical implications, we present insights to be

observed by franchisors both when selecting their headquarters and when defining their communication strategies with potential franchisees.

Finally, Article 3 aimed to understand how specific attributes of franchisors, assessed through their EO, relate to the internationalization standards of some Brazilian franchises operating abroad. As noted in Article 2, the first contribution of the research is related to the operationalization of EO assessment through secondary data, more specifically through the analysis of EO Rhetoric. In addition, the main contribution of the research was related to the understanding of how entrepreneurial characteristics of the enterprise influence the process of going and maintaining abroad, encouraging discussion regarding the process of internationalization of franchises, focusing both on the International Intensity and Complexity of these companies.

Our analyses indicate that international Brazilian franchises seek to minimize the risks involved in the choice of the host country, whether by geographic proximity (Melo et al., 2015, Flores Villanueva et al., 2023) or by cultural proximity (i.e., same language, as pointed by Rosado-Serrano et al. (2018)). Additionally, it is possible to corroborate with prior studies (de Souza Aguiar et al., 2014; Rocha et al., 2014) that pointed to a gradual and early-stage internationalization process for Brazilian franchises.

Observing the configurational paths for the internalization of Brazilian franchises, it is possible to note a complex and multifaceted the internalization process is for franchises (Rosado-Serrano et al., 2018). Our results indicated that the attributes of EO must be understood in a specific way on a case-by-case basis, with there not being a unique strategic and configurational process to be followed by franchises that aim to internationalization. Furthermore, this research contributed to the general literature on EO, reinforcing the understanding of this construct not as a monolithic element, but rather as something complex, dynamic, and specific to each company.

As a practical implication, it can be derived that Brazilian franchises that aim to operate in the international market do not necessarily have to follow a single path, the choice of the strategies to be followed must be analyzed individually, according to the context in which each company is included.

Finally, it can be concluded that the dynamics related to organizational attributes (EO in the case of this thesis) should not be approached and understood in a rigid and pre-established way. Considering the specificities, of each organization, as well as the context in which they are inserted, it is essential to obtain a broader and more complete view of entrepreneurial activity and its consequences and nuances in general.

CONCLUDING REMARKS

The main objective of this thesis was to explore the Entrepreneurial Orientation dynamic in the context of franchises in a developing country. This research sought to fill a gap in the literature related to the studies scarcity that addresses the issue of EO in franchise chains in the emerging countries context. The central argument for the conduction of this research is the idea that specific environmental conditions shape in different manners the intrinsic characteristics of the actors inserted in these spaces. It is notoriously that research on EO in the context of franchises in general, compared to other business models, is incipient. However, this business model, in addition to its economic relevance, represents an interesting object of study in the area, as it is characterized by the relationship between two different types of entrepreneurs, franchisors and franchisees. Therefore, the general contribution of this research was related to understanding the specificities involved in the dynamics of EO in franchise chains inserted in an emerging country.

In addition to this contribution, this research sought to present alternatives for understanding the dynamics of EO in general, promoting the dialogue of this construct with other emerging and relevant themes in the Entrepreneurship area. In the first article of this thesis, we seek to incorporate elements linked to dynamic capabilities and digital marketing capabilities into the already well-established EO – Performance relationship. In the second article, EO was measured through its Rhetoric, which itself constitutes a differentiating element from the most used approaches in the area. Furthermore, we seek to articulate EO Rhetoric with elements of the dynamics of entrepreneurial ecosystems, highlighting the important role played by entrepreneurial culture. Finally, in the third and final article, the articulation took place with the concepts of international entrepreneurship, seeking to understand the internationalization patterns of some Brazilian franchisors.

In line with the general objective of this thesis, it can be concluded, based on the case of Brazilian franchises, how essential it is to consider the level of economic maturity and context in which organizations are inserted when aiming to understand the process of configuring activities entrepreneurs. More than a

reflection on different national contexts, it can be highlighted how within the same country, especially in the case of a country with continental dimensions, as in the Brazilian case, this context varies between different regions and even in the same one. In addition to these conclusions, it can be seen how different companies, despite having similar characteristics, can follow different strategies and pathways, whether in the search for better performance or in promoting international activities.

Despite the advances mentioned, this research is not free from limitations. It is suggested that new broad studies on the dynamics of EO in the specific context of franchises be carried out in other emerging and less mature markets. Likewise, this research was limited to presenting the franchisor's vision. Research that addresses the perspective of franchisees can contribute to the development of an even more integrative view of the process of entrepreneurship in the franchising context.

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APPENDIX I



PARECER CONSUBSTANCIADO DO CEP

DADOS DO PROJETO DE PESQUISA

Título da Pesquisa: Orientação Empreendedora e o sistema de franquias brasileiro: influências no desempenho da rede

Pesquisador: MATHEUS DERMONDE GONCALVES

Área Temática:

Versão: 2

CAAE: 55567522.8.0000.5404

Instituição Proponente: Faculdade de Ciências Aplicadas

Patrocinador Principal: Financiamento Próprio

DADOS DO PARECER

Número do Parecer: 5.291.622

Apresentação do Projeto:

As informações contidas nos campos "Apresentação do Projeto", "Objetivo da Pesquisa" e "Avaliação dos Riscos e Benefícios" foram obtidas dos documentos apresentados para apreciação ética e das informações inseridas pelo Pesquisador Responsável do estudo na Plataforma Brasil.

"A Orientação Empreendedora (OE) é um tema já consolidado no campo do empreendedorismo, e vem sendo analisada nos mais diversos modelos de negócio. Nos últimos anos, destaca-se o início das discussões dessa temática especificamente no contexto do sistema de franquias, geralmente associando o efeito positivo entre o grau de OE das franquias e seu desempenho. A maioria dos trabalhos nesse campo, versam sobre franquias em economias desenvolvidas, principalmente em países europeus, podendo-se destacar como oportunidade de estudo uma abordagem da OE em outros contextos nacionais. Outra oportunidade destacada refere-se à exploração do efeito da segmentação das franquias em um determinado mercado no grau de OE. Desta forma, a pesquisa proposta, valendo-se de uma metodologia quantitativaqualitativa, tem como objetivo compreender os efeitos da OE especificamente no contexto do sistema

brasileiro de franquias. Tendo como objetivos específicos: i) mensurar o grau de OE das redes de franquias brasileiras; ii) determinar o impacto da existência de OE no desempenho das redes de franquias brasileiras; iii) explorar as diferenças existentes entre a OE dentro de cada segmento de franquias no país. Para tanto, pretende-se aplicar um survey com as redes de franquias brasileiras que participarem do evento ABF Franchising Expo 2022, objetivando-se

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Continuação do Parecer: 5.291.622

mensurar seu grau de OE e seu desempenho. Pretende-se, ainda, explorar os efeitos da segmentação do setor no grau da OE no sistema de franquias brasileiro por meio de um estudo de casos múltiplos com franqueadoras de todos os segmentos do setor no país. Serão usadas como técnicas de análise a modelagem de equações estruturais (Análise Fatorial Confirmatória), para etapa quantitativa, e a análise de conteúdo para etapa qualitativa."

Objetivo da Pesquisa:

"Objetivo Primário:

Partindo das considerações apresentadas e oportunidades destacadas, esta pesquisa tem como objetivo geral compreender os efeitos da OE especificamente no contexto do sistema brasileiro de franquias.

Objetivo Secundário:

i) mensurar o grau de OE das redes de franquias brasileiras; ii) determinar o impacto da existência de OE no desempenho das redes de franquias brasileiras; iii) explorar as diferenças existentes entre a OE dentro de cada segmento de franquias no país."

Avaliação dos Riscos e Benefícios:

"Riscos:

Para esta pesquisa não serão realizados testes em humanos, nem situações identificáveis que criem qualquer tipo de vulnerabilidade, sendo assim a pesquisa não possui risco previsíveis. Destaca-se a importância da construção de um bom ambiente entre pesquisador e entrevista, com intuito de que os participantes se sintam à vontade de responderem às questões propostas. O principal benefício identificado para esta pesquisa é a disseminação da produção científica desta temática. Adicionalmente, pode-se destacar que essa pesquisa contribuirá para solidificação do conhecimento, servindo como suporte aos empreendedores dessa área.

Benefícios:

Não há benefícios diretos para os participantes."

Comentários e Considerações sobre a Pesquisa:

"Metodologia de Análise de Dados:

Pretende-se conduzir uma análise das informações a serem obtidas no survey por meio da modelagem de equações estruturais, uma técnica de análise multivariada que busca promover a explicação das relações entre as múltiplas variáveis mensuradas (HAIR; BLACK; BABIN; ANDERSON; TATHAM, 2009). Para tanto, pretende-se utilizar o software SmartPLS, possibilitando desta forma, realizar uma Análise Fatorial Confirmatória (AFC).

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Continuação do Parecer: 5.291.622

Na perspectiva de Bido et al. (2018, p.385), o método da AFC: "é indicado quando a teoria relativa ao fenômeno já é consolidada. É o caso, por exemplo, dos estudos que realizam replicações de escala [...] Assim, já se sabe a priori quantos fatores serão medidos e quais os seus significados". Sendo finda a etapa quantitativa desta pesquisa, pretende-se explorar os efeitos da segmentação do setor no grau da OE no sistema de franquias

brasileiro aproveitando-se, desta forma, de oportunidades apontadas por trabalhos anteriores (COLLA; RUIZ -MOLINA; GERY; DEPARIS, 2020; DADA; WATSON, 2013a).

Para etapa qualitativa, pretende-se utilizar com técnica investigativa a Análise de Conteúdo (BARDIN, 1977). A operacionalização desta etapa dar-se-á por meio do software NVivo, em que será feita a codificação das informações obtidas com base nos fatores que compõem o constructo da OE, possibilitando desta forma, explorar as diferenças entre cada um dos fatores em função do segmento de atuação da marca."

"Tamanho da Amostra no Brasil: 500

Aplicação Survey 475 Aplicação de questionário

Participantes Entrevistas 25 Condução de entrevistas."

"Cronograma de Execução

Análise dos Resultados Obtidos 01/08/2022 30/11/2022

Realização das Entrevistas/ Aplicação Survey 22/06/2022 25/06/2022

Tabulação dados do Survey 01/07/2022 29/07/2022

Transcrição das Entrevistas 01/07/2022 29/07/2022."

"Identificação de Orçamento Tipo Valor em Reais (R\$)

Alimentação Custeio R\$ 200,00

Transporte ida/volta para a cidade de São Paulo Custeio R\$ 150,00

Inscrição no evento ABF Franchising Expo 2022 Custeio R\$ 200,00

Material de apoio (canetas, pranchetas, caderno de anotações, gravador, etc.)

Custeio R\$ 100,00

Impressão do roteiro de entrevista e survey Custeio R\$ 200,00

Hospedagem na cidade de São Paulo Custeio R\$ 450,00

Total em R\$ R\$ 1.300,00."

"Apoio Financeiro -Financiamento Próprio (pesquisador principal)."

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Continuação do Parecer: 5.291.622

"EQUIPE DE PESQUISA

MATHEUS DERMONDE GONCALVES (pesquisador principal, doutorando)

GUSTAVO HERMÍNIO SALATI MARCONDES DE MORAES (coorientador)

BRUNO BRANDÃO FISCHER (orientador)."

Considerações sobre os Termos de apresentação obrigatória:

Adequados.

Recomendações:

A Comissão Nacional de Ética em Pesquisa (Conep), do Conselho Nacional de Saúde (CNS) orienta a adoção das diretrizes do Ministério da Saúde (MS) decorrentes da pandemia causada pelo Coronavírus SARS-CoV-2 (Covid-19), com o objetivo de minimizar os potenciais riscos à saúde e a integridade dos participantes de pesquisas e pesquisadores.

De acordo com carta circular da CONEP intitulada "ORIENTAÇÕES PARA CONDUÇÃO DE PESQUISAS E ATIVIDADE DOS CEP DURANTE A PANDEMIA PROVOCADA PELO CORONAVÍRUS SARS-COV-2 (COVID-19)" publicada em 09/05/2020, referente ao item II. "Orientações para Pesquisadores":

- Aconselha-se a adoção de medidas para a prevenção e gerenciamento de todas as atividades de pesquisa, garantindo-se as ações primordiais à saúde, minimizando prejuízos e potenciais riscos, além de prover cuidado e preservar a integridade e assistência dos participantes e da equipe de pesquisa.
- Em observância às dificuldades operacionais decorrentes de todas as medidas impostas pela pandemia do SARS-CoV-2 (COVID-19), é necessário zelar pelo melhor interesse do participante da pesquisa, mantendo-o informado sobre as modificações do protocolo de pesquisa que possam afetá-lo, principalmente se houver ajuste na condução do estudo, cronograma ou plano de trabalho.
- Caso sejam necessários a suspensão, interrupção ou o cancelamento da pesquisa, em decorrência dos riscos imprevisíveis aos participantes da pesquisa, por causas diretas ou indiretas, caberá aos investigadores a submissão de notificação para apreciação do Sistema CEP/Conep.
- Nos casos de ensaios clínicos, é permitida, excepcionalmente, a tramitação de emendas concomitantes à implementação de modificações/alterações no protocolo de pesquisa, visando à segurança do participante da pesquisa, assim como dos demais envolvidos no contexto da pesquisa, evitando-se, ainda, quando aplicável, a interrupção no tratamento dos participantes da pesquisa. Eventualmente, na necessidade de modificar o Termo de Consentimento Livre e

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Continuação do Parecer: 5.291.622

Esclarecido (TCLE), o pesquisador deverá proceder com o novo consentimento, o mais breve possível.

Conclusões ou Pendências e Lista de Inadequações:

Não há.

Considerações Finais a critério do CEP:

- O participante da pesquisa deve receber uma via do Termo de Consentimento Livre e Esclarecido, na íntegra, por ele assinado (quando aplicável).

- O participante da pesquisa tem a liberdade de recusar-se a participar ou de retirar seu consentimento em qualquer fase da pesquisa, sem penalização alguma e sem prejuízo ao seu cuidado (quando aplicável).

- O pesquisador deve desenvolver a pesquisa conforme delineada no protocolo aprovado. Se o pesquisador considerar a descontinuação do estudo, esta deve ser justificada e somente ser realizada após análise das razões da descontinuidade pelo CEP que o aprovou. O pesquisador deve aguardar o parecer do CEP quanto à descontinuação, exceto quando perceber risco ou dano não previsto ao participante ou quando constatar a superioridade de uma estratégia diagnóstica ou terapêutica oferecida a um dos grupos da pesquisa, isto é, somente em caso de necessidade de ação imediata com intuito de proteger os participantes.

- O CEP deve ser informado de todos os efeitos adversos ou fatos relevantes que alterem o curso normal do estudo. É papel do pesquisador assegurar medidas imediatas adequadas frente a evento adverso grave ocorrido (mesmo que tenha sido em outro centro) e enviar notificação ao CEP e à Agência Nacional de Vigilância Sanitária – ANVISA – junto com seu posicionamento.

- Eventuais modificações ou emendas ao protocolo devem ser apresentadas ao CEP de forma clara e sucinta, identificando a parte do protocolo a ser modificada e suas justificativas e aguardando a aprovação do CEP para continuidade da pesquisa. Em caso de projetos do Grupo I ou II apresentados anteriormente à ANVISA, o pesquisador ou patrocinador deve enviá-las também à mesma, junto com o parecer aprovatório do CEP, para serem juntadas ao protocolo inicial.

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- Relatórios parciais e final devem ser apresentados ao CEP, inicialmente seis meses após a data deste parecer de aprovação e ao término do estudo.

- Lembramos que segundo a Resolução 466/2012, item XI.2 letra e, "cabe ao pesquisador apresentar dados solicitados pelo CEP ou pela CONEP a qualquer momento".

- O pesquisador deve manter os dados da pesquisa em arquivo, físico ou digital, sob sua guarda e responsabilidade, por um período de 5 anos após o término da pesquisa.

Este parecer foi elaborado baseado nos documentos abaixo relacionados:

Tipo Documento	Arquivo	Postagem	Autor	Situação
Informações Básicas do Projeto	PB_INFORMAÇÕES_BÁSICAS_DO_PROJETO_1892351.pdf	09/03/2022 11:47:37		Aceito
Orçamento	Orcamento_de_pesquisa.pdf	09/03/2022 11:42:54	MATHEUS DERMONDE GONCALVES	Aceito
Outros	Carta_Resposta.pdf	09/03/2022 11:42:03	MATHEUS DERMONDE GONCALVES	Aceito
TCLE / Termos de Assentimento / Justificativa de Ausência	TCLE_Survey.pdf	09/03/2022 11:41:26	MATHEUS DERMONDE GONCALVES	Aceito
TCLE / Termos de Assentimento / Justificativa de Ausência	TCLE_Entrevista.pdf	09/03/2022 11:41:14	MATHEUS DERMONDE GONCALVES	Aceito
Projeto Detalhado / Brochura Investigador	Projeto_detalhado.pdf	09/03/2022 11:40:59	MATHEUS DERMONDE GONCALVES	Aceito
Outros	AtestadoMatricula.pdf	04/02/2022 10:03:01	MATHEUS DERMONDE GONCALVES	Aceito
Folha de Rosto	Folha_de_Rosto.pdf	02/02/2022 09:52:09	MATHEUS DERMONDE GONCALVES	Aceito
Cronograma	Cronograma_de_pesquisa.pdf	01/02/2022 17:31:33	MATHEUS DERMONDE	Aceito

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Cronograma	Cronograma_de_pesquisa.pdf	01/02/2022 17:31:33	GONCALVES	Aceito
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Situação do Parecer:

Aprovado

Necessita Apreciação da CONEP:

Não

CAMPINAS, 15 de Março de 2022

Assinado por:

Renata Maria dos Santos Celeghini
(Coordenador(a))

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