

# Strategic Groups in the French Franchising Sector

## ABSTRACT

This empirical article provides a picture of the French franchising sector, based on the strategic group approach. We use a recent four-year panel dataset from the French Federation of Franchising, regarding the period 2010-2013, and sophisticated statistical and supervised learning models. Five main strategic groups of franchisors are distinguished in the French system, characterized by specific strategies and performance outcomes. We survey first the literature dealing with strategic groups, then we conduct a multidimensional statistical analysis (Principal Components Analysis and Ascending Hierarchical Clustering), highlighting three factorial axes and five clusters. We test the stability of network behaviors with a classification model. Finally, we observe and comment the differences in the strategic group performances.

### *Keywords*

Franchising, Strategic groups, Statistical models, Performance.

JEL Classification: L21, C18