

## **Abstract**

This research studies how Middle East retail food franchises expanded out of their home countries, and how competitive they were at hosting regional and international markets. Most previous research about franchising is concerned with the success and competitiveness of American and Western franchises at various global markets. The Middle East is barely referred to in franchising literature, despite its high importance as a franchise market. If at all academic research mentions this region, it often presents it as receptive to foreign franchises, and overlooks the experience of local businesses of this region which adopted franchising as a strategy for international expansion. A qualitative case study methodology is followed by studying two prominent companies; Company “A” from United Arab Emirates, founder of the fastest growing Middle East fast food franchise, and Company “B” from Saudi Arabia, founder of two leading local fast food franchises, and franchisee of a regional third. The research proposes that competition with foreign franchises at home markets resulted in high competitiveness of the studied franchises at respective hosting markets. Furthermore, the study suggests a higher international acceptance of those Middle East franchises which offer authentic concepts that reflect local identities adapted to global retail environments. Managerial implications for theory and practice are presented. With the small number of Middle East franchises, and the exploratory nature of the research, background is laid for future research recommended in this direction.

**Key words:** Local, Retail, Food, Competitiveness, Internationalization, Middle East