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From Local Roots to Business Growth: A Phenomenological Study of Micro-Enterprise Franchisors

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Abstract. This study investigates the lived experiences of homegrown micro-enterprise franchisors in Negros Oriental, Philippines, who transitioned from operating small businesses to adopting franchising as a strategy for growth. Despite the increasing use of franchising to scale micro, small, and medium enterprises (MSMEs), limited research examines the entrepreneurial realities of provincial franchisors in emerging economies. Addressing this gap, the study aimed to understand how local franchisors experience, interpret, and navigate the franchising journey. A descriptive phenomenological method guided by Colaizzi was employed, involving in-depth interviews with six franchisors from various sectors and locations within the province. The analysis revealed that franchising is a profoundly personal and iterative process, rooted in resilience, community values, and a drive for legacy. Participants' experiences were shaped by unplanned but opportunity-driven expansion, the need to balance operational leadership with system development, and the importance of adaptability in contracts and procedures. Through authenticity and legal protections, they safeguarded their brand identity, using localized marketing and informal networks to grow. Institutional support, self-directed learning, and consultancy services that filled strategic gaps were critical to their journey. The study concludes that franchising among provincial micro-enterprises is not merely a business model but a form of community-anchored, values-based entrepreneurship that blends grit with grounded support. These findings offer implications for MSME development, mentorship, and franchising policies in similar settings.

Keywords: Entrepreneurship; Franchising; Lived experiences; MSME development; Colaizzi.

1.0 Introduction

Franchising has emerged as a robust growth strategy for micro, small, and medium enterprises (MSMEs), enabling business replication while minimizing risk and capital investment. This model supports economic inclusion in developing economies by allowing entrepreneurs to scale their ventures through shared systems and local partnerships (Okpara, 2021). In the Philippines, the Department of Trade and Industry (DTI) promotes franchising as one of its top strategies to accelerate MSME development, particularly in underserved regions (DTI, 2022). While franchising has gained traction in metropolitan hubs, little is known about how this model is adopted and experienced by entrepreneurs in provincial areas, where resources, market access, and technical support are often limited.

Recent research on franchising has primarily focused on urban or international contexts, emphasizing profitability, brand development, or consumer behavior (Respicio & Co., 2023; AuditFlo, 2023). Studies have explored franchising as a formal mechanism for business format standardization and network expansion (Shah & Saqib, 2023; Di Pietro & Guglielmetti, 2022). However, there remains a notable gap in understanding how franchising is lived and interpreted by founders of homegrown micro-enterprises in rural and semi-urban regions. Existing literature underrepresents the social, emotional, and institutional dynamics of franchising in localized, low-resource contexts, especially in Southeast Asia (Lanchimba et al., 2024; Nguyen, D. H., Le, T. K., & Bui, T. T., 2022). Moreover, while research has documented the strategic benefits of franchising for business growth (K Analytics, 2025; Watson et al., 2020), limited empirical attention has been given to the personal motivations, cultural values, and informal support systems that shape franchising among grassroots entrepreneurs.

In Negros Oriental, a province with over 6,000 registered micro-enterprises (DTI-eCPMS, 2024), franchising is gradually gaining ground among local business owners. Despite this growing interest, there is scarce academic literature that captures how franchisors from these communities perceive, initiate, and sustain the franchising process. Understanding their experiences is essential for informing inclusive MSME policies and broadening the conceptualization of franchising beyond formal, corporate settings.

This study addresses the literature gap by exploring the lived experiences of homegrown micro-enterprise franchisors in Negros Oriental, Philippines. It aims to understand how these entrepreneurs interpret and navigate franchising as a growth model in a provincial setting. By foregrounding their voices and experiences, the research provides critical insights into the human dimensions of franchising and contributes to the discourse on inclusive entrepreneurship, localized innovation, and MSME resilience. The findings will inform development programs, mentorship frameworks, and policy strategies that support micro-enterprise growth through context-sensitive franchising models.

2.0 Methodology

2.1 Research Design

This study employed a qualitative research design using a descriptive phenomenological approach to explore the lived experiences of homegrown microenterprise franchisors in Negros Oriental. Anchored in the philosophical tradition of Edmund Husserl, this approach aims to uncover the essence of participants' experiences while setting aside the researcher's personal biases through a process known as bracketing. Bracketing was applied throughout the research process to maintain focus on the participants' authentic perspectives, ensuring that their narratives were interpreted without preconceived assumptions.

2.2 Research Locale

The study was conducted in Negros Oriental, a province located in the southeastern part of the island of Negros in the newly formed Negros Island Region, Philippines. Known for its rich biodiversity, diverse culture, and vibrant economy, the province has Dumaguete City as its capital and is a recognized hub for commerce, education, and tourism. According to the Department of Trade and Industry's electronic Client Profile and Monitoring System (DTI-eCPMS), approximately 12,000 micro, small, and medium enterprises (MSMEs) are operating across the province in the year 2024. These enterprises play a vital role in the local economy and serve as the foundation for entrepreneurial innovation and growth in Negros Oriental. The province's business-friendly environment, supported by proactive local government units and institutions like the DTI, provides a nurturing ecosystem for business development, including transitions to franchising models. Participants in this study were geographically distributed across the province, covering all three districts, thereby capturing a diverse range of franchising experiences. Specifically, participants were from Dauin, Valencia, Tayasan, and Dumaguete City municipalities. This wide coverage contributed to a richer understanding of how franchising is implemented across different parts of Negros Oriental.

2.3 Research Participants

The participants of this study were purposively selected franchisors who began as micro enterprises in Negros Oriental and later transitioned into offering their business models for franchising. Participants were either the owners themselves or individuals with direct responsibility for the franchising process. Inclusion criteria required that participants be actively managing or involved in the franchising decision and operations, and that their businesses were initially established in Negros Oriental. The sample size was determined in coordination with the Department of Trade and Industry (DTI)–Negros Oriental, which confirmed that among the Micro-Small Enterprises they have assisted, only six were known to have adopted the franchising business model. As such, all six franchisors were purposively selected and interviewed for the study. This ensured that the entire known population of relevant cases within the province was represented, supporting the depth and validity of the findings without the need for further sampling.

2.4 Research Instrument

The primary instrument for this study was a semi-structured interview guide composed in English. The guide included open-ended questions designed to elicit rich narratives on the participants' franchising experiences. While the questions were written in English, participants were encouraged to respond in their most comfortable language, including Cebuano or Filipino. To guide the conversation, participants were invited to reflect on their journey, beginning with the contemplation stage—specifically, the factors that influenced their decision to franchise, how they gathered information and advice, and whether the decision was deliberate or evolved. In the scoping stage, they were asked about the financial considerations, feasibility assessments, and operational changes they undertook to prepare for franchising. The planning and design stage covered how they systemized their business, developed franchise-related documents and branding materials, and engaged with professional advisors such as legal and business consultants. Finally, the implementation stage explored their approaches to recruiting and training franchisees, marketing the franchise opportunity, and navigating the challenges faced during the early stages of rollout. These prompts aim to uncover the depth and nuance of each participant's franchising experience. Interviews were audio-recorded using a mobile device with participants' consent and stored securely. A field journal was also used to capture nonverbal cues, contextual observations, and basic demographic details, enriching the data analysis process.

2.5 Data Gathering Procedure

Data collection took place in mid-March 2025 through face-to-face and online in-depth interviews with franchisors in Negros Oriental. Participants were identified through prior knowledge of local brands and a formal FOI request to the Department of Trade and Industry (DTI), confirming the province's MSMEs with active franchising models. Only businesses with at least one confirmed franchisee were included in the study. Each enterprise was visited or contacted to verify eligibility. Participants were briefed on the study, signed informed consent forms, and were informed about the interview process, including their right to withdraw. Interviews were conducted at the participants' convenience, typically at their place of business, and lasted 30 to 60 minutes. A total of seven franchisors were interviewed, with the final one added to ensure data saturation. Notes on verbal and non-verbal cues were taken alongside demographic details, and all recordings were transcribed and cross-checked for accuracy.

2.6 Data Analysis

This study employed Colaizzi's (1978) seven-step phenomenological method to analyze and interpret the data collected from in-depth interviews. The process began with familiarization, wherein the researcher immersed herself in the participants' narratives by repeatedly listening to audio recordings and reviewing transcriptions to understand the context of their franchising journeys. Significant statements related to the core research questions were then extracted from the transcripts. These key phrases were rephrased into formulated meanings, capturing the underlying insights, values, and motivations behind each participant's experience.

Next, the formulated meanings were grouped into thematic clusters based on emerging patterns and conceptual similarities. These clusters revealed commonalities such as motivations for franchising, challenges encountered, personal drive, and institutional support. An exhaustive description was then crafted to synthesize the themes into a cohesive account of the participants' lived experiences. The synthesized findings were returned to the participants for member-checking to ensure credibility, allowing them to validate the interpretations. Participant feedback was integrated into the final results, reinforcing the accuracy and trustworthiness of the study's conclusions.

2.7 Ethical Considerations

The Graduate School of Foundation University approved this study. Informed consent was obtained from all participants after they were briefed on the study's purpose, procedures, potential risks, and their right to withdraw at any time without consequence. To protect participants' privacy, anonymity was ensured by removing identifying details, and all data were securely stored with access limited to the researcher. The study adhered to principles of non-maleficence, beneficence, respect for autonomy, and justice (Beauchamp & Childress, 2019). Participants were treated fairly and respectfully, and care was taken to avoid harm or discomfort. Equal opportunity to participate was extended to all identified homegrown franchisors operating under a franchising model in Negros Oriental. To ensure trustworthiness, the study emphasized credibility, transferability, dependability, and confirmability (Lincoln & Guba, 1985; Creswell & Poth, 2018). Data collection and analysis were systematic and transparent, with findings grounded in participants' actual experiences. Bracketing and reflexivity were employed throughout the research process to minimize bias. The researcher maintained a journal to document reflections and interactions, allowing for critical self-awareness and a deeper understanding of the participants' perspectives.

3.0 Results and Discussion

Using Colaizzi's seven-step descriptive phenomenological method, the researcher identified significant statements from the transcripts and organized them into meaningful themes and sub-themes. These themes reflect the core insights shared by homegrown franchisors in Negros Oriental, shedding light on their motivations, challenges, and strategies in building and expanding their franchise businesses. Each formulated meaning was clustered to represent common patterns and individual nuances, offering a deep and structured understanding of their entrepreneurial journeys.

3.1 Homegrown Micro-Enterprise Franchisors' Internal Drivers

Table 1 shows the first emergent theme, From Inspiration to Aspiration, which tells the participants' core drive and long-term aspirations that motivated them to explore and implement franchising.

Table 1. *Emerging Themes on the Homegrown Micro-Enterprise Franchisors' Internal Drivers*

Subject Probed	Core Ideas	Cluster Themes	Essential Themes
Franchisors lived experiences around entrepreneurial motivation and vision.	Franchising emerged from external demand, not initial intent	Initial Inspiration	From Inspiration to Aspiration
	Strategic foresight developed over time	Vision for Growth	
	Personal values and resilience fueled progress	Personal Drive	
	Entrepreneurship was viewed as purpose-driven		

Emergent Theme 1: From Inspiration to Aspiration

The first theme captures the core drive and long-term aspirations that motivated local business owners to explore and implement franchising. It highlights their entrepreneurial journey's emotional, strategic, and personal foundations —from what inspired them initially, how they envisioned growing, and the deep internal motivation that pushed them forward despite challenges. The initial theme unfolds into three key aspects, which include: a) Initial Inspiration (Theme 1); b) Vision for Growth (Theme 2); and c) Personal Drive (Theme 3).

Theme 1: Initial Inspiration. This cluster emphasizes the origin stories and foundational motivations behind each participant's decision to venture into franchising. Notably, most homegrown franchisors in this study did not initially envision franchising as part of their business model. Instead, their decision to franchise emerged gradually, shaped by a combination of opportunity, accumulated entrepreneurial experience, and persistent external inquiries from customers, clients, and interested business partners. Most participants shared that franchising was not part of their original plan. Instead, it emerged gradually due to repeated customer inquiries and organic demand. Participant 2 recounted:

Translation: *"We have been in business for 3 years, and only last year did we open for franchising due to many customers asking if our brand was available."* P2

Similarly, Participant 6 was influenced by exposure to business development programs:
Translation: *"I already had franchising in mind when I joined the DTI KMME Mentor Me Program. It educated me on franchising and brand development, which led to our IPO trademark registration."* P6

These examples show that the franchising journey often began as a reactive process—prompted by customer interest and professional exposure—rather than formal business strategy, aligning with Murnieks et al. (2020), who noted that external feedback can significantly influence entrepreneurial direction.

Theme 2: Vision for Growth. This theme captures the deliberate and strategic outlook that homegrown franchisors in Negros Oriental developed as they progressed from localized business operations to more expansive and scalable models through franchising. This theme reveals how participants matured in their entrepreneurial thinking, transitioning from managing single-branch setups to designing business models capable of replication, adaptation, and long-term sustainability.

Over time, participants developed a clearer, more intentional outlook toward expansion. Participant 1 shared:
"Even from the beginning, we knew that whatever we set up here in Dauin, we wanted it to be replicable." P1

She added that franchising became the practical choice due to financial constraints:
"Wholly owned was not an option. We did not have the means. So when considering franchising, I was like, well, that makes more sense to find a local partner." P1

Her experience shows how foresight, planning, and systems thinking allowed her to build a model for replication and partnership, reflecting Shah and Saqib's (2023) view that franchising supports strategic, cost-effective growth.

Theme 3: Personal Drive. This theme underscores the powerful intrinsic motivators that drive entrepreneurs to overcome challenges and sustain long-term business visions. Among homegrown franchisors in Negros Oriental, personal drive manifested through resilience, faith, self-belief, adaptability, and deep pride in one's roots—traits that proved instrumental in launching and scaling their businesses through franchising. Beneath the strategic vision was a powerful sense of purpose, optimism, and resilience. Participant 3 shared:

Translation: *"They said a tocino business could not be franchised. However, I believed we needed to think positively and encourage those wanting their own business. If we truly desire to franchise or own a business, the time will come—it will happen. Moreover, with prayer, God will listen."* P3

Meanwhile, Participant 5 emphasized family legacy and identity:
Translation: *"My mother started the business in 1970, and the original cook is still with us—that is why we can say we are the original."* P5

These responses reflect how personal conviction—rooted in faith, legacy, and belief in one's purpose—was central to their franchising journey. This aligns with Firestone (2020) and Adomako et al. (2021), who noted that psychological resilience, often tied to spirituality and optimism, plays a key role in entrepreneurial persistence.

3.2 Homegrown Micro-Enterprise Franchisors' Business and Operational Dynamics

Table 2 shows the second and third emergent themes, Carrying the Weight of Leadership and Scaling Through Systems, which reflected how participants translated their intent into action, balancing dual roles and refining their business systems.

Table 2. *Lived Experiences of Homegrown Micro-enterprise Franchisors in Negros Oriental in terms of Business and Operational Dynamics*

Subject Probed	Core Ideas	Cluster Themes	Essential Themes
Franchisors lived experiences in line with business and operational dynamics	Franchising Requires a Shift in Leadership Mindset	Dual Roles	Carrying the Weight of Leadership
	Delegation and Staff Placement Are Key to Sustainable Growth	Operational Challenges	
	Franchise Success Depends on Operational Readiness	Adaptation and Flexibility	
	Leadership in Franchising Requires Empowerment and Support		
	Standardized Systems Are Essential for Replication	System Development	Scaling Through Systems
	Financial Flexibility Encourages Franchise Adoption	Financial Models	
	Marketing Must Align with Operational Capacity	Marketing and Outreach	
	Scalability Demands Legal, Technical, and Continuous Improvement		

Emergent Theme 2: Carrying the Weight of Leadership

This theme explores how homegrown franchisors in Negros Oriental navigated the complex responsibilities that come with transitioning from entrepreneurs to franchise leaders. The participants revealed the multidimensional nature of their roles—balancing day-to-day operations with the strategic demands of expanding through franchising. Their lived experiences highlight how leadership in franchising is not just about vision but also about managing people, systems, and challenges while adapting to change.

Theme 4: Dual Roles. This cluster highlighted the complexities of managing the original business and a growing franchise system. Participants described the difficulty of balancing operational control with strategic leadership, especially in the early phases. They learned to delegate franchising tasks to specific team members and recognized the need to build systems to support scaling. These experiences showed the evolution of their leadership style—from hands-on managers to systems thinkers focused on long-term sustainability.

Participants expressed how balancing core business operations and leading a franchise network required a leadership shift and formalization of systems. Participant 1 recognized the challenge of managing dual identities:
Translation: *"You will have, like, a two identity... your business, and then your identity as a franchisor... It is all remote... You have to make sure that it is successful."* P1

Delegation was one response to this challenge. Participant 3 shared:
Translation: *"We have someone assigned to focus on our franchising…"* P3

Meanwhile, Participant 6 emphasized resource limitations:
Translation: *"When three franchises open in one month, we might run out of staff."* P6

These narratives show how leadership evolves from hands-on management to a systems-based approach, consistent with Watson et al. (2020) on strategic delegation in franchising.

Theme 5: Operational Challenges. This cluster explored franchisors' practical difficulties in implementing and sustaining their franchise models. Key findings include financial strain due to high consultancy fees, delayed ROI, limited production capacity, and regulatory hurdles like permits and food safety training. Participants expressed frustration with inefficiencies in local systems and the need for technical upgrades. Despite these barriers, they remained committed to overcoming them, often through improvisation and external support.

Scaling through franchising posed significant financial, logistical, and regulatory difficulties. Participant 2 emphasized the cost burden:
Translation: *"The hardest part, ma'am, is the finances—you must shell out a good amount of cash. We only had one franchise, so the payment was not enough to cover the loan we used..."* P2

Production and storage were also limited. She explained:
Translation: *"Our storage is not big… we availed of DOST SET-UP for the hot sauce only."* P2

Regulatory support was inconsistent:
Translation: *"There is a need for food safety training, but it is not regularly offered."* P2

These highlight that franchising success requires not only strategy but also strong infrastructure and accessible support, echoing Lanchimba et al. (2024) 's discussion of operational fragility in MSME franchising.

Theme 6: Adaptation and Flexibility. This cluster emphasized franchisors' ability to adapt their strategies, systems, and terms in response to changing needs. Participants adjusted franchise fees, sourcing policies, and contract terms depending on the franchisee's capacity or location. They also acknowledged learning from experience, improving their models over time. This willingness to be flexible enabled them to accommodate diverse franchisees while maintaining operational standards and brand integrity.

Franchisors emphasized learning-by-doing, adjusting terms and processes based on their franchisees' needs. Participant 4 shared:
Translation: *"So, yeah, we co-created our franchise agreement, which is lovely, to do that with your franchisee."* P4

Participant 4 also noted product integrity through selective knowledge sharing:
Translation: *"They can choose where to buy ingredients, but we did not teach them the sauce recipe."* P4

Participant 3 began using POS systems for better monitoring:

Translation: *"We need to monitor their daily inventory and sales… That is what we require now."* P3

These examples reflect agile leadership. Di Pietro & Guglielmetti (2022) argue that adaptability in contracts, supply chains, and tech integration enhances franchise resilience.

Emergent Theme 3: Scaling Through Systems

This theme explored how participants prepared their businesses for scale by refining internal systems and adapting operational practices. Franchisors developed standard operating procedures, training modules, and documentation to ensure consistent execution across locations. Financial models were also more flexible in attracting and retaining franchisees, including options like installment payments or waived fees. Despite limited resources, participants used social media and word-of-mouth to promote their brands while also expressing the need for stronger marketing support to scale their visibility.

Theme 7: System Development. This cluster focused on how franchisors built and refined the internal systems necessary for franchise operations. Participants worked on standardizing operations, documenting processes, and setting up basic training modules to support new franchisees. These systems were vital in maintaining brand consistency and operational efficiency across branches, particularly as the business expanded beyond the owner's immediate oversight.

Franchisors emphasized building systems that ensured operational consistency across locations. Participant 1 said:
Translation: *"What they do not know is the process... we can teach them that."* P1

To maintain quality, they developed training tools, documented processes, and conducted readiness assessments. The Franchise CTO (2025).

"And then when you click this, this is a much more detailed requirement for anyone serious. Okay. Potential franchisee to go through this. Moreover, this is almost a business feasibility study. So this is, I think, maybe 70 questions, but it is an online link, yeah. To initially assess, what is your supply? What is your market? What do you know?"

Digital tools like POS systems were introduced for monitoring.
Translation: *"We plan to implement a POS system for daily inventory and royalty monitoring."* P1

Legal structuring was also prioritized. Participant 6 shared:
Translation: *"We are considering registering with the SEC to become a corporation – our goal this year."* P6

These actions echo practices recommended by Kelepouris, C., & Schwartz, T. (2024) and Respicio & Co. (2023), emphasizing standardization, legal safeguards, and system audits for scalable franchising.

Theme 8: Financial Models. This cluster explored the financial arrangements franchisors developed to make franchising accessible and sustainable. Participants shared how they offered installment-based payments, waived royalties, or provided starter kits to help new franchisees launch. These adaptive financial models reflected empathy for aspiring entrepreneurs and a strategic move to widen their franchise network without overburdening their partners.

Participants designed accessible and flexible financial options. Participant 5 said:
Translation: *"Our lowest franchise package is ₱75,000... it does not include initial products."* P5

Some waived royalties to ease franchisee burdens. Participant 6 explained:
Translation: *"I have not implemented royalty fees because I supply most items, so I already earn from that.* P6

Others maintained strict feasibility standards. Participant 2 noted:

Translation: *"We strictly assess them, including feasibility through a questionnaire. Many express their intent, but their location is not in a high foot traffic area, which makes it difficult. There was someone who wanted to franchise in Davao, but suddenly, their finances were not ready yet."* P2

Theme 9: Marketing and Outreach. This cluster highlighted the grassroots nature of most franchisors' marketing efforts. Participants mostly relied on word-of-mouth and personal networks, with limited active promotion. While some used social media, many lacked the resources to participate in trade expos or run large campaigns. Several franchisors expressed a need for support in marketing and visibility, mainly through partnerships with agencies like DTI or participation in government-led events.

Marketing efforts were mostly informal and community-driven. Participant 4 admitted:
Translation: *"We do not have brochures… It is just our customers who promote us."* P4

Still, digital marketing showed strong potential. Participant 3 shared:
Translation: *"We did boosting for only 2 weeks, we got six franchisees… I only spent ₱6,000."* P3

Formal expo participation was limited due to cost. Participant 2 stated:
Translation: *"In terms of marketing, if we want to promote our brand, we can join our consultancy's expo. They have a yearly expo. Four shows or expos exist in Luzon, Cebu, and Manila each year. They invite us, but we cannot always attend because there is a fee. I think the highest fee is around ₱25,000."* P2

Operational staffing also influenced marketing pace. Participant 6 said:
Translation: *"I do not really do marketing... we still need people in place."* P6

These challenges support Respicio & Co. (2023) and Shah & Saqib (2023), who argue that MSME franchisors need resource-backed marketing strategies integrated with their operational readiness.

Homegrown Micro-Enterprise Franchisors' Value and Market Considerations
Table 3 shows the fourth and fifth emergent themes, Guarding What Matters Most and Expanding with Eyes Wide Open, which demonstrate how franchisors preserved brand identity and made informed decisions as they expanded.

Table 3. *Lived experiences of homegrown micro-enterprise franchisors in Negros Oriental in terms of Value and Market Considerations*

Subject Probed	Core Ideas	Cluster Themes	Essential Themes
Franchisors lived experiences in terms of Value and Market Considerations	Preserving authenticity as a competitive edge	Unique Selling Points	Guarding what Matters Most
	Consistency as a non-negotiable standard	Brand Consistency	
	Brand ownership through legal empowerment	Intellectual Property	
	Growth guided by on-the-ground insight	Site Selection and Geographic Strategy	Expanding with Eyes Wide Open
	Protecting territories to foster franchisee trust	Market Demand	
	Demand measured by commitment, not just interest		
	Community exposure as a catalyst for growth		

Emergent Theme 4: Guarding What Matters Most
This theme highlighted how franchisors defined and protected their brand identity while expanding. Participants leveraged their unique selling points, such as authentic recipes, sustainability, or community roots, as key differentiators to attract franchisees. They placed high value on brand consistency, achieved through centralized sourcing, quality checks, and careful franchisee selection. Intellectual property protection, especially trademark registration, was also a priority for safeguarding the integrity of their business, often with the help of consultants or legal professionals.

Theme 10: Unique Selling Points. This cluster explored the distinct qualities franchisors used to differentiate their brand and attract franchisees. These included authentic flavors, cultural pride, sustainable practices, and long-standing reputations. Participants believed these features were central to their appeal and often cited them as reasons for customer loyalty and franchise interest. These USPs were not just marketing points but reflections of the brand's identity.

Franchisors emphasized the importance of authenticity, legacy, and distinct product features. Participant 1's brand was anchored on sustainability:

"Our mission and vision as a company is to elevate Filipino bamboo and make it a better home for all Filipinos... bamboo is big." P1

Such sustainability-based branding aligns with growing consumer interest in eco-conscious products. Strategic partnerships also enriched their value proposition. As she added:
"They had a desire to bring green materials into their business… Then they found us and said, This is what we have been looking for." P1

Franchisors also protected unique product features. Participant 3 kept their sauce recipe secret:
Translation: *"Our value proposition is the sauce… we never gave them the recipe."* P3

Participant 5 rooted her brand in legacy:
Translation: *"My mother started in 1970, and the original cook is still with us. That is why we say we are the original."* P5

These unique traits strengthened their brand identity, built consumer trust, and became magnets for potential franchisees.

Theme 11: Brand Consistency. This cluster emphasized how franchisors ensured uniform quality and brand identity across multiple locations. Participants implemented measures like central sourcing, standardized cooking methods, and selective franchisee screening. Maintaining consistency was critical to protecting their reputation and ensuring customers received the same experience regardless of location.

To protect their brand, franchisors emphasized rigorous franchisee screening, centralized production, and quality control. Participant 1 described an online assessment tool:
"This is a requirement for anyone serious… to assess your supply initially. What is your market?" P1

Participant 2 noted the role of the main branch production in maintaining quality:
Translation: *"Only the core flavors are made at our main site."* P2

Participant 3 highlighted quality checks to ensure standardization with franchise branches:
Translation: *"If someone complains, we check if it is the same as our main store. What is most important in this business is consistency… people will know if the meat is stale."* P3

To support consistency, franchisors began encouraging franchisees to source products directly. Participant 3 said:
Translation: *"We authorized them to get their meat anywhere, as long as the marination and process are the same."* P3

Theme 12: Intellectual Property. This cluster examined how franchisors approached the legal protection of their brand. Participants emphasized the importance of securing trademarks and managing intellectual property to avoid brand misuse or internal conflict. Some received assistance from consultants in processing IPO registration. Protecting the brand legally was a necessary step for growth and credibility.

Participants showed increasing awareness of the need to protect their brand legally. Participant 6 linked trademarking to brand legacy and franchise interest:
Translation: *"Many have shown interest because the brand has been around for so long—it is well-known."* P6

He also described how consultants helped with IPO enrollment:
Translation: *"They explained how to pay for trademark use and the renewal schedule."* P6

Meanwhile, some are still in the process. Participant 4 admitted:
Translation: *"I have not processed the logo trademark yet, but I will do it this year."* P4

This shows that franchisors understood the urgency of protecting their brand without complete formalization, especially as it gained traction and visibility.

Emergent Theme 5: Expanding with Eyes Wide Open
This theme explored franchisors' methods to identify viable franchise locations and assess market readiness. Participants conducted basic feasibility studies, often personally, to evaluate foot traffic and customer fit. They also applied geographic boundaries (e.g., a one-kilometer radius rule) to prevent internal competition. Market demand was often gauged through customer inquiries, financial capacity of prospects, and performance of existing branches, demonstrating a practical and experience-based approach to site selection and expansion.

Theme 13: Site Selection and Geographic Strategy. This cluster explored how participants evaluated potential franchise locations and implemented geographic protections. The owner often conducted Basic feasibility studies personally, and site approval was based on foot traffic and local demand. Some franchisors implemented proximity limits to prevent internal competition, ensuring each franchise had a viable market area (Zarco, 2024).

Franchisors commonly conducted feasibility studies, though often basic, to evaluate potential locations based on foot traffic, accessibility, and competition. Participant 4 shared:
Translation: *"Before they can franchise with us, we conduct a feasibility study. I check if the location is suitable, though it is only basic."* P4

To avoid franchisee overlap, digital tools often enforced a 1 km geographic radius. Participant 3 explained:
Translation: *"We use a one-kilometer radius policy, and thanks to Google Maps, it is easy now. Some do not mind - having competitions nearby, saying even 7/11s are just around the corner from each other."* P3

Initially, exclusive LGU-based rights were granted, later adjusted through franchisee education. As Participant 3 described:
Translation: *"If you are the franchisee in Bacong, then it is exclusive. However, others said having another franchisee in the same town is fine as long as the areas are not too close."* P3

Foot traffic was a major consideration. Participant 4 noted:
Translation: *"We also consider foot traffic. It is not in the contract yet, but I approve locations, always with the franchisee's welfare in mind."* P4

Theme 14: Market Demand. This cluster highlighted how franchisors assessed whether a location or potential franchisee was ready. Demand was gauged through customer interest, willingness to invest, and historical performance of trial branches. These indicators guided their decisions on where and how to expand, showing a grounded and experience-based approach to market analysis.

Market demand was gauged through social media interest, customer inquiries, and financial commitment from potential franchisees. Despite high franchise fees, demand remained strong. Participant 2 shared:
Translation: *"They are interested in franchising. Even though the franchise fee is around ₱600,000 to ₱680,000, they still go for it."* P2

Strong daily sales validated market viability. Participant 3 detailed:
Translation: *"In Zambo and Amlan, the franchisees sell about ₱12,000 to ₱13,000 daily. The ₱100,000 franchise investment can be recovered in 9 to 12 months."* P3

Community exhibits helped elevate brand visibility. Participant 6 recalled:
Translation: *"We became known because of the Robinsons exhibit. We were even the best seller there."* P6

These show that franchisors applied strategic judgment and practical insights when assessing location and market demand. They used feasibility studies, respected territorial protection, relied on sales data and community visibility, and responded to organic customer interest. These insights ensured sustainable franchise expansion grounded in local realities.

Homegrown Micro-Enterprise Franchisors' Access to Learning and External Support
Table 4 shows the sixth emergent theme, Guidance, Grit, and Grounded Support, which illustrates the critical role

of mentorship, consultants, government, and institutional partnerships in sustaining growth.

Table 4. Lived Experiences of Homegrown Micro-enterprise Franchisors in Negros Oriental in terms of Learning and External Support

Subject Probed	Core Ideas	Cluster Themes	Essential Themes
Franchisors lived experiences in terms of Learning and External Support	Strategic reliance on expert consultants	Consultancy and Expert Guidance	Guidance, Grit and Grounded Support
	Self-directed learning and resourcefulness	Self-Education and Learning	
	Collaborative franchisor-franchisee learning partnerships	Franchisor-Franchisee Relationship	
	Mentorship needs in pre-franchise preparation	Government, Institutional, and Community Support	
	Localized mentorship from legal and tax experts		
	Demand for government-backed franchising education and support		

Emergent Theme 6: Guidance, Grit, and Grounded Support

This theme explored how franchisors acquired the essential knowledge and support to establish and sustain their franchise systems. Participants sought consultancy firms to guide them through the complexities of structuring agreements, operations, and legal compliance, viewing these consultants as long-term partners. Alongside this, many franchisors took the initiative to self-educate, utilizing books, online resources, and government-run mentoring programs to bridge knowledge gaps. The franchisor-franchisee relationship also played a key role, with ongoing communication and collaboration as an essential source of mutual support and growth. Furthermore, government intervention, such as mentorship programs and marketing initiatives, provided crucial assistance, helping franchisors navigate challenges and expand their networks. This underscores the significance of continuous learning and a strong support system, both formal and informal, as fundamental to the success and adaptability of franchisors.

Theme 15: Consultancy and Expert Guidance. This cluster explored the role of expert consultancy in establishing franchise systems. Participants sought professional help to navigate legal, operational, and compliance-related challenges. Consultancy firms assisted in drafting agreements, preparing operations manuals, and securing trademarks and IPO registrations. These partnerships were long-term and collaborative, providing structure and confidence to the franchisors. Their experiences underline the importance of external expertise in legitimizing and organizing homegrown franchise systems.

Translation: "*We also researched some aspects of franchising, including how to do it and everything. Since we were not yet very knowledgeable about franchising, we tapped a consultancy to help us with the agreements, operations, and manuals. We tapped RK Consultancy.*" P2

Participant 6 also engaged GMB for agreement preparation, pricing, IPO enrollment, and IP matters:
Translation: "*They agreed, but we submitted pricing, operations documents, and IPO registration. They also explained trademark payments and renewal schedules.*" P6

These engagements reflect how consultants provide technical structure and continued advisory access that are critical for entrepreneurs scaling for the first time.

Theme 16: Self-Education and Learning. This cluster highlighted how participants actively pursued knowledge about franchising through self-directed learning. Without formal education or training, they relied on books, online resources, legal guides, and government programs like KMME. Participants demonstrated strong initiative in understanding and applying key franchising concepts to their contexts. Their proactive approach to learning was instrumental in building competence and preparing them for informed decision-making.

Not all franchisors could afford consultants. Many relied heavily on self-study and informal legal advice. They read books, explored online templates, and modified contracts with the help of local lawyers.
Participant 3 recounted:
Translation: "*We had contract templates from online sources and asked our legal counsel to help finalize them.*" P3

Participant 1 turned to literature to prepare for franchising:
"I read a book last summer… It helped me assess what it would cost… it talks a lot about running a franchise as a completely new business. It helped craft our agreement and the Franchise Disclosure Document." P1

These examples show how self-learning was vital in equipping franchisors with technical knowledge and mental readiness. In resource-limited environments, bootstrapped learning allowed them to move forward despite lacking structured education.

Theme 17: Franchisor–Franchisee Relationship. This cluster explored how franchisors sustained supportive relationships with their franchisees beyond the initial setup. Participants emphasized that franchising required ongoing involvement in training, regular communication, mentorship, and operational guidance. They remained accessible to franchisees for troubleshooting, adjustments in contract terms, and supply coordination. Several franchisors highlighted their openness to adapting processes based on franchisee experiences, showing a collaborative and responsive approach. This continuous support helped franchisees stay aligned with the brand's standards while addressing local operational realities. These findings illustrate that the franchisor–franchisee relationship is built on trust, flexibility, and shared commitment.

Support extended beyond consultants to include meaningful, responsive relationships with franchisees. Several franchisors emphasized that accessibility, mentorship, and ongoing communication helped them strengthen their growing networks.

Translation: "*I consulted them when making the contract, whether they agree or not… I am willing to modify some aspects, even the franchise fee."* P4

Translation: "*I only have GMB as a franchising consultant, but I retained a lawyer as a local mentor for legal and tax advice."* P6

These examples show that homegrown franchisors proactively built their mentorship ecosystems. Relationships that are formal or informal were key to making strategic adjustments and solving daily challenges.

Theme 18: Government, Institutional, and Community Support. This cluster explored how franchisors in Negros Oriental recognized that while their entrepreneurial journeys were largely self-driven, strong partnerships with government and institutions were critical to sustaining and scaling their ventures. This theme reflects their experiences and aspirations for support across three areas: mentorship and training, marketing assistance, and access to technology and finance.

Mentorship and Pre-Franchise Readiness. Participants believed the government could play a stronger role in helping small entrepreneurs prepare for franchising. Participant 1 emphasized this need:

"But that is something that the government can help with… Philippine Franchise Association, not yet supporting in that way… This is a different context… Entrepreneurship is tough, and it is very different from franchising." P1

Others acknowledged the importance of government-led trainings and seminars, such as those provided by the Department of Science and Technology (DOST), which offered critical food safety instruction. This aligns with global best practices, like the International Franchise Association's mentorship initiatives, which support new franchisors through technical and strategic guidance.

Marketing Support and Institutional Linkages. Marketing assistance from public and institutional bodies was also highlighted as a significant growth lever. Participant 3 pointed to the Balik-Probinsya program as a possible channel for promotion:

Translation: "*We hope DTI can help market us, like in those programs for OFWs who are given financial support through the Balik Probinsya program."* P3

Participant 6 discussed plans to join national franchise associations for both exposure and peer learning:
Translation: "*We plan to become a member of Philippine Franchise Asia so we can be marketed and guided by fellow*

franchisors." P6

These insights reinforce the importance of visibility, lead generation, and knowledge exchange in scaling franchise systems, especially for small, provincial brands.

Technological and Financial Assistance. Participants also sought access to equipment, technology, and funding to improve operational scalability. Participant 3 shared their inquiry with DOST to support sauce production:

Translation: *"We tried asking DOST for equipment for cutting, slicing, and bottling our sauce… so we can mass produce and not do it manually."* P3

Participant 6 highlighted the value of financing for supply chain preparation:
Translation: *"If government programs could help finance supplies – since we are sure the franchisee can sell it – that would be good. Is there a way for that?"* P6

However, they also flagged bureaucratic hurdles as barriers. Participant 6 explained:
Translation: *"We are trying to get a loan from SB Corp, but the city is slow in renewing the mayor's permit. They require food handling certification, but there is no schedule."* P6

These bottlenecks highlight a disconnect between policy design and on-the-ground execution, limiting MSMEs' ability to capitalize on institutional programs (Adobas et al., 2024).

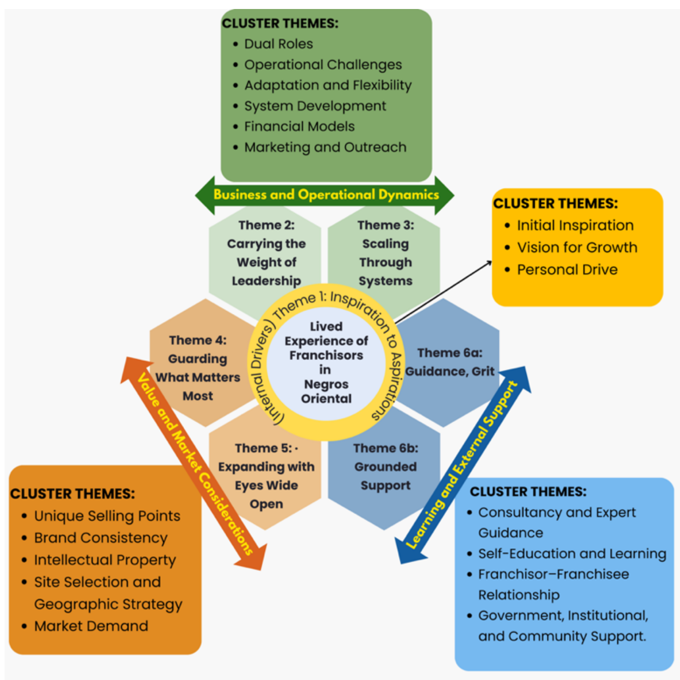

Figure 1. *Emergent Themes Reflecting Negros Oriental Franchisors' Lived Experiences*

4.0 Conclusion

This study explored the lived experiences of homegrown micro-enterprise franchisors in Negros Oriental as they scaled their businesses through franchising, using Colaizzi's phenomenological method. Six emergent themes and 18 sub-themes revealed how franchisors navigated entrepreneurial motivation, leadership evolution, operational development, and institutional engagement. Franchising decisions often emerged organically, prompted by external demand rather than formal planning (International Franchise Association, 2025). As founders transitioned from hands-on management to franchise leadership, they developed new skills and embraced a broader strategic outlook. Knowledge acquisition played a vital role, with participants relying on consultants, self-learning, and peer networks to understand legal, branding, and operational demands.

The findings point to four layered dimensions of franchising growth. First, Internal Drivers highlight intrinsic motivations and personal values that inspired their journeys. Second, Business and Operational Dynamics capture how franchisors balance day-to-day operations while building scalable systems. Third, Learning and External Support emphasize the role of mentorship, consultants, and institutional support in sustaining progress. Lastly, Value and Market Considerations focus on preserving brand identity and making data-informed location decisions. Collectively, these insights portray franchising as a business strategy and a dynamic, community-rooted, and learning-driven process for growing local brands in provincial settings. This aligns with the findings of Lanchimba, Rivera, and Torres (2024), who argued that franchising contributes to national development by strengthening entrepreneurial capacity, improving market access, and generating employment in emerging economies. Similarly, Bretas and Alon (2020) emphasized the importance of strong franchisor-franchisee relationships and flexible operations in enabling small businesses to survive.

5.0 Contribution of Authors

Author 1: Conceptualized the study, designed the research framework, conducted the interviews, performed data analysis, and wrote and revised the entire manuscript.
Author 2: Guide in the analysis using the correct design to adopt.

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7.0 Conflict of Interest

The author declares no conflict of interest, financial or non-financial, in conducting this research and preparing this manuscript.

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