

ONLINE APPENDICES

To Article:

CHAIN AFFILIATION AND HUMAN RESOURCE INVESTMENTS: EVIDENCE FROM THE RESTAURANT INDUSTRY

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APPENDIX 1:

CHARACTERISTICS OF SAMPLE RESTAURANTS

	Percent of repeat customers	Average spending/customer	Total number of employees	Number of seats	Age of the restaurant (years)	Tenure of manager/owner	Industry experience of manger/owner
Company-owned restaurants ^a	61.58	27.16	41	159.84	19.13	5.65	16.15
Franchisee-owned restaurants ^b	63.08	13.42	28	107.24	15.76	5.71	14.57
Independently owned restaurants ^c	67.91	32.63	27	133.54	20.36	10.48	20.58

^aN=193, ^bN=196, ^cN=665

Table 1 (Continued)

	Upscale fine dining	Casual fine dining	Moderately priced	Fast food	Employee age	Employee education	Employee tenure
Company-owned restaurants ^a	17.62%	19.69%	43.52%	19.17%	27.53	12.30	53.07
Franchisee-owned restaurants ^b	2.04%	5.61%	43.37%	48.98%	25.17	12.08	40.83
Independently owned restaurants ^c	19.70%	31.58%	39.25%	9.47%	29.95	12.63	60.33

^aN=193, ^bN=196, ^cN=665

APPENDIX 2:

COMPARISON BETWEEN THE SAMPLE AND THE POPULATION

To assess the representativeness of our sample, we compared the characteristics of the sample to the overall population, which were obtained from the U.S. Census. These characteristics include percentage of a specific type of restaurant, annual sales per restaurant, average annual wage for employees, and total number of employees per restaurant.

**Table 2A
Comparison between the Sample and the Population**

	Percentage	Annual sales per restaurant	Average annual wage for employees	Number of employees per restaurant
<i>Sample (N = 1,054)</i>				
All restaurants		\$2,154,416	\$13,746	30
Company-owned restaurants	0.18	\$2,982,685	\$13,379	41
Franchisee-owned restaurants	0.19	\$1,757,931	\$11,702	28
Independently owned restaurants	0.63	\$2,030,890	\$14,455	27
<i>Population^a</i>				
All restaurants		\$897,073	\$14,288	18
Company-owned restaurants	0.06	\$1,255,893	\$13,533	25
Franchisee-owned restaurants	0.28	\$1,062,706	\$12,159	22
Independently owned restaurants	0.67	\$799,365	\$15,648	16

^aSource: EC1200CFRA1: Economic Census: Core Business Statistics Series, 2012: Franchise Status for Selected Industries and States: 2012

APPENDIX 3:

OLS REGRESSIONS PREDICTING THE EFFECT OF SINGLE-UNIT VS. MULTI-UNIT OWNERSHIP ON HR PRACTICES

To examine the effect of single-unit and multi-unit ownership on the adoption of HR practices, we separate independently owned and franchisee-owned establishments into two subcategories: single-unit and multi-unit independents, and single-unit and multi-unit franchisees. We created a dichotomous variable for each of the four subcategories. An establishment is defined as single unit when its owner (franchisee or independent) owns only one restaurant and is defined as multi-unit when its owner owns more than one restaurant. All company-owned restaurants in this study are multi-unit because their direct owner (i.e., the brand) owns multiple establishments. To make comparisons between two categories, we designated one of the five dichotomous variables as the baseline in each of our analytical models. The results are shown in Table 3A.

Table 3A
OLS Regressions Predicting the Effect of Single-Unit vs. Multi-Unit Ownership on HR Practices

Variable	Skill-enhancing HR practices					Motivation-enhancing HR practices				
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9	Model 10
<i>Single-unit franchisee^a</i>			-0.12 (0.12)	0.19+ (0.11)	-0.02 (0.12)			-0.19* (0.09)	-0.21** (0.08)	-0.25** (0.08)
<i>Multi-unit franchisee^b</i>		0.12 (0.12)		0.31*** (0.08)	0.09 (0.09)		0.19* (0.09)		-0.03 (0.05)	-0.07 (0.06)
<i>Single-unit independent^c</i>		-0.19+ (0.11)	-0.31*** (0.08)		-0.21*** (0.06)		0.21** (0.08)	0.03 (0.05)		-0.04 (0.04)
<i>Multi-unit independent^d</i>		0.02 (0.12)	-0.09 (0.09)	0.21*** (0.06)			0.25** (0.08)	0.07 (0.06)	0.04 (0.04)	
<i>Company-owned</i>		0.36** (0.12)	0.25** (0.08)	0.55*** (0.07)	0.34*** (0.08)		0.32*** (0.09)	0.14* (0.06)	0.11* (0.05)	0.07 (0.05)
<i>Upscale fine dining</i>	-0.06 (0.10)	0.03 (0.10)	0.03 (0.10)	0.03 (0.10)	0.03 (0.10)	0.08 (0.07)	0.07 (0.07)	0.07 (0.07)	0.07 (0.07)	0.07 (0.07)
<i>Casual fine dining</i>	-0.17+ (0.09)	-0.08 (0.09)	-0.08 (0.09)	-0.08 (0.09)	-0.08 (0.09)	0.06 (0.06)	0.05 (0.06)	0.05 (0.06)	0.05 (0.06)	0.05 (0.06)
<i>Moderately priced family</i>	-0.13 (0.08)	-0.10 (0.08)	-0.10 (0.08)	-0.10 (0.08)	-0.10 (0.08)	-0.03 (0.06)	-0.03 (0.06)	-0.03 (0.06)	-0.03 (0.06)	-0.03 (0.06)
<i>Establishment size (log)</i>	0.12*** (0.03)	0.09** (0.03)	0.09** (0.03)	0.09** (0.03)	0.09** (0.03)	-0.01 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)
<i>Establishment age (log)</i>	-0.05* (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)
<i>Firm revenue (log)</i>	0.03 (0.03)	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)	0.07*** (0.02)	0.07*** (0.02)	0.07*** (0.02)	0.07*** (0.02)	0.07*** (0.02)
<i>QSR 50 brand</i>	0.26** (0.08)	0.12 (0.09)	0.12 (0.09)	0.12 (0.09)	0.12 (0.09)	-0.09 (0.07)	-0.07 (0.07)	-0.07 (0.07)	-0.07 (0.07)	-0.07 (0.07)
<i>Percent of repeat customers</i>	-0.13 (0.13)	-0.03 (0.12)	-0.03 (0.12)	-0.03 (0.12)	-0.03 (0.12)	0.14+ (0.08)	0.16+ (0.08)	0.16+ (0.08)	0.16+ (0.08)	0.16+ (0.08)
<i>Employee education level</i>	0.02 (0.03)	0.03 (0.03)	0.03 (0.03)	0.03 (0.03)	0.03 (0.03)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)
State dummy variables	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>R</i> ²	0.074	0.138	0.138	0.138	0.138	0.114	0.128	0.128	0.128	0.128

Notes: The values in parentheses are the standard errors. N=1051, ^aN=38, ^bN=156, ^cN=435, ^dN=229; +p<.10, *p<.05, **p<.01, ***p<.001

Table 3A (Continued)

Variable	Opportunity-enhancing HR practices				
	Model 11	Model 12	Model 13	Model 14	Model 15
<i>Single-unit franchisee^a</i>			-0.03 (0.18)	-0.35* (0.17)	-0.18 (0.17)
<i>Multi-unit franchisee^b</i>		0.03 (0.18)		-0.32** (0.12)	-0.16 (0.13)
<i>Single-unit independent^c</i>		0.35* (0.17)	0.32** (0.12)		0.17* (0.08)
<i>Multi-unit independent^d</i>		0.18 (0.17)	0.16 (0.13)	-0.17* (0.08)	
<i>Company-owned</i>		0.10 (0.18)	0.08 (0.12)	-0.25** (0.09)	-0.08 (0.10)
<i>Upscale fine dining</i>	-0.005 (0.14)	-0.10 (0.14)	-0.10 (0.14)	-0.10 (0.14)	-0.10 (0.14)
<i>Casual fine dining</i>	0.005 (0.13)	-0.08 (0.13)	-0.08 (0.13)	-0.08 (0.13)	-0.08 (0.13)
<i>Moderately priced family</i>	-0.05 (0.12)	-0.08 (0.12)	-0.08 (0.12)	-0.08 (0.12)	-0.08 (0.12)
<i>Establishment size (log)</i>	-0.15* (0.06)	-0.14* (0.06)	-0.14* (0.06)	-0.14* (0.06)	-0.14* (0.06)
<i>Establishment age (log)</i>	0.01 (0.04)	-0.01 (0.04)	-0.01 (0.04)	-0.01 (0.04)	-0.01 (0.04)
<i>Firm revenue (log)</i>	-0.09* (0.04)	-0.07+ (0.04)	-0.07+ (0.04)	-0.07+ (0.04)	-0.07+ (0.04)
<i>QSR 50 brand</i>	-0.34* (0.13)	-0.20 (0.15)	-0.20 (0.15)	-0.20 (0.15)	-0.20 (0.15)
<i>Percent of repeat customers</i>	0.22 (0.16)	0.17 (0.16)	0.17 (0.16)	0.17 (0.16)	0.17 (0.16)
<i>Employee education level</i>	0.06* (0.03)	0.06+ (0.03)	0.06+ (0.03)	0.06+ (0.03)	0.06+ (0.03)
State dummy variables	Yes	Yes	Yes	Yes	Yes
<i>R</i> ²	0.063	0.075	0.075	0.075	0.075

Notes: The values in parentheses are the standard errors. N=1051, ^aN=38, ^bN=156, ^cN=435, ^dN=229; +p<.10, *p<.05, **p<.01, ***p<.001

APPENDIX 4:
OLS REGRESSIONS PREDICTING THE EFFECT OF FRANCHISOR INFLUENCE ON
HR PRACTICES

We measured franchisor influence by asking respondents in franchisee-owned units whether corporate has influence over the following six HR decisions: staffing, training, compensation, performance management, employee relations, and total labor costs. Respondents reported a value of 1 if corporate has influence in a specific area, and a value of 0 otherwise. We aggregated the six items to create an overall measure of franchisor influence, ranging from a minimum of 0 to a maximum of 6. The median value of franchisor influence is 2, which separates franchisee-owned units into two subgroups: high influence franchisees and low influence franchisees. We then performed regression analyses to examine whether the adoption of HR practices differs across four groups: high influence franchisees, low influence franchisees, independently owned units, and company-owned units. The results are presented in Table 4A.

Table 4A
OLS Regressions Predicting the Effect of Franchisor Influence on HR Practices

Variable	Skill-enhancing HR practices					Motivation-enhancing HR practices				
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9	Model 10
<i>High influence franchisee^a</i>			-0.01 (0.10)	0.18* (0.08)	-0.28** (0.09)			0.14* (0.07)	-0.02 (0.06)	-0.11+ (0.06)
<i>Low influence franchisee^b</i>		0.01 (0.10)		0.19* (0.09)	-0.28** (0.10)		-0.14* (0.07)		-0.16** (0.05)	-0.25*** (0.06)
<i>Independently owned^c</i>		-0.18* (0.08)	-0.19* (0.09)		-0.46*** (0.07)		0.02 (0.06)	0.16** (0.05)		-0.09* (0.05)
<i>Company-owned^d</i>		0.28** (0.09)	0.28** (0.10)	0.46*** (0.07)			0.11+ (0.06)	0.25*** (0.06)	0.09* (0.05)	
<i>Upscale fine dining</i>	-0.07 (0.10)	-0.01 (0.11)	-0.01 (0.11)	-0.01 (0.11)	-0.01 (0.11)	0.07 (0.07)	0.05 (0.07)	0.05 (0.07)	0.05 (0.07)	0.05 (0.07)
<i>Casual fine dining</i>	-0.17+ (0.09)	-0.10 (0.10)	-0.10 (0.10)	-0.10 (0.10)	-0.10 (0.10)	0.06 (0.06)	0.04 (0.06)	0.04 (0.06)	0.04 (0.06)	0.04 (0.06)
<i>Moderately priced family</i>	-0.14 (0.08)	-0.12 (0.08)	-0.12 (0.08)	-0.12 (0.08)	-0.12 (0.08)	-0.04 (0.06)	-0.04 (0.06)	-0.04 (0.06)	-0.04 (0.06)	-0.04 (0.06)
<i>Establishment size (log)</i>	0.12*** (0.03)	0.10** (0.03)	0.10** (0.03)	0.10** (0.03)	0.10** (0.03)	-0.01 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)
<i>Establishment age (log)</i>	-0.05+ (0.02)	-0.04+ (0.02)	-0.04+ (0.02)	-0.04+ (0.02)	-0.04+ (0.02)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)
<i>Firm revenue (log)</i>	0.03 (0.03)	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)	0.07*** (0.02)	0.07*** (0.02)	0.07*** (0.02)	0.07*** (0.02)	0.07*** (0.02)
<i>QSR 50 brand</i>	0.26*** (0.08)	0.15+ (0.08)	0.15+ (0.08)	0.15+ (0.08)	0.15+ (0.08)	-0.11 (0.07)	-0.07 (0.07)	-0.07 (0.07)	-0.07 (0.07)	-0.07 (0.07)
<i>Percent of repeat customers</i>	-0.13 (0.13)	-0.04 (0.12)	-0.04 (0.12)	-0.04 (0.12)	-0.04 (0.12)	0.13 (0.08)	0.13+ (0.08)	0.13+ (0.08)	0.13+ (0.08)	0.13+ (0.08)
<i>Employee education level</i>	0.02 (0.03)	0.04 (0.03)	0.04 (0.03)	0.04 (0.03)	0.04 (0.03)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)
State dummy variables	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>R</i> ²	0.075	0.126	0.126	0.126	0.126	0.119	0.132	0.132	0.132	0.132

Notes: The values in parentheses are the standard errors. N=1051, ^aN=87, ^bN=106, ^cN=665, ^dN=193; +p<.10, *p<.05, **p<.01, ***p<.001

Table 4A (Continued)

Variable	Opportunity-enhancing HR practices				
	Model 11	Model 12	Model 13	Model 14	Model 15
<i>High influence franchisee^a</i>			0.47** (0.18)	-0.01 (0.16)	0.17 (0.16)
<i>Low influence franchisee^b</i>		-0.47** (0.18)		-0.48*** (0.11)	-0.30* (0.12)
<i>Independently owned^c</i>		0.01 (0.16)	0.48*** (0.11)		0.18* (0.09)
<i>Company-owned^d</i>		-0.17 (0.16)	0.30* (0.12)	-0.18* (0.09)	
<i>Upscale fine dining</i>	-0.003 (0.14)	-0.07 (0.14)	-0.07 (0.14)	-0.07 (0.14)	-0.07 (0.14)
<i>Casual fine dining</i>	0.01 (0.13)	-0.06 (0.13)	-0.06 (0.13)	-0.06 (0.13)	-0.06 (0.13)
<i>Moderately priced family</i>	-0.05 (0.12)	-0.07 (0.12)	-0.07 (0.12)	-0.07 (0.12)	-0.07 (0.12)
<i>Establishment size (log)</i>	-0.15* (0.06)	-0.16** (0.06)	-0.16** (0.06)	-0.16** (0.06)	-0.16** (0.06)
<i>Establishment age (log)</i>	0.01 (0.04)	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)
<i>Firm revenue (log)</i>	-0.09* (0.04)	-0.08* (0.04)	-0.08* (0.04)	-0.08* (0.04)	-0.08* (0.04)
<i>QSR 50 brand</i>	-0.35** (0.14)	-0.26+ (0.15)	-0.26+ (0.15)	-0.26+ (0.15)	-0.26+ (0.15)
<i>Percent of repeat customers</i>	0.21 (0.16)	0.15 (0.16)	0.15 (0.16)	0.15 (0.16)	0.15 (0.16)
<i>Employee education level</i>	0.06* (0.03)	0.05+ (0.03)	0.05+ (0.03)	0.05+ (0.03)	0.05+ (0.03)
State dummy variables	Yes	Yes	Yes	Yes	Yes
<i>R</i> ²	0.064	0.082	0.082	0.082	0.082

Notes: The values in parentheses are the standard errors. N=1051, ^aN=87, ^bN=106, ^cN=665, ^dN=193; +p<.10, *p<.05, **p<.01, ***p<.001

APPENDIX 5:

OLS REGRESSIONS PREDICTING ORGANIZATIONAL OUTCOMES

We measured employee turnover by examining voluntary turnover, involuntary turnover, and total turnover. Voluntary turnover is the percentage of employees who quit in the past year. Involuntary turnover is the percentage of employees who were dismissed for cause in the past year. Total turnover is the percentage of employees who either voluntarily quit or were dismissed in the past year (Batt and Colvin 2011). To reduce skewness, we used the natural logarithms of the three turnover variables. Customer satisfaction is the mean Yelp rating for each restaurant, which ranges from 1 (one star, the lowest rating possible) to 5 (five stars, the highest rating possible). The application of online customer reviews has been increasingly common in studies that focus on the service industry (e.g. Lawrence and Perrigot 2015). To reduce bias and better establish causality, we excluded restaurants with less than 10 reviews and calculated the average customer rating from 2014 (the year after our survey was administered) and 2015. The results are shown in Table 5A.

Table 5A
OLS Regressions Predicting Organizational Outcomes

Variable	Voluntary Turnover ^a					Involuntary Turnover ^b				
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9	Model 10
<i>Company-owned</i>		0.19+	0.21*	-0.16	-0.10		0.18	0.13	0.01	0.04
		(0.10)	(0.11)	(0.12)	(0.12)		(0.12)	(0.12)	(0.15)	(0.16)
<i>Franchisee-owned</i>		0.34**	0.31**				0.16	0.08		
		(0.12)	(0.12)				(0.15)	(0.15)		
<i>Independently owned</i>				-0.34**	-0.31**				-0.16	-0.08
				(0.12)	(0.12)				(0.15)	(0.15)
<i>Skill-enhancing HR Practices</i>			-0.04		-0.04			0.13+		0.13+
			(0.06)		(0.06)			(0.07)		(0.07)
<i>Motivation-enhancing HR Practices</i>			-0.24**		-0.24**			-0.31***		-0.31***
			(0.09)		(0.09)			(0.09)		(0.09)
<i>Opportunity-enhancing HR Practices</i>			-0.09*		-0.09*			-0.10*		-0.10*
			(0.04)		(0.04)			(0.04)		(0.04)
<i>Upscale fine dining</i>	-0.35+	-0.26	-0.25	-0.26	-0.25	-0.13	-0.09	-0.07	-0.09	-0.07
	(0.18)	(0.18)	(0.18)	(0.18)	(0.18)	(0.19)	(0.19)	(0.19)	(0.19)	(0.19)
<i>Casual fine dining</i>	-0.40*	-0.31+	-0.31+	-0.31+	-0.31+	-0.01	0.03	0.06	0.03	0.06
	(0.16)	(0.16)	(0.16)	(0.16)	(0.16)	(0.18)	(0.18)	(0.18)	(0.18)	(0.18)
<i>Moderately priced family</i>	-0.28+	-0.25+	-0.27+	-0.25+	-0.27+	0.02	0.04	0.04	0.04	0.04
	(0.15)	(0.15)	(0.15)	(0.15)	(0.15)	(0.16)	(0.16)	(0.16)	(0.16)	(0.16)
<i>Establishment size (log)</i>	0.09	0.09	0.07	0.09	0.07	0.05	0.05	0.01	0.05	0.01
	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)
<i>Establishment age (log)</i>	-0.22***	-0.22***	-0.20***	-0.22***	-0.20***	-0.27***	-0.27***	-0.25***	-0.27***	-0.25***
	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
<i>Firm revenue (log)</i>	-0.03	-0.04	-0.03	-0.04	-0.03	0.03	0.02	0.03	0.02	0.03
	(0.04)	(0.05)	(0.04)	(0.05)	(0.04)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
<i>QSR 50 brand</i>	0.13	-0.05	-0.08	-0.05	-0.08	0.22	0.13	0.08	0.13	0.08
	(0.15)	(0.15)	(0.15)	(0.15)	(0.15)	(0.17)	(0.19)	(0.18)	(0.19)	(0.18)
<i>Percent of repeat customers</i>	-0.41*	-0.35+	-0.29	-0.35+	-0.29	-0.42*	-0.38+	-0.31	-0.38+	-0.31
	(0.20)	(0.20)	(0.20)	(0.20)	(0.20)	(0.21)	(0.21)	(0.22)	(0.21)	(0.22)
<i>Employee education level</i>	-0.03	-0.02	-0.01	-0.02	-0.01	-0.03	-0.02	-0.02	-0.02	-0.02
	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
State dummy variables	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>R</i> ²	0.095	0.102	0.117	0.102	0.117	0.065	0.068	0.088	0.068	0.088

Notes: The values in parentheses are the standard errors. ^aN=1,050, ^bN=1,049; +p<.10, *p<.05, **p<.01, ***p<.001

Table 5A (Continued)

Variable	Total Turnover ^c					Customer Satisfaction ^d				
	Model 11	Model 12	Model 13	Model 14	Model 15	Model 16	Model 17	Model 18	Model 19	Model 20
<i>Company-owned</i>		0.21*	0.20*	-0.08	-0.02		-0.24***	-0.25***	0.21+	0.19+
		(0.10)	(0.10)	(0.12)	(0.11)		(0.06)	(0.06)	(0.11)	(0.12)
<i>Franchisee-owned</i>		0.29**	0.23*				-0.45***	-0.44***		
		(0.11)	(0.11)				(0.11)	(0.11)		
<i>Independently owned</i>				-0.29**	-0.23*				0.45***	0.44***
				(0.11)	(0.11)				(0.11)	(0.11)
<i>Skill-enhancing HR Practices</i>			0.04		0.04			0.005		0.005
			(0.06)		(0.06)			(0.03)		(0.03)
<i>Motivation-enhancing HR Practices</i>			-0.32***		-0.32***			0.12*		0.12*
			(0.09)		(0.09)			(0.05)		(0.05)
<i>Opportunity-enhancing HR Practices</i>			-0.10*		-0.10*			0.01		0.01
			(0.04)		(0.04)			(0.03)		(0.03)
<i>Upscale fine dining</i>	-0.32+	-0.25	-0.24	-0.25	-0.24	0.55***	0.47***	0.47***	0.47***	0.47***
	(0.17)	(0.17)	(0.17)	(0.17)	(0.17)	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)
<i>Casual fine dining</i>	-0.32*	-0.25	-0.23	-0.25	-0.23	0.35***	0.26**	0.26**	0.26**	0.26**
	(0.15)	(0.16)	(0.15)	(0.16)	(0.15)	(0.09)	(0.09)	(0.09)	(0.09)	(0.09)
<i>Moderately priced family</i>	-0.21	-0.19	-0.20	-0.19	-0.20	0.09	0.08	0.09	0.08	0.09
	(0.14)	(0.14)	(0.14)	(0.14)	(0.14)	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)
<i>Establishment size (log)</i>	0.03	0.02	-0.003	0.02	-0.003	-0.14***	-0.11**	-0.11**	-0.11**	-0.11**
	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
<i>Establishment age (log)</i>	-0.27***	-0.26***	-0.24***	-0.26***	-0.24***	-0.01	-0.03	-0.04+	-0.03	-0.04+
	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Firm revenue (log)</i>	-0.03	-0.04	-0.03	-0.04	-0.03	0.02	0.03	0.03	0.03	0.03
	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
<i>QSR 50 brand</i>	0.09	-0.07	-0.11	-0.07	-0.11	-0.21	0.03	0.04	0.03	0.04
	(0.14)	(0.14)	(0.14)	(0.14)	(0.14)	(0.24)	(0.25)	(0.25)	(0.25)	(0.25)
<i>Percent of repeat customers</i>	-0.34+	-0.29	-0.22	-0.29	-0.22	0.46***	0.39***	0.37**	0.39***	0.37**
	(0.20)	(0.20)	(0.20)	(0.20)	(0.20)	(0.12)	(0.11)	(0.11)	(0.11)	(0.11)
<i>Employee education level</i>	-0.02	-0.02	-0.01	-0.02	-0.01	0.06**	0.05**	0.05**	0.05**	0.05**
	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
State dummy variables	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>R</i> ²	0.092	0.099	0.121	0.099	0.121	0.209	0.260	0.270	0.260	0.270

Notes: The values in parentheses are the standard errors. ^cN=1,048, ^dN=689; +p<.10, *p<.05, **p<.01, ***p<.001

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