

Franchising our heritage: The UNESCO World Heritage brand

Bailey Ashton Adie ^a

^a Research and Innovation, Southampton Solent University, Southampton, United Kingdom,
bailey.adie@solent.ac.uk

*Highlights

- Frames the UNESCO World Heritage structure as a franchise system.
- Analyzes UNESCO documents in comparison with franchise literature.
- Franchise system is useful to understand World Heritage site management.

1 **Franchising our Heritage: The UNESCO World Heritage Brand**

2

3 The UNESCO World Heritage List has been continuously growing since the first sites
4 were listed in 1978. It has frequently been highlighted as a marker of quality and
5 authenticity, and UNESCO underscores that designation is important for tourist
6 visitation. Given the vastness of the List, and its expected continued growth, it
7 becomes relevant to understand the mechanism by which UNESCO and the States
8 Parties work to promote the dissemination and use of the World Heritage brand. This
9 paper proposes that the relationship between these entities is best expressed through a
10 franchise model wherein UNESCO is the franchisor and the States Parties franchisees.
11 Therefore, through an analysis of UNESCO World Heritage policy and practice
12 documents combined with general franchising theory, this work seeks to emphasize
13 the appropriateness of this business model in understanding the management practices
14 of both UNESCO and the States Parties.

15

16 *Keywords: UNESCO; World Heritage Brand; Franchise; World Heritage*

17

18 1 INTRODUCTION

19 United Nations Educational, Scientific and Cultural Organization (UNESCO) World
20 Heritage (WH) site status has often been lauded as a symbol of quality, with Ryan and
21 Silvanto (2011, p. 306) calling it a “coveted brand and seal of approval.” Therefore, it is
22 unsurprising that there has been a consistent increase in submissions for inscription, with
23 1640 sites in 175 States Parties¹ currently on the tentative list. This is in addition to the 1052
24 sites that have already been listed. Given the vastness of the WH List, and its expected
25 continued growth, it becomes important to understand the mechanism by which the UNESCO
26 WH Committee and the States Parties work to promote the dissemination and use of the WH
27 brand. Therefore, this paper proposes that the relationship between these entities can be
28 conceptualized as a franchise model wherein UNESCO is the franchisor and the States
29 Parties franchisees. The concepts of franchising and UNESCO WH are rarely, if ever,
30 discussed simultaneously. In fact, the idea that UNESCO works as a franchisor has only been
31 mentioned twice. Probst (2007) presented the concept in relation to a cultural event which
32 was part of a UNESCO initiative to fundraise for art-based strategies in Africa. This idea was
33 in part derived from an opinion piece by Wolfgang Kemp (2005) wherein he notes that
34 UNESCO licenses out its name. However, neither of these authors expanded on their ideas.
35 Therefore, this work seeks to emphasize the appropriateness of this business model in
36 understanding the management relationship that exists between UNESCO and the States
37 Parties.

38 2 THE FRANCHISE FORMAT

¹ There are currently 193 States Parties that have ratified the WH convention. Of these, 189 are full members of the UN, with only Liechtenstein, Nauru, Somalia, and Tuvalu not being signatories. The other 4 States Parties are comprised of 2 permanent observers to the UN (the Holy See and Palestine) and 2 non-member states (the Cook Islands and Niue).

39 A franchise can be identified as a business relationship, supported by a contract, wherein one
40 organization, a franchisee, purchases, through initial fees and, later, royalties, the rights to the
41 brand and business model of another organization, the franchisor (Combs et al., 2004; Blair
42 & Lafontaine, 2005; Badrinarayanan et al., 2016). These relationships are mutually beneficial
43 for both parties and can be especially valuable when expansion is sought in international
44 markets (Eroglu, 1992; Quinn, 1999). As stated, the basis of the franchise relationship is a
45 contract that outlines the expectations for both actors as well as creating the power dynamic
46 which will be in place during the duration of the arrangement (Rubin, 1978). This includes
47 the give and take visible in terms of ownership and product quality control (Brickley & Dark,
48 1987). Selection of appropriate franchisees, therefore, is of paramount importance. Brookes
49 and Altinay (2011, p. 345) recommend “having a set of selection criteria and selection
50 process in place” in order to assure that the appropriate franchisees are chosen. According to
51 the empirical results found in Jambulingam and Nevin (1999, p. 389), these criteria should
52 include “high [levels of] perceived innovativeness, and a high personal commitment to the
53 business” in concert with more specific criteria derived from current successful franchise
54 partnerships. In relation to their study of franchises in the tourism industry, Altinay et al.
55 (2013, p.184) emphasize the importance of both franchisors and franchisees being well
56 informed of “the feasibility of the franchise concept in their locations.” These specific aspects
57 will heighten the probability of a successful partnership for both parties.

58 Once the partners are selected and the contract is signed, there are certain
59 requirements which both parties must fulfil. One of the most important of these, for the
60 franchisor, is the expected inflow of cash. Franchisees make two separate payments
61 throughout the contract period, an initial start-up fee and recurring royalties paid ad
62 continuum (Shane, 1996; Blair & Lafontaine, 2005). In terms of the initial franchise fee,
63 Shane (1996, p. 77) highlighted that, based on his data, this “fee averages one-half of the total
64 franchisor-specific investment.” However, Lafontaine and Shaw (1999, p. 1044) indicate that
65 the introductory payment amounts to only about eight per cent of a franchisee’s total financial
66 contribution. Therefore, royalties from usage of the franchisor’s trademark or brand name are
67 much more significant for the franchisor, often being a portion of total sales (Rubin, 1978).
68 This system limits the franchisor’s risk as “the proportional variability of franchisee sales is
69 smaller than the variability of profits” (Caves & Murphy, 1976, p. 579). Tikoo et al. (1999)
70 advance this idea further by recommending that the rate be variable in order to not result in a
71 stagnation of eventual sales. It is these two economic aspects which can often be most
72 appealing to a franchisor.

73 For the franchisees, the brand, or trademark, of the franchisor is often considered the
74 most important aspect of the partnership (Hunt, 1977; Nyadzayo et al., 2011). However, as
75 Nyadzayo et al. (2011, p. 1108) note, “too often franchisees complacently expect the brand to
76 sell itself based on the assumption that it is well-established.” This can, in part, be remedied
77 through the use of contractual requirements surrounding advertising fees, which are used to
78 promote the brand at the national, regional, and local levels (Blair & Lafontaine, 2005). It has
79 also been noted that franchisors can assist in the construction of good brand citizenship from
80 franchisees, specifically in terms of promotion, in order to enhance the overall brand equity
81 (Nyadzayo et al., 2011). This can be achieved by “encourag[ing] existing franchisees to
82 embrace the culture of self-driven positive brand-related attitudes” (Nyadzayo, 2015, p.
83 1893). Research by Badrinarayanan et al. (2016) indicates that brand resonance can be a

84 particularly useful tool for franchisors in order to promote voluntary brand enrichment.
85 Increased brand recognition is of particular importance when franchise companies choose to
86 expand into international markets. For example, Lin et al. (2014) found that recognizable
87 franchises were more likely to be used by foreign tourists who were visiting an area for the
88 first time. However, in order for there to be a successful foreign expansion, the franchise
89 system must promote the quality associated with the brand being purchased by the
90 franchisees.

91 The franchise business type can be “characterised by a high degree of standardisation”
92 (Quinn, 1999, p. 346) which functions as a benchmark of the franchise, a quality indicator.
93 Rubin (1978) observed that quality must be maintained across all franchised units in order to
94 preserve the brand’s standing among its customers. Therefore, franchise contracts frequently
95 require adherence to meticulously outlined quality standards, which are “especially important
96 in businesses in which individual units cater to non-repeat customers” (Brickley & Dark,
97 1987, p. 403). According to Brickley et al. (1991), sub-par quality levels at one franchised
98 unit can have negative impacts on other franchisees in terms of a loss of customer volume as
99 well as on the franchisor’s trademark itself. Furthermore, in business format franchising it
100 becomes critical to ensure uniform, high levels of service quality as fluctuations result in
101 increased levels of customer dissatisfaction (Jeon et al., 2014). Thus, it can be seen that
102 consumers expect a certain level of quality when dealing with a franchised brand, and a
103 deviation from this quality level can significantly impact their perceptions of the brand.

104 As quality and brand maintenance are important franchisee responsibilities, it is
105 unsurprising that problems could arise when they are not maintained, which can result in
106 termination of the franchise contract. As Blair and Lafontaine (2005) observed, termination is
107 not immediate, as most franchisors will spend a period of time attempting to convince the
108 franchisee in breach of contract to alter their behavior. However, failure to comply often
109 results in the commencement of termination procedures. It is important to note that while
110 breach of contract allows for termination of the franchise agreement, it is up to the discretion
111 of the franchisor, which is especially problematic as “termination could impose a substantial
112 financial burden on the franchisee” (Makar, 1988, p. 760). Additionally, due to certain legal
113 “good cause” requirements in several countries, notably in several states in the USA, contract
114 termination can be particularly expensive for the franchisor in terms of both legal fees and,
115 potentially, court-awarded damages to the franchisee if “good cause” is not found (Brickley
116 et al., 1991). This can often be proven by “comparing the performance of the terminated
117 franchisee with that of other, similarly situated franchisees” (Emerson, 1998, p. 596). Thus,
118 termination is often a final resort of the franchisor as it is costly for all involved and must be
119 well supported from a legal standpoint.

120 3 THE WORLD HERITAGE FRANCHISE SYSTEM

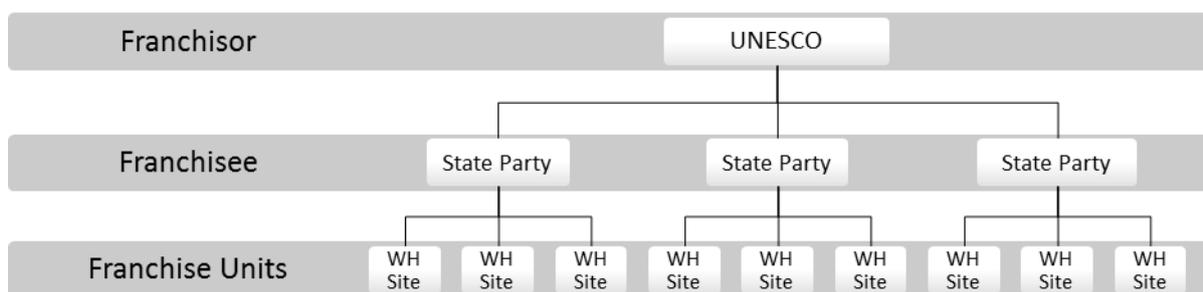
121 While the above discussion focuses exclusively on the franchise model from a purely
122 business perspective, the following sections will address the application of these structures
123 and processes to the existing WH operational framework. This is particularly important as
124 several authors (Logan, 2012; Meskell, 2015; Meskell et al., 2015) note the increasing focus
125 of the States Parties on the perceived potential economic benefits of listing. In fact, Logan
126 (2012, p. 120), in his analysis of WH Committee sessions, stated that “World Heritage [is]
127 seen by many as a brand and inscription little more than a branding exercise.” Meskell (2015,

128 p. 4) emphasizes the word “properties” in her discussion of WH, referring to them as
 129 “commodities that mobilise national and international flows.” Therefore, although the WH
 130 Convention arose from a desire to conserve and preserve natural and cultural heritage of
 131 global importance, the modern usage of listing by many States Parties has appeared to shift
 132 away from this focus towards one motivated by politics and economics.

133 In the following section, the franchise model, as outlined in the literature, has been applied to
 134 existing UNESCO WH policy and practice. This data was derived from an analysis of
 135 relevant documents which are readily available from UNESCO. More specifically, the
 136 following analysis will be broken into segments concentrating on the identified distinctive
 137 features of franchise relationships: selecting partners and the contract structure, contract fees
 138 and royalties, advertising and trademark regulations, quality control measures, and eventual
 139 contract termination.

140 3.1 SIGNING THE CONTRACT

141 The WH Convention was adopted on November 16, 1972. This international treaty laid the
 142 groundwork for the protective soft legislation surrounding WH sites and their management
 143 and established the WH Committee, which is the group that organizes the WH List. However,
 144 UNESCO is not actually responsible for the selection of the nominated sites. Instead, it is the
 145 responsibility of the respective States Parties to nominate those sites that they feel best
 146 represent the ideal of world heritage by illustrating each site’s Outstanding Universal Value.
 147 This is defined as “cultural and/or natural significance which is so exceptional as to transcend
 148 national boundaries and to be of common importance for present and future generations of all
 149 humanity” (UNESCO, 2015, p. 11). In order to be considered for listing, sites must first go
 150 through a bidding process, wherein a State Party submits a nomination form demonstrating
 151 that they meet the WH criteria set by the UNESCO WH Centre. According to VanBlarcom
 152 and Kayahan (2011, p. 146), “the bidding process entails the preparation of a management
 153 plan, conducting supportive studies and consultation provided by third parties.” These criteria
 154 and requirements are specific in nature in order to ensure that the selected sites best represent
 155 the idea of Outstanding Universal Value. This mirrors the process involved in the pre-
 156 contract interaction between a franchisor and franchisee, as can be seen in the framework in
 157 Figure 1.



158
 159 Figure 1 UNESCO Franchise Framework

160 Furthermore, similarly to a franchise contract, the WH Convention (1972, p. 3) clearly
 161 outlines the balance of power by noting in Article 4 that “each State Party to this Convention
 162 recognizes that the duty of ensuring the identification, protection, conservation, presentation

163 and transmission to future generations of the cultural and natural heritage.” Additionally,
164 according to Goodwin (2010),

165 after the nomination process is initiated...the treaty introduces a mechanism that
166 emphasises the executive authority of the Committee over the World Heritage List.
167 The Committee has control over: (1) initial admittance to the inventory; (2) officially
168 declaring that an area of world heritage is danger; and (3) the deletion of a site from
169 the World Heritage List (p. 288).

170 Therefore, the power dynamics are clearly defined, with the WH Committee holding
171 administrative power over the States Parties while the States Parties are responsible for
172 upholding the priorities of the convention. This can be seen as an obligation to maintain the
173 trademark and quality levels expected of a site of Outstanding Universal Value, which will be
174 discussed further in this work.

175 *3.2 CONTRACTUAL FEES AND ROYALTIES*

176 While UNESCO does not directly require fees in order to be a member or to sign the WH
177 Convention, there are several payment systems in place. When initially joining UNESCO,
178 Article 5.9 of the Basic Text (2012) states that

179 new Members shall be required to make a contribution for the financial period in
180 which they become Members and provide their proportion of the total advances to the
181 Working Capital Fund at rates to be determined by the General Conference. Such
182 contributions shall be recorded as revenue in the year in which they are due.

183 While this fee is not directly related to being a signatory of the WH Convention, it is a
184 compulsory payment for a State Party wishing to become a member of UNESCO, which can
185 be understood as a parent company of the WH organization. Furthermore, there are
186 compulsory contributions required by all signatories to the WH Convention which should be
187 paid biannually and not exceed one per cent of the total amount they are expected to
188 contribute to UNESCO as a whole (UNESCO, 1972). As the normal budget of UNESCO
189 only requires fees that would match the estimated amount of money which the organization
190 will be required to spend on activities within a given States Party (UNESCO, 2012), the WH
191 compulsory contributions would be feasible independent of the economic level of a country.

192 Furthermore, although States Parties can opt out of this specific stipulation regarding
193 compulsory fees, there is a strong recommendation that they should voluntary contribute an
194 amount which is at least equivalent to what their compulsory contribution would have been.
195 It should be noted that the Holy See, which has a quasi-state status in terms of international
196 recognition, is a WH Convention signatory but not a member of UNESCO, and, thus, though
197 they still pay voluntary contributions to the WH fund, they do not have required new member
198 contributions. However, all other States Parties do have initial and continuing financial
199 obligations to the franchisor, UNESCO.

200 In addition to these compulsory and voluntary contributions, there are also certain
201 fees associated with the use of the official WH emblem when financial gain is anticipated. It
202 is clearly stated in the Operational Guidelines (2015) that potential usage of the emblem
203 needs to uphold the values of WH and not focus on the anticipated economic benefits, but

204 this does not preclude its eventual use for commercial materials. This triggers a specific
205 clause in the Operational Guidelines which states:

206 When commercial benefits are anticipated, the Secretariat should ensure that the
207 World Heritage Fund receives a fair share of the revenues and conclude a contract or
208 other agreement that documents the nature of the understandings that govern the
209 project and the arrangements for provision of income to the Fund...National
210 authorities are also called upon to ensure that their properties or the World Heritage
211 Fund receive a fair share of the revenues and to document the nature of the
212 understandings that govern the project and the distribution of any proceeds (2015,
213 p.60).

214 These policies are consistent with the system of royalties found in general franchise systems,
215 specifically as described in Rubin's (1978) work, wherein a royalty payment is often a
216 percentage of total sales.

217 *3.3 ADVERTISING AND TRADEMARK*

218 One of the greatest benefits of being a member of a franchise network is the usage of an
219 established brand, which Nyadzayo et al. (2011, p. 1107) refer to as the "focal asset
220 franchisees are buying from franchisors." As sites are required to be of Outstanding Universal
221 Value, as discussed in Section 3.1, this can be understood as one of the defining
222 characteristics of the WH brand, emphasizing its distinction above national or local level
223 heritage listings (World Heritage Centre, 2008). According to the WH Information Kit
224 (World Heritage Centre, 2008), this eminence can be translated into external monetary
225 support for the protection and management of the site as well as potential revenue from
226 increased tourist visitation post-listing. The importance of the brand is further supported by
227 the regulations for the plaques that are recommended by the most recent Operational
228 Guidelines.

229 These plaques are designed to inform the public of the country concerned and foreign
230 visitors that the property visited has a particular value which has been recognized by
231 the international community. In other words, the property is exceptional, of interest
232 not only to one nation, but also to the whole world (UNESCO, 2015, p. 58).

233 This again stresses the value of the WH brand to the international community as a signifier of
234 global prestige.

235 The UNESCO WH brand's perceived distinction is also evident in the literature
236 related to tourist visitation to WH sites. For example, Rakic and Chambers (2007, p. 146)
237 refer to the WH List as "an accreditation scheme for heritage tourism attractions." Frey and
238 Steiner (2011, p. 563), in a discussion of the advertising potential of listing, took this concept
239 even further by noting that that "a site not in the UNESCO List is, by definition, not quite
240 first, but rather second rate...The tourist industry understands well that not being on the List
241 is a considerable disadvantage for its advertising." Ryan and Silvanto (2011, p. 306), as
242 previously mentioned, refer to the WH brand as a "seal of approval" that operates as a
243 guarantor of authenticity. King and Halpenny (2014, p. 1) take it one step further by stating
244 that the "brand signals to the public a property so irreplaceable to humankind that its values
245 must be sustained intact in perpetuity for the benefit of future generations." Therefore, the

246 WH status can be understood as the established brand being purchased by the States Parties
247 from UNESCO, which has international recognizability.

248 While standard forms of franchises generally require a certain percentage of the
249 franchisee's profits in order to support advertising efforts, UNESCO uses a slightly diverse
250 model. After a site is listed, States Parties are responsible for making sure the site is
251 sufficiently marked as an official WH site, though "at the country's cost and with no
252 assurance that visitors will recognize its meaning" (Di Giovine, 2009, p. 215). The UNESCO
253 Operational Guidelines (2015) highlight the importance of placing the WH emblem in plain
254 sight of visitors to the site, and, ideally, this would include a plaque, as previously mentioned,
255 which has a standardized format. In addition to the utilization of the plaque as a prestige
256 marker, they "have an additional function which is to inform the general public about the
257 *World Heritage Convention* or at least about the World Heritage concept and the World
258 Heritage List" (UNESCO, 2015, p. 58). States Parties are also encouraged "to make broad
259 use of the Emblem such as on [the WH sites'] letterheads, brochures and staff uniforms"
260 (UNESCO, 2015, p. 59), which assists in the enhancement of WH brand equity by providing
261 greater visibility to WH visitors. Therefore, while States Parties are not expected to pay
262 UNESCO for advertising as in a traditional franchise system, they are expected to pay for
263 their own usage of the WH emblem, the most conspicuous marker of listing, and provide
264 visibility for the overall WH brand.

265 3.4 QUALITY CONTROL

266 The control of the brand and advertising responsibilities discussed in section 3.3 are
267 particularly important for the States Parties as tourism is "vulnerable to extreme variability"
268 which is alleviated in part by recognizable brands that function as a standardized quality
269 indicator (Clarke, 2000, p. 331). More specifically in relation to WH, "status has become a
270 measure of quality assurance, a trademark and an 'authenticity stamp' for the heritage tourist
271 and an arena for the presentation of prestigious national heritage, integral to the national
272 building projects of States Parties" (Rakic & Chambers, 2007, p. 146). WH serves as a
273 substitute for missing knowledge by attesting that the WH site is the "real thing." The WH
274 site "guarantee," as it is often regarded, spares the tourist or tour organizer the challenging
275 task of judging and selecting potential sites on the basis of their intrinsic cultural merits and
276 historic meanings. In sum, in the realm of heritage tourism, the WH brand is of critical
277 importance because it testifies to historic attributes and developments that tourists, in many
278 cases, would be unable to discern for themselves (Ryan and Silvanto, 2011).

279 In order to ensure the necessary quality level needed for brand association, all potential
280 sites are required to satisfy three conditions, which are separate from the categorization of
281 their Outstanding Universal Value. Integrity, the first of these three, is defined in the
282 UNESCO Operational Guidelines (2015), as

283 a measure of wholeness and intactness of the natural and/or cultural heritage and its
284 attributes. Examining the conditions of integrity, therefore requires assessing the extent to
285 which the property:

- 286 a. Includes all elements necessary to express its Outstanding Universal Value;
- 287 b. Is of adequate size to ensure the complete representation of the features and
288 processes which convey the property's significance;

289 c. Suffers from adverse effects of development and/or neglect (p. 18).

290 The second deals with the necessity for effective protection of the listed site. Adequate site
291 management is the final condition for listing, specifically in the form of a comprehensive site
292 management plan. Furthermore, sites that are nominated under Criteria I-VI are required to
293 meet an additional requirement related to authenticity.

294 Properties may be understood to meet the conditions of authenticity if their cultural
295 values (as recognized in the nomination criteria proposed) are truthfully and credibly
296 expressed through a variety of attributes including:

- 297 • Form and design;
- 298 • Materials and substance;
- 299 • Use and function;
- 300 • Traditions, techniques and management systems;
- 301 • Location and setting;
- 302 • Language, and other forms of intangible heritage;
- 303 • Spirit and feeling; and
- 304 • Other internal and external factors (UNESCO, 2015, p. 17).

305 Only after national assessment and justification using these criteria can a site be nominated
306 for World Heritage listing. As WH sites function as singularities and, in fact, are listed based
307 on their “outstanding” uniqueness, these listing qualities provide a level of standardization in
308 terms of experience and quality levels, similar to business format franchise systems.

309 In addition to the continued maintenance and protection measures, each site is subject to
310 periodic reporting, which is undertaken for the following reasons:

- 311 a. To provide an assessment of the application of the *World Heritage Convention* by the
312 State Party;
- 313 b. To provide an assessment as to whether the Outstanding Universal Value of the
314 properties inscribed on the World Heritage List is being maintained over time;
- 315 c. To provide up-dated information about the World Heritage properties to record the
316 changing circumstances and state of conservation of the properties;
- 317 d. To provide a mechanism for regional cooperation and exchange of information and
318 experiences between States Parties concerning the implementation of
319 the *Convention* and World Heritage conservation (UNESCO, 2015, p. 44).

320 As can be noted, this periodic reporting assists in the preservation, protection, and
321 management of the WH sites while also allowing for the eventual possibility of UNESCO
322 involvement when necessary. The reporting can also alert UNESCO to any possible danger
323 faced by the site or damages already incurred which can result in placement either on the List
324 of WH in Danger or eventual de-listing, which will be discussed in more depth in section

325 3.5. Thus, periodic reporting functions as a quality management method in order to assure
326 the continued high quality levels that are expected of the UNESCO WH franchise brand.

327 3.5 BREACH OF CONTRACT & TERMINATION

328 Similarly to traditional business franchisees, States Parties are capable of being in breach of
329 their contract, specifically in terms of financial obligations, trademark management, and
330 maintenance of the expected quality levels as outlined in sections 3.2, 3.3, and 3.4
331 respectively. As mentioned in section 3.4, States Parties are required to undertake periodic
332 reporting, though this only occurs once every six years. However, at any point reactive
333 monitoring can occur, either in response to a report of deterioration of the site, which is
334 thoroughly investigated, failure to undertake already noted alterations to protect or restore the
335 site, or a State Party's notification of either "exceptional circumstances or work [that] is
336 undertaken which may have an impact on the Outstanding Universal Value of the property or
337 its state of conservation" (UNESCO, 2015, p. 37). However, the goal of this monitoring is to
338 not only prevent deletion but also to remedy the situation if at all possible, similarly to the
339 process that occurs in traditional franchise relationships when there has been a breach of
340 contract.

341 Upon receiving notification of the potential problems at a WH site, the situation is
342 assessed by the UNESCO Advisory Bodies: the International Council on Monuments and
343 Sites (ICOMOS), the International Union for Conservation of Nature (IUCN), and the
344 International Centre for the Study of the Preservation and Restoration of Cultural Property
345 (ICCROM). As outlined in the UNESCO operational guidelines (2015, p. 39), these groups
346 will verify the state of the site, and, dependent on its physical condition, there can either be
347 no action, prescriptions for improvement, movement to the List of WH in Danger, or,
348 potentially, complete deletion from the list. According to the Operational Guidelines (2015)
349 current WH properties can only be inscribed on the List of WH in Danger if:

- 350 b) the property is threatened by serious and specific danger;
- 351 c) major operations are necessary for the conservation of the property;
- 352 d) assistance under the *Convention* has been requested for the property (p. 40).

353 Prior to being moved to the List of WH in Danger, UNESCO communicates with the State
354 Party (or States Parties in the case of transboundary sites) responsible for the care and
355 management of the site, and the two detail the required actions to remedy, as much as
356 possible, whatever problem has been the catalyst for the movement of the site to the List. In
357 order to support these actions, "a specific, significant portion of the World Heritage Fund"
358 will be allotted to support the conservation efforts of these WH in Danger sites (UNESCO,
359 2015, p. 43).

360 Currently, there are 55 sites on the List of WH in Danger, of which 37 are cultural and
361 18 natural, and these are located within the boundaries of 34 States Parties, with 1
362 transboundary site. These sites will be reviewed every year in order to ascertain their current
363 state of conservation as well as to plan for the future of each in regards to their WH status.
364 Based on this information, the WH Committee, together with the relevant States Parties, can
365 come to one of three decisions. They are as follows:

- 366 a) Additional measures are required to conserve the property;

- 367 b) to delete the property from the List of World Heritage in Danger if the
368 property is no longer under threat;
- 369 c) to consider the deletion of the property from both the List of World Heritage
370 in Danger and the World Heritage List if the property has deteriorated to the
371 extent that it has lost those characteristics which determined its inscription on
372 the World Heritage List (UNESCO, 2015, p. 43).

373 Deletion is the ultimate decision that the WH Committee will make, and it is not done lightly.
374 In fact, only two sites (the Arabian Oryx Sanctuary, Oman in 2007 and the Dresden Elbe
375 Valley, Germany in 2009) have been deleted since the inception of the WH List.

376 Deletion should be seen as a breach of the UNESCO franchise contract, most notably
377 as Article 4 of the WH Convention (1972, p. 3) commits each signatory State Party to
378 “[ensure] the identification, protection, conservation, presentation and transmission to future
379 generations of the cultural and natural heritage...situated on its territory.” However, deletion
380 from the WH List will only occur if either serious deterioration has occurred, destroying the
381 site’s Outstanding Universal Value, or “where the intrinsic qualities of a World Heritage site
382 were already threatened at the time of its nomination by human action and where the
383 necessary corrective measures as outlined by the State Party at the time, have not been taken
384 within the time proposed” (UNESCO, 2015, p. 43). Nonetheless, prior to de-listing, the WH
385 Committee will confer with the State Party responsible for the site in order to attempt to
386 remedy the situation. This is in part because

387 deletion of a site...raises the spectre of immediate disadvantages, such as a loss of
388 national esteem from public exposure of poor conduct, loss of visitor income to that
389 site, and the weakening of political influence within national government
390 structures...[T]he harmful consequences of deletion may also be more long term,
391 impacting upon the future interests of the state party under the [WH Convention]
392 (Goodwin, 2010, p. 308).

393 As with business franchise systems, the franchisor, UNESCO, is aware of the negative
394 ramifications of “terminating” the franchisee’s, the State Party’s, contract and only
395 commences with deletion if there is valid “good cause” and after significant intervention
396 attempts.

397 4 CONCLUSIONS

398 This work has illustrated, through a presentation of the existing franchise literature and an
399 analysis of UNESCO policy and practice, the relevance of the franchise model in relation to
400 the implementation of the WH convention. As can be seen, signing the WH convention and
401 nominating sites is similar to a franchise contract negotiation process. As a result of this
402 process, the States Parties must ensure to abide by certain contractually binding regulations.
403 For example, States Parties are required to pay compulsory contributions as well as royalty
404 fees when a profit is expected from use of the WH emblem, which is similar to the income
405 structure of a franchise system. Furthermore, States Parties are strongly encouraged to
406 promote the WH brand while also maintaining the high quality level that this brand represents
407 at each individual site, or franchise location. When these obligations are not fulfilled, the
408 relevant sites can be deemed “in danger,” which triggers assistance from UNESCO in order
409 to remedy the problem(s). If the interventions are unsuccessful and/or ignored, then the

410 relevant States Parties will be found in breach of contract which can trigger the deletion of
411 the deteriorated site from the WH List.

412 However, this is not to say that there are not some complications when applying the
413 franchise model to the WH system. Whereas traditional franchise systems are profit driven,
414 UNESCO's stated purpose is to protect the world's heritage. However, as previously noted,
415 often the rationale for the nominations is, in part, motivated by the prospect of economic gain
416 through tourism receipts. While this does not correspond with their core goals, UNESCO
417 does emphasize the importance of WH designation to tourism visitation as seen in the World
418 Heritage Information Kit (2008), and this creates an important economic dynamic within the
419 management relationship. Additionally, unlike a traditional franchise, there is no centralized
420 advertising plan, with the onus of advertisement of the site lying with the individual States
421 Parties. Furthermore, whereas there are clearly defined laws that dictate how franchise
422 relationships function and protect both franchisor and franchisee, the WH convention
423 operates as an international treaty, which operates as soft law. Nonetheless, the relationship
424 between UNESCO and the States Parties shares the same distinct management characteristics
425 that are found in traditional franchise systems.

426 By conceptualizing the relationship between UNESCO and the States Parties as that
427 of franchisor and franchisee, it becomes easier to understand the existing macro-level
428 management structures in place. More specifically, it provides an existing business
429 framework by which to judge the levels of satisfaction of both parties involved in the WH
430 management process. This can assist both the States Parties and the WH Committee should a
431 dispute ever arise both in terms of understanding the source of the conflict as well as
432 providing steps with which to solve it. Furthermore, this provides the groundwork for a new
433 legal conceptualization of the WH convention, specifically in terms of the WH Committee's
434 ability to ensure that States Parties uphold their responsibilities in regards to their listed sites.
435 Future research should apply this model to individual case studies in order to assess the
436 appropriateness of fit. Additionally, subsequent studies could analyze the legal ramifications
437 of applying international franchise legislation to the signatories of the WH Convention.
438 Furthermore, this framework can be applied to analyses of individual WH management
439 studies in order to fully understand the shared responsibilities between UNESCO and the
440 States Parties responsible for the site(s).

441

442 **Bibliography**

443 Altinay, L., Brookes, M., & Aktas, G. (2013). Selecting franchise partners: Tourism
444 franchisee approaches, processes and criteria. *Tourism Management*, 37, 176-185

445 Badrinarayanan, V., Suh, T., & Kim, K.-M. (2016). Brand resonance in franchising
446 relationships: A franchisee-based perspective. *Journal of Business Research*, 69, 3943-3950.

447 Blair, R.D. & Lafontaine, F. (2005). *The Economics of Franchising*. Cambridge: Cambridge
448 University Press.

449 Brickley, J.A. & Dark, F.H. (1987). The choice of organizational form: The case of
450 franchising. *Journal of Financial Economics*, 18, 401-420.

- 451 Brickley, J.A., Dark, F.H., & Weisbach, M.S. (1991). The economic effects of franchise
452 termination laws. *Journal of Law & Economics*, 34, 101-132.
- 453 Brookes, M. & Altinay, L. (2011). Franchise partner selection: perspectives of franchisors
454 and franchisees. *Journal of Services Marketing*, 25, 336-348.
- 455 Caves, R.E. & Murphy, W.F., II (1976). Franchising: Firms, markets, and intangible assets.
456 *Southern Economic Journal*, 42, 572-586.
- 457 Clarke, J. (2000). Tourism brands: An exploratory study of the brands box model. *Journal of*
458 *Vacation Marketing*, 6, 329-345.
- 459 Combs, J.G., Michael, S.C., & Castrogiovanni, G.J. (2004). Franchising: A review and
460 avenues to greater theoretical diversity. *Journal of Management*, 30(6), 907-931.
- 461 Di Giovine, M.A. (2009). *The Heritage-scape: UNESCO, World Heritage, and Tourism*.
462 Lanham, MD: Lexington Books.
- 463 Emerson, R.W. (1998). Franchise terminations: Legal rights and practical effects when
464 franchisees claim the franchisor discriminates. *American Business Law Journal*, 35, 559-645.
- 465 Eroglu, S. (1992). The internationalization process of franchise systems: A conceptual model.
466 *International Marketing Review*, 9(5), 19-30.
- 467 Frey, B.S. & Steiner, L. (2011). World Heritage List: does it make sense? *International*
468 *Journal of Cultural Policy*, 17, 555-573.
- 469 Goodwin, E.J. (2010). The consequences of deleting World Heritage Sites. *King's Law*
470 *Journal*, 21, 283-309.
- 471 Hunt, S.D. (1977). Franchising: Promises, problems, prospects. *Journal of Retailing*, 53(3),
472 71-84.
- 473 Jambulingam, T. & Nevin, J.R. (1999). Influence of franchisee selection criteria on outcomes
474 desired by the franchisor. *Journal of Business Venturing*, 14, 363-395.
- 475 Jeon, H.-Y. J., Dant, R.P., & Gleiberman, A.M. (2014). National versus local brands:
476 Examining the influences of credence and experience services on customer perceptions of
477 quality in a franchise context. *European Journal of Marketing*, 48, 1511-1535.
- 478 Kemp, W. (2005). Die UNESCO: Ein unverlangter Tätigkeitsbericht [UNESCO: An
479 Unsolicited Progress Report]. *Merkur*, 680, 1140-1153.
- 480 Lafontaine, F. & Shaw, K.L. (1999). The dynamics of franchise contracting: Evidence from
481 panel data." *Journal of Political Economy*, 7, 1041-1080
- 482 Lin, Y.H., Lin, J.L., & Ryan, C. (2014). Tourists' purchase intentions: impact of franchise
483 brand awareness. *The Service Industries Journal*, 34, 811-827.
- 484 Logan, W. (2012). States, governance and the politics of culture: World Heritage in Asia. In
485 P. Daly & T. Winter (Eds.). *Routledge Handbook of Heritage in Asia* (pp. 113-128).
486 Abingdon, UK: Routledge.

- 487 Makar, S. (1988). In defense of franchisors: The law and economics of franchise quality
488 assurance mechanisms. *Villanova Law Review*, 33, 721-766.
- 489 Meskell, L. (2015). Transacting UNESCO World Heritage: Gifts and exchanges on a global
490 scale. *Social Anthropology*, 23 (1), 3-21.
- 491 Meskell, L., Liuzza, C., Bertacchini, E., & Saccone, D. (2015). Multilateralism and UNESCO
492 World Heritage: Decision-making, States Parties and political processes. *International
493 Journal of Heritage Studies*, 21 (5), 423-440.
- 494 Nyadzayo, M.W., Matanda, M.J., & Ewing, M.T. (2011). Brand relationships and brand
495 equity in franchising. *Industrial Marketing Management*, 40, 1103-1115.
- 496 Nyadzayo, M.W., Matanda, M.J., & Ewing, M.T. (2015). The impact of franchisor support,
497 brand commitment, brand citizenship behaviour, and franchisee experience on franchisee-
498 perceived brand image. *Journal of Business Research*, 68, 1886-1894
- 499 Probst, P. (2007). "An African Journey": On cultural heritage and the popularity of
500 primitivism." *RES: Anthropology and Aesthetics*, 52, 153-160.
- 501 Quinn, B. (1999). Control and support in an international franchise network. *International
502 Marketing Review*, 16, 345-362.
- 503 Rakic, T. & Chambers, D. (2007). World Heritage: Exploring the tension between the
504 national and the 'universal.' *Journal of Heritage Tourism*, 2, 145-155.
- 505 Rubin, P.H. (1978). The theory of the firm and the structure of the franchise contract. *The
506 Journal of Law & Economics*, 21(1), 223-233.
- 507 Ryan, J. & Silvanto, S. (2011). A brand for all the nations: The development of the World
508 Heritage brand in emerging markets. *Marketing Intelligence & Planning*, 29, 305-318.
- 509 Shane, S.A. (1996). Why franchise companies expand overseas. *Journal of Business
510 Venturing*, 11, 73-88.
- 511 UNESCO (1972). *Convention Concerning the Protection of the World Cultural and Natural
512 Heritage*. Paris: UNESCO.
- 513 UNESCO (2012). *Basic Texts*. Paris: UNESCO.
- 514 UNESCO (2015). *Operational Guidelines for the Implementation of the World Heritage
515 Convention*. Paris: UNESCO.
- 516 VanBlarcom, B.L. & Kayahan, C. (2011). Assessing the economic impact of UNESCO
517 World Heritage designation. *Journal of Heritage Tourism*, 6(2), 143-164.
- 518 World Heritage Centre (2008). *World Heritage Information Kit*. Paris: UNESCO World
519 Heritage Centre.

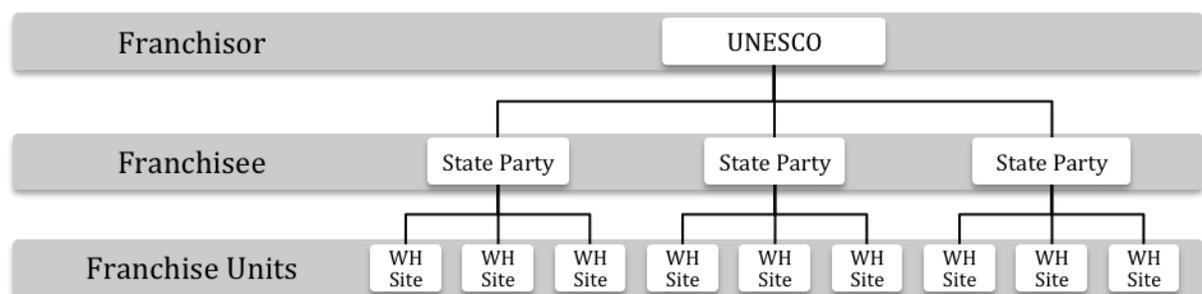


Figure 1 UNESCO Franchise Framework

*Author Biography

Bailey Ashton Adie is a Postdoctoral Research Fellow at Southampton Solent University, Southampton, United Kingdom. She has a Ph.D. in Management and Development of Cultural Heritage from IMT Institute for Advanced Studies Lucca, Italy. Her research focuses on World Heritage tourism in an international comparative context, sustainable heritage tourism for community development, and tourism marketing and branding.