

**EXPLORING THE KEY FACTORS BEHIND THE LONGEVITY
OF A THAI FAMILY RESTAURANT: THE CASE OF
SUNITGOLF FONDUE HOUSE**



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OF A THAI FAMILY RESTAURANT:
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ABSTRACT

This thematic paper explores the key factors contributing to the longevity of family-owned restaurants in Thailand, with a specific focus on Sunitgolf Fondue House. Utilizing the Balanced Scorecard (BSC) framework, the study examines four critical dimensions: financial performance, customer relationships, internal business processes, and learning and growth. Through qualitative research, including interviews with management, staff, and customers, the study identifies strengths and challenges unique to family-owned businesses.

Findings reveal that Sunitgolf's longevity is attributed to factors such as land ownership, loyal customer relationships, and cost-effective operations. However, challenges such as succession planning, lack of formalized training, and limited innovation in menu development hinder its long-term growth. The paper concludes with actionable recommendations, including adopting structured financial planning, leveraging digital marketing strategies, modernizing operations, and fostering leadership development. These strategies aim to preserve Sunitgolf's legacy while enhancing its sustainability in an evolving industry.

KEY WORDS: FAMILY-OWNED BUSINESS, LONGEVITY, BALANCED SCORECARD, SUCCESSION PLANNING, THAI RESTAURANT INDUSTRY

28 pages

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CHAPTER I

INTRODUCTION

Family businesses account for a substantial portion of companies worldwide, estimated to be around 80-98%. In Southeast Asia, approximately 60% of publicly listed firms are family-owned (Price Waterhouse Cooper, 2014). Similarly, in Thailand, over 80% of businesses consist of small and medium-sized family enterprises that have been passed down through generations (Stock Exchange of Thailand, 2024). The restaurant industry is a common example of a family-run business in Thailand, where these restaurants play a vital role in the country's culinary scene and cultural heritage, contributing to economic development. As of 2022, Thailand had approximately 384,732 restaurant businesses, many of which were small, family-operated establishments (Euromonitor International, 2023).

Despite the popularity of the family restaurant business model, many such establishments struggle to achieve long-term success. Only 30% of family businesses globally successfully transition to the second generation, and around 10% make it to the third generation (Banchongduang, 2024). In Thailand, the situation was further complicated by the COVID-19 pandemic. While some entrepreneurs were hopeful about recovery, research by Krungsri (2024) revealed that many saw it as an opportunity to quickly open new restaurants. However, this surge in openings led to intense competition, causing numerous establishments to shut down within their first year of operation.

This reflects global patterns in which family businesses face challenges such as succession planning, family dynamics, and governance issues, all of which impact their long-term sustainability (Bhasi et al., 2017; Lansberg & Astrachan, 1994). Several factors contribute to these high failure rates, including a lack of formal business planning, generational conflicts, difficulties in adapting to modern trends, and financial mismanagement (Schwartz, 2018). The family restaurant sector, in particular, must address the challenge of maintaining consistent quality while evolving in a competitive market and managing complex family dynamics.

1.1 Background Story

Sunitgolf serves as an interesting case study of a family-owned business that has stood the test of time, operating successfully for 54 years. Established in 1970, Sunitgolf is renowned for offering Thai and international cuisine and currently employs 22 people in management and staff roles. The restaurant has remained under family management, with Pramvadee Vongswang serving as the current owner and leader. While this intergenerational ownership has significantly shaped the restaurant's operations, it has also brought unique challenges, particularly with leadership transitions and adapting to changing market conditions to stay competitive.

In 1970, Chalor Vongswang opened Sunitgolf, a golf equipment store on Rama V Road, Dusit, as golf emerged as a luxury sport in Thailand (Cohen, 2002). The store's customers included military and elite figures, leading to suggestions for adding food service. With his daughter Pramvadee, who had just finished culinary school, Chalor expanded it into a restaurant.

After renovations, Sunitgolf Restaurant attracted customers by serving traditional Thai and French dishes. From 1975 to 2016, Chalor's son Apichart and his wife Napisara ran the restaurant, growing its reputation through word-of-mouth, especially in the 1980s and 1990s. The restaurant became known for its large portions and signature fondue. In 2016, Pramvadee returned to manage the restaurant, appointing her grandson Sermpotchara as general manager. He rebranded it as Sunitgolf Fondue House to highlight its signature dish and the restaurant continued to rely on its traditional management style and loyal customers.

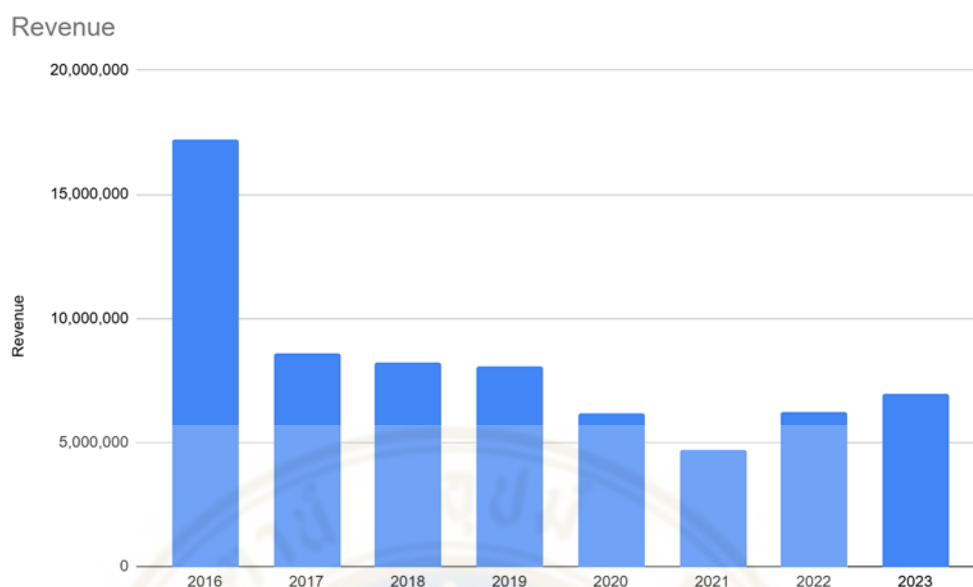


Figure 1.1 Sunitgolf Fondue House revenue from 2016 to 2023

Sunitgolf is currently facing significant challenges that threaten its long-term viability, with declining revenue emerging as a critical issue. Revenue has consistently decreased over the past several years, a trend that began following the COVID-19 pandemic in 2019 as shown in figure 1.

While financial data is available only from 2016, a marked decline in revenue occurred after management transitioned to the third generation, resulting in a 50% reduction from approximately 17 million baht to 8.5 million baht. Prior to the pandemic, annual revenue averaged 8.2 million baht. Despite improvements in the pandemic situation during 2022-2023, revenue further declined to an average of 6.5 million baht, representing a 20% decrease from pre-pandemic levels. Furthermore, data from Q1 2024 indicates an additional 25% decline compared to the previous year. These trends highlight the urgent need for a comprehensive analysis to identify the underlying causes and formulate strategies for recovery to ensure the restaurant's sustainability.

Additionally, the business faces internal challenges related to management, as the next generation must determine whether to assume leadership roles and preserve the family legacy or allow the business to stagnate and potentially fail. As a member of this new generation within the family business, the imperative to sustain the restaurant and ensure its ongoing success is a significant concern.

This research has two primary goals. First, it seeks to identify the key factors that have contributed to Sunitgolf's longevity, providing valuable lessons that other family-run businesses can learn from to enhance their sustainability. By understanding what has allowed Sunitgolf to thrive for so many years, these insights can help inform strategies for family businesses aiming to transition smoothly across generations. Second, the research aims to uncover areas that require improvement or innovation to secure the restaurant's future. Recommendations derived from this study can assist Sunitgolf—and potentially other family businesses—in adapting to modern challenges such as shifting market trends, technology integration, and effective succession planning.



CHAPTER II

LITERATURE REVIEW

This section reviews the literature on the key factors contributing to the longevity of family-owned businesses. It begins with an overview of what defines a family-owned business and the unique challenges and opportunities these businesses encounter. The analysis then focuses on four dimensions derived from the Balanced Scorecard (BSC) framework: Financial, Customer Relationships, Internal Business Processes, and Learning and Growth. These dimensions offer a comprehensive approach to evaluating the sustainability of family-owned restaurants.

2.1 Family-owned Business

A family-owned business is typically one where a family holds the majority of ownership or control, with at least two family members actively managing the company. These businesses often prioritize long-term success over immediate profits, with a focus on passing the company down to future generations. Because they blend family values with business goals, they face unique challenges like succession planning, governance, and balancing personal relationships with professional responsibilities. Gersick et al. (1997) describe these businesses as those where decision-making is shaped by multiple generations, connected by blood or marriage. They're known for preserving family traditions, building strong customer relationships, and establishing close community ties. However, they also struggle with issues related to family dynamics, governance, and planning for the future.

Similarly, Sharma (2004) notes that what sets family-owned businesses apart is the family's direct involvement in management and ownership. While this can be a strength—bringing loyalty and a long-term outlook—it can also be a weakness, leading to conflicts among family members and challenges in leadership transitions.

2.2 Balanced Scorecard Theory

Balanced Scorecard (BSC) Theory to sustain their businesses was developed by Kaplan and Norton in 1992. The BSC integrates four key business perspectives—Financial, Customer Relationships, Internal Business Processes, and Learning and Growth—helping organizations connect their vision to daily operations. It provides a framework for assessing both financial and nonfinancial performance (Ndevu & Muller, 2018), as well as aligning a business's vision, mission, and strategic objectives (Quesado, Guzmán, & Rodrigues, 2018). By 2014, more than 700 organizations had adopted the BSC, making it one of the most popular management tools (Hoque, 2014).

While research on using the BSC for strategic planning in the restaurant industry is still limited, its strategy mapping has proven useful for identifying activities that benefit the business. For instance, Ida and Fitri (2018) found that the BSC effectively targeted performance indicators across its four dimensions. The BSC helps businesses set clear goals, align their activities with strategies, and track progress toward long-term objectives (Balanced Scorecard Institute, 2012). Studies have shown that linking performance measures through cause-and-effect relationships is essential for the BSC's success (Najmaei, Quazi, & Behnia, 2017).

Over time, the BSC has evolved into a strategic tool that bridges financial and nonfinancial goals (Ndevu & Muller, 2018), making it easier for businesses to turn their vision into action and communicate their objectives clearly (Quesado et al., 2018). It also addresses the limitations of relying solely on financial metrics to evaluate organizational performance (Chopra, Gupta, & Chhabra, 2017).

In this paper, the BSC is presented as a strategic management tool that helps align business activities with an organization's vision and strategy by tracking performance across four key dimensions. Each dimension is linked to specific objectives, key performance indicators (KPIs), targets, and initiatives to ensure a well-rounded approach to business sustainability.

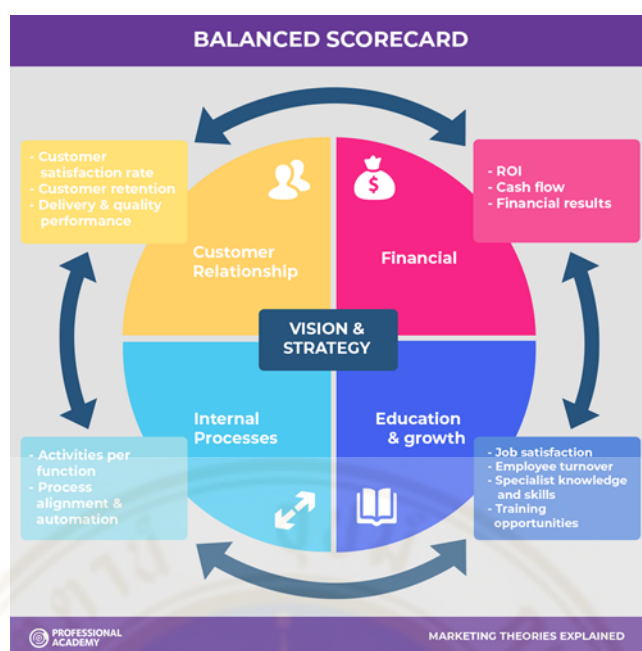


Figure 2.1 The Balanced Scorecard Theory

2.3 Financial Performance

The Financial Perspective focuses on measuring financial performance to ensure profitability and sustainability. A strong financial outlook is characterized by high return on investment (ROI), revenue growth, and effective cost management. Organizations should set financial goals to increase revenue, reduce costs, and improve profitability, tracking KPIs such as net profit margin, operating income, and cash flow. By aligning budgets and investments with the overall business strategy, companies can ensure long-term sustainability. Common financial KPIs include revenue growth rate, profit margins, return on assets (ROA), and economic value added (EVA).

Financial management is critical for the long-term success of family-owned businesses. According to Kaplan and Norton (1996), financial performance is one of the primary indicators of organizational health in the BSC framework. Effective financial management allows businesses to maintain profitability while managing risks associated with family ownership, such as informal financial controls and lack of investment strategies. Modigliani and Miller (1958) highlight the importance of financial discipline, particularly in managing cash flows, reinvestment, and debt.

2.4 Customer Relationship

In the Customer Relationship Perspective, the goal is to understand and meet customer needs, thereby enhancing satisfaction and retention. High customer satisfaction, growth in market share, and a strong brand reputation are key indicators of success in this dimension. To achieve this, businesses should focus on customer engagement, loyalty, and developing value propositions that differentiate their products and services. Regularly surveying customers and gathering feedback helps to refine offerings. Typical KPIs for this dimension include customer satisfaction score (CSAT), net promoter score (NPS), market share, and customer retention rate.

Building and maintaining strong customer relationships is another pillar of success in family-owned businesses. The BSC framework emphasizes customer satisfaction and loyalty as key measures of a company's ability to meet market needs. Research shows that family businesses benefit from personalized service, which fosters emotional connections and long-term loyalty among customers.

2.5 Internal Business Processes

The Internal Business Processes Perspective aims to ensure efficient operations that meet customer and stakeholder expectations. A well-performing internal processes dimension is marked by streamlined operations, high-quality products, and consistent innovation. Businesses should focus on optimizing key processes such as production, customer service, and delivery, and implement continuous improvement strategies like Lean or Six Sigma to reduce waste and enhance efficiency. Aligning internal processes with both customer expectations and overall business strategy is critical. Example KPIs include process efficiency (e.g., cycle time, lead time), product defect rates, innovation rate, and operational costs per unit.

The BSC framework also focuses on the internal processes that drive operational efficiency and product quality. In family-owned businesses, these processes are often influenced by the legacy of previous generations. Gersick et al. (1997) emphasize the importance of formalizing internal processes to ensure consistent service delivery and product quality. For Sunitgolf, key internal processes include cost control, as the restaurant benefits from low operational costs due to land ownership and long-serving staff.

2.6 Learning and Growth

Finally, the Learning & Growth Perspective focuses on fostering an environment of innovation, employee development, and knowledge management. A skilled, motivated, and engaged workforce, coupled with continuous learning and innovation, is essential for success in this area. To cultivate such an environment, organizations should invest in employee training, promote a culture of innovation, and enhance platforms for knowledge sharing and collaboration. Common KPIs in this dimension include employee satisfaction and engagement scores, employee turnover rate, training hours per employee, and the number of new skills developed.

The Learning and Growth perspective of the BSC framework focuses on the organization's ability to innovate, adapt, and improve over time. This includes investing in employee training, fostering a culture of continuous improvement, and embracing new technologies. For family businesses like Sunitgolf, growth is often linked to generational transitions and the ability of the new leadership to innovate while maintaining the business's core values.

In conclusion, the literature on family-owned businesses highlights several factors crucial to their long-term success, particularly in the restaurant sector. The unique blend of family dynamics, customer relationships, and internal processes requires careful management, with a focus on both preserving tradition and fostering innovation. The Balanced Scorecard (BSC) framework provides a comprehensive approach to addressing these challenges by aligning financial performance, customer satisfaction, internal efficiency, and learning and growth. By utilizing the BSC's four perspectives, family-owned restaurants can better manage the complexities of succession, governance, and sustainability.

This review underscores that successful family businesses not only manage day-to-day operations effectively but also invest in long-term strategies that ensure continuity across generations. The integration of financial and nonfinancial goals is essential for adapting to changing market conditions while maintaining the core values that define family ownership. Overall, the BSC framework serves as a valuable tool for understanding and enhancing the longevity of family-owned restaurants, helping them navigate the unique challenges they face.

CHAPTER III

RESEARCH METHODOLOGY

This study employed a qualitative research methodology to examine the key factors contributing to the longevity of a Thai family restaurant, specifically Sunitgolf Fondue House. The analysis focused on four dimensions based on the Balanced Scorecard (BSC) framework, which were categorized into four main themes: Financial, Customer Relationships, Internal Business Processes, and Learning and Growth. A total of 9 face-to-face interviews were conducted.

To gain insights into the restaurant's perspective, 6 interviews were carried out with both current and former owners and employees. These interviews aimed to uncover the key differences between generations and the challenges faced by the current owner. The profiles of the interviewees are detailed in Table 3.1, while the interview questions are outlined in Table 3.2.

Table 3.1 Interviewees' Profile from The Restaurant's Owners and Employees

| Name | Age | Year of employment | Position | Date and Location | Duration |
|--------------|----------|--------------------------|--------------------------------------|--------------------------------------|--------------------------|
| Sermpotchara | 39 years | 8 years (since 2016) | Restaurant manager | 26 Sep 2024 Sunitgolf Restaurant | Approximately 30 minutes |
| Ruennu | 65 years | 54 years (since 1970) | Head chef | 04 Oct 2024 Sunitgolf Restaurant | Approximately 15 minutes |
| Samruay | 62 years | 35 years (since 1989) | Head of staff | 04 Oct 2024 Sunitgolf Restaurant | Approximately 15 minutes |
| Arisa | 50 years | 25 years (since 1999) | Head of waitress | 26 Sep 2024 Sunitgolf Restaurant | Approximately 20 minutes |
| Apichart | 73 years | 41 years (1975-2016) | Second generation's restaurant owner | 28 Sep 2024 Bang Khen, Bangkok | Approximately 30 minutes |
| Napisara | 65 years | 21 years (1995-2016) | Previous restaurant manager | 28 Sep 2024 Bang Khen, Bangkok | Approximately 20 minutes |

Table 3.2 Interview Questions for The Restaurant's Owners and Employees

| Topic | Questions |
|-----------------------------|---|
| Financial | 1. What financial strategies do you use to sustain the business? |
| | 2. Do you typically set monthly targets for revenue and performance? |
| | 3. How do you ensure the business remains profitable? |
| | 4. Could you elaborate on the growth of revenue and profit margins? |
| | 5. Is there an accountant/finance person employed at the restaurant, and what are their primary responsibilities? |
| | 6. Have you utilized accounting data for strategic planning or decision-making? |
| Customer Relationship | 1. Do you have any loyal customers, and if so, who are they? |
| | 2. What feedback have you received from these customers? |
| | 3. What factors do you believe contribute to their repeated visits to the restaurant? |
| | 4. How do you attract new customers to the restaurant? |
| | 5. What strategies or features do you plan to use to draw in new customers? |
| Internal Business Processes | 1. What do you think are Sunitgolf's competitive advantages that have contributed to its long-term success? |
| | 2. What distinguishes Sunitgolf from other restaurants? |
| | 3. What is considered the signature dish at this restaurant? |
| | 4. How is customer service delivered? |
| | 5. Does the restaurant utilize a service blueprint to guide its service processes? |
| Learning and Growth | 1. What factors do you believe will ensure Sunitgolf's continued success in the future? |
| | 2. Do you provide training for staff? |
| | 3. Is there any training offered for kitchen staff? |
| | 4. What is the latest technology implemented at Sunitgolf? |
| | 5. How do you approach the creation of new menu items? |
| | 6. In what ways do you use customer feedback to enhance the business? |

In addition to the restaurant's perspective, understanding the customers' viewpoints is crucial for gaining comprehensive insights. To this end, the researcher selected three regular customers from different generations for interviews to explore why they continue to return, what aspects of the restaurant should be preserved, and what areas need improvement. Participants were chosen based on the criterion of being frequent customers who visit the restaurant at least once per quarter. The profiles of the selected customers are detailed in Table 3.3.

Table 3.3 Interviewees' Profile from The Restaurant's Owners and Employees

| Customer | Name | Age | Visit behavior | Date and Location | Duration |
|------------|-----------|----------|--|-------------------------------------|--------------------------|
| Customer 1 | Naruemon | 74 years | Around 4 times a year on special occasions. | 6 Oct 2024 Sunitgolf Restaurant | Approximately 20 minutes |
| Customer 2 | Piyawan | 30 years | 3-4 times a year, also order through food delivery application | 6 Oct 2024 Sunitgolf Restaurant | Approximately 20 minutes |
| Customer 3 | Chanittha | 20 years | 2-3 times a month for cook-to-order dishes. | 10 Oct 2024 Sunitgolf Restaurant | Approximately 15 minutes |

The discussions were framed around the themes of the BSC framework. The aim is to determine whether the customers' perspectives align with those of the restaurant and to identify any gaps that may provide opportunities for improvement. The interview questions are presented in Table 3.4.

Table 3.4 Interview Questions for Customers

| Topic | Questions |
|-----------------------------|---|
| Financial | 1. How much do you typically spend during each visit? |
| | 2. Do you consider the prices to be reasonable? |
| | 3. Have you compared the prices at this restaurant with those of others? If so, what is the price difference? |
| Customer Relationship | 1. How did you first learn about Sunitgolf? |
| | 2. How long have you been dining at Sunitgolf? |
| | 3. Who do you typically come to Sunitgolf with? |
| | 4. What motivates you to return repeatedly? |
| | 5. If you were to recommend Sunitgolf to your friends, what would you say? |
| | 6. What do you appreciate about this restaurant? |
| | 7. What improvements do you believe Sunitgolf should consider? |
| Internal Business Processes | 1. What distinguishes Sunitgolf from other restaurants? |
| | 2. What is your favorite dish at Sunitgolf? |
| | 3. What is the first thought that comes to mind when you think of Sunitgolf? |
| | 4. On a scale of one to ten, how would you rate Sunitgolf in terms of food, location, and service? And Why? |
| Learning and Growth | 1. What factors do you believe will contribute to Sunitgolf's continued success in the future? |
| | 2. What type of training do you think should be provided to staff? |
| | 3. What technologies do you believe Sunitgolf should consider implementing for better service? |
| | 4. What new menu items would you like to see introduced? |
| | 5. Do you have any feedback for Sunitgolf? |

CHAPTER IV

FINDINGS ANALYSIS

This chapter presents an in-depth analysis of the semi-structured interviews conducted with 9 participants, aiming to gain insights and identify strategies for enhancing the restaurant's performance to ensure its sustainability for future generations. The transcribed interviews were analyzed, including responses from both the management team and customers. The findings highlight common themes emerging from the interviewees' responses regarding management perspectives, as well as key challenges that the current generation needs to address for improvement.

4.1 Financial Performance

In the theme of the restaurant's financial management. From the perspective of the management team, there has been no formal financial planning since its beginning, as noted by both current and former general managers:

“There is no financial plan. The restaurant sustains itself on a basis” (Sermpotchara).

“We didn't have any strategy back then” (Apichart).

“We had only one plan, which was to generate enough revenue to cover costs each month” (Napisara).

Moreover, no monthly targets were established, as the primary goal was merely to cover expenses, such as staff costs, utility costs, and costs of ingredients.

“We do not have monthly targets. It is considered profitable if we can cover our bills. Our operating costs are around 300,000 Baht per month” (Sermpotchara).

“When I worked there, there were no sales targets. Our objective was simply to cover costs. Since we own the land, our expenses are considerably lower than others” (Napisara).

During Apichart and Napisara's management, Sunitgolf generated significantly higher revenue than it does today. In its peak years, the restaurant was popular among both loyal and new customers who were drawn by its specialty dishes. Despite advancements in technology and advertising tools, customer numbers have since declined, further worsened by the recent pandemic in 2019.

"We used to generate at least 30,000 Baht daily" (Apichart).

"The customers were from everywhere and the parking lot was always full. Some customers had to park on the streets or even at the nearby school and walk back" (Napisara).

"Currently, sales average 20,000 Baht per day. On weekends and holidays, the figure is slightly higher" (Arisa).

"Our monthly revenue fluctuates between 400,000 and 700,000 Baht, depending on the season" (Sermpotchara).

From the customers' perspective, the pricing at the restaurant was perceived as highly reasonable, especially when compared to similar restaurants. Many customers felt that the prices were either on par with, or even lower than, those at other restaurants offering comparable services and dining experiences. On average, they spend between 400 to 700 Baht per person during their visits.

"The prices are quite reasonable. Typically, I spend around 1,000 to 1,500 Baht for a group of 2 to 3 people when I dine there. While I have not made a direct comparison with other restaurants, I feel that the cost is fair and not overly expensive" (Customer 2).

Although the restaurant has always employed an accountant, typically a family member, the financial data has not been utilized for strategic planning purposes. Instead, it has only been used for tax-related tasks.

"Yaowapa assists us with accounting. We only use the data for tax purposes, not for forecasting or planning" (Sermpotchara).

"My wife, Napisara, helped with accounting. It was just standard profit and loss reporting, primarily for tax purposes" (Apichart).

4.2 Customer Relationship

From the customers' perspective, all interviewees noted that the regular customers are primarily people who live or work within a 3-kilometer from the restaurants, including groups such as military officers, teachers from Suan Dusit University and Chitralada School, and employees from the Metropolitan Electricity Authority. Another significant group includes retirees who have frequented the restaurant since their youth and continue to visit regularly.

Feedback from the customers was mixed - both positive and negative aspects. On the positive side, the food was praised for its good taste, and the restaurant's friendly atmosphere. However, 3 interviewees from the customers side mentioned the limited availability of parking spaces. The researcher also asked customers to evaluate their satisfaction with the food, location, price, and services. The highest average score was for the food, at 9 out of 10, followed by price and service, both at 8. The location received a score of 5, due to the limited parking and the restaurant being somewhat old.

"Most customers mentioned the good taste and friendly environment provided by the staff" (Apichart).

"They said the food is tasty, but parking is limited, and sometimes it is full" (Arisa).

"I like the food the most; I would give it an 8. However, for the location, I would only give it a 4, as the parking lot is really small" (Customer 1).

Regarding the factors that management believes attract customers to return, all interviewees highlighted the taste of the food, especially the signature dishes such as fondue and butter garlic clams. 2 interviewees also mentioned the affordability, noting that the large portion sizes make the meals cost-effective for families.

"Our food is served in large portions, which makes it suitable for families. When divided per person, the price is quite low, only a few hundred baht" (Sermpotchara).

"Our food is known for its great taste, particularly the fondue and butter garlic clams, which are frequently ordered by customers" (Arisa).

From the customers' perspective, they all agree that the primary reason for returning to the restaurant is the delicious food, particularly the signature dishes, which are difficult to find elsewhere.

"I am in love with the taste here, especially the fondue. I have never found it at other restaurants" (Customer 2).

However, attracting new customers has been challenging. Currently, new customers are rare, and when they do visit, it is typically through word of mouth. 4 interviewees on management side mentioned that the uniqueness of the food could help attract new customers, while the current manager, Sermpotchara, believes that more advertising and improved marketing efforts are necessary.

"As I see it, there aren't many new customers. When new customers do come, it's usually because they've heard about the restaurant from acquaintances. If we want to attract more new customers, we need to advertise, but we lack the expertise and manpower to do so" (Sermpotchara).

"The uniqueness of the food at Sunitgolf is already well-known; perhaps this could help in attracting new customers" (Apichart).

4.3 Internal Business Processes

Sunitgolf has implemented a cost leadership strategy as its operating model. All interviewed members of the management team mentioned that the business is currently profitable, primarily due to the free of rental expenses. The current manager, Sermpotchara, further emphasized that labor costs are another key advantage, as they remain relatively low.

"We own the land and the place, so there are no rental costs. This is typically a significant expense in restaurant operations, but we save 20-30% per month by not incurring this cost. Labor costs here are also low; we pay around 10,000 baht per staff, which is inexpensive, but we provide housing and free meals for every shift" (Sermpotchara).

With reduced land costs, the restaurant is able to focus on food quality and premium ingredients. Approximately 10-20 years ago, the distinctive taste and uniqueness of the food helped to establish the restaurant's reputation and encouraged repeat visits from customers. The most frequently mentioned signature dishes by both management and customers include fondue, butter garlic clams, gyoza, and stir-fried turnip cake.

"There are unique dishes, like fondue and butter garlic clams. Personally, I enjoy roti with beef green curry the most. The taste is excellent, and it offers traditional flavors" (Customer 1).

In terms of service, Sermpotchara noted that the staff turnover rate is low, allowing employees to build relationships with regular customers and provide more personalized, friendly service. However, formal training has not been provided to staff since Apichart's departure. According to Apichart and Napisara, the quality of service provided by the staff 10-20 years ago was significantly different, as regular training sessions were conducted to maintain a service standard consistent with luxury establishments.

"There is no formal training for staff. They simply learn by doing" (Sermpotchara).

"10 years ago, I personally trained every staff member, particularly the waiters, on how to serve customers. Both Napisara and I worked full-time as cabin crew for Thai Airways, and we adapted the service standards we learned in that role to the restaurant's operations" (Apichart).

4.4 Learning and Growth Perspective

To foster the growth of Sunitgolf, it is essential to maintain the quality of its food while securing investment and achieving more focused management from family members. Customers play a crucial role, therefore, enhancing the restaurant's decor and leveraging digital marketing are key strategies to attract and retain them.

"We need investment. It can help us grow. Right now, the restaurant is merely self-sustaining" (Sermpotchara).

"Effective management is what Sunitgolf needs right now. If no one within the family is willing to manage it, the restaurant's legacy may eventually come to an end" (Napisara).

"The food quality has declined lately; it needs improvement" (Customer 1).

"The quality is now below standard. The management team should address this, and it would also be great to see new menu options" (Customer 3).

Currently, there is no formal service blueprint at Sunitgolf, and the training of new staff is carried out verbally. Nevertheless, the staff maintains a strong service ethic, which has always been appreciated by customers.

“I only instruct the new staff on what to do when serving dishes” (Arisa).

“I really like the service here. I would rate the overall service 8 out of 10” (Customer 1).

In the kitchen, new chefs are trained by experienced ones through demonstration and practice. However, there is no formal recipe or ingredient list for any dishes, which occasionally leads to inconsistency in flavor.

“The first chefs learned cooking techniques and ingredients from Pramvadee. They then passed this knowledge and the recipes down to the new chefs” (Apichart).

“We don’t have an ingredient list. Recipes are passed on by memory” (Sermpotchara).

“I personally trained every new chef in Thai cuisine, and other departments followed the same approach for their respective areas” (Ruennu).

In terms of technology, the most recent implementation at the restaurant was the introduction of a POS (Point of Sale) system. Tablets were initially used by waitstaff to send customers’ orders to the main computer and into the kitchen. The management team hopes to see further technological advancements at the restaurant, considering them a sign of progress. Moreover, the use of devices for taking orders has been shown to reduce errors and save time.

“We used the POS system and tablets for a while, but eventually stopped because the software was too difficult for the waitstaff to use, so we reverted to jotting down orders manually” (Sermpotchara).

“I am too old for these technologies, but I wish someone could teach the staff how to use them properly. I believe it would make us more efficient” (Samruay).

“It has become a standard expectation for restaurants not to get customers’ orders wrong or miss items” (Customer 3).

Furthermore, the creation of new menu items at Sunitgolf has historically been driven solely by the owner, Pramvadee. However, it has been five years since a new dish was added, as Pramvadee is aging and no one else has taken on the responsibility of introducing new dishes. All interviewees acknowledged this point,

while customers continue to express their desire for new menu options when visiting the restaurant.

“When I worked here, we had to wait for my sister to return from the US to create new dishes. She would teach the chefs before returning abroad” (Apichart).

“We haven't introduced any new dishes for quite some time. Pramvadee is too old and tired to come up with anything new anymore” (Sermpotchara).

“I have been a long-time customer and used their catering service several times. I would love to see them offer something like a buffet course” (Customer 1).

“I would like to see Sunitgolf introduce a healthy menu. Clean eating is trendy and could attract health-conscious customers” (Customer 3).

Lastly, loyal customers have expressed their concerns about the decline in food quality and urge the restaurant to maintain its standards. Sunitgolf has always valued customer feedback and aims to adapt accordingly. Moreover, the restaurant has consistently received positive feedback regarding its service.

“I believe the restaurant should undergo some renovations to modernize its appearance. The service is consistently excellent. However, the food's flavor occasionally varies, which could be due to the chefs or the ingredients” (Customer 1).

“We always make adjustments as soon as we receive feedback” (Sermpotchara).

“In the past, we received favorable comments about our flavor, quality, service, and cleanliness” (Napisara).

CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

In this chapter, the longevity of family-owned restaurants, including Sunitgolf, is shown to be closely connected to effective management strategies that encompass key dimensions: financial performance, customer relationships, internal processes, and fostering a culture of learning and growth. The literature highlights that establishing strong brand loyalty through personalized and consistent customer experiences is essential to driving repeat visits. Meanwhile, maintaining financial discipline is crucial for navigating market uncertainties and ensuring the restaurant's long-term sustainability.

5.1 Financial Performance

For family-run businesses like Sunitgolf, strategic financial management is foundational to long-term success. One of Sunitgolf's inherent strengths lies in its ownership of the land, which reduces operational costs and has contributed significantly to its financial sustainability over the years. However, as is common with many family businesses, the absence of formalized financial planning poses a potential obstacle to sustainable growth. Research suggests that family-owned enterprises often struggle with setting clear financial targets and leveraging financial data for strategic decision-making, which limits their ability to scale and withstand external market pressures (Kaplan & Norton, 1996).

To mitigate this risk, Sunitgolf could benefit from adopting more structured financial practices, such as setting monthly revenue targets and tracking key financial metrics, such as revenue, costs, and profit. Establishing specific financial goals would allow the management team to regularly monitor the restaurant's performance and make informed decisions that promote profitability. Additionally, these structured goals would enable more accurate forecasting, thus supporting the business in achieving long-term financial health.

5.2 Customer Relationships

Brand loyalty has played a pivotal role in Sunitgolf's sustained success. Its reputation for consistent food quality and a welcoming, family-oriented atmosphere has fostered a strong base of repeat customers. Research by Aaker (1991) and Oliver (1999) affirms that brand loyalty is reinforced through emotional connections, particularly in family-owned businesses, where the personal touch in service often sets them apart from larger, impersonal chains. Family businesses, such as Sunitgolf, often excel in building these relationships, which can translate into long-term customer retention.

However, as the literature also notes, the challenge lies in attracting new customers, especially for long standing businesses that may rely too heavily on their loyal, traditional customer base (Sharma, 2004). To remain competitive, Sunitgolf should leverage its strengths—such as its signature dishes and unique dining experience—as focal points in a targeted advertising campaign. Allocating a portion of the budget to marketing initiatives, particularly those aimed at expanding its reach through digital platforms, could help Sunitgolf attract a broader, younger demographic, and enhance brand awareness beyond its current customer base.

5.3 Internal Business Processes

The modernization of internal business processes is a crucial step in improving operational efficiency and customer service. Porter and Heppelmann (2014) suggest that integrating technology into business operations can significantly enhance efficiency, streamline processes, and improve the overall customer experience. In Sunitgolf's case, the adoption of updated technologies, such as point-of-sale (POS) systems, would offer numerous advantages, including improved data management, faster service, and better stock control.

Introducing a comprehensive POS system would not only allow for more efficient tracking of sales and inventory but also provide valuable data insights to inform financial planning, thus tying back to Theme 1: Financial Performance. Such systems can automate time-consuming manual tasks, such as inventory management and customer transactions, enabling the management team to focus on other critical areas, such as improving the dining experience and optimizing resource allocation. Ultimately,

adopting these technologies would increase operational transparency and enhance the restaurant's ability to deliver consistent service while reducing errors and inefficiencies.

5.4 Learning and Growth Perspective

A critical challenge for family-owned businesses, including Sunitgolf, is ensuring seamless leadership transitions and fostering continuous innovation. The lack of formal succession planning often hampers the transfer of knowledge and experience from one generation to the next, leading to operational disruptions and a decline in innovation. Research by Sharma (2004) and Le Breton-Miller et al. (2004) highlights the importance of structured succession planning and leadership development to ensure that family businesses not only survive but continue to thrive across multiple generations.

Sunitgolf has struggled in this regard, particularly after recent leadership transitions that resulted in stagnation, particularly in areas such as menu development and customer engagement. A key priority moving forward should be to develop a formalized succession plan that ensures the next generation of leaders is well-prepared to take over the business. This includes documenting critical operational processes and providing ongoing training to new managers to equip them with the skills necessary to drive the business forward. Without a clear succession plan, Sunitgolf risks further decline in innovation and operational efficiency.

In addition to leadership development, innovation in product offerings is essential for maintaining competitiveness. Sunitgolf's menu has remained largely unchanged for years, primarily due to the age of the current owner, Pramvadee, and a lack of initiative from other stakeholders. Studies show that introducing new menu items can attract new customers and boost sales, as today's consumers are more inclined to seek novel dining experiences (Feldman, 2019; Kuo & Yang, 2011). Seasonal menu updates and special promotions can create excitement, encourage repeat visits, and attract a new customer base (Drew & Hsu, 2019; Hwang, 2017). Furthermore, promoting these new items through social media can significantly enhance customer engagement and visibility, which in turn contributes to increased sales (Duan et al., 2019; Leung et al., 2013).

By investing in leadership development and fostering a culture of innovation, Sunitgolf can ensure that the business remains competitive and continues to evolve in

line with changing market trends. Encouraging the introduction of new products, alongside effective marketing strategies, will not only enhance customer satisfaction but also help the business attract new patrons and sustain long-term growth.

5.5 Conclusion

In conclusion, the analysis of Sunitgolf's operations through the lens of financial performance, customer relationships, internal business processes, and learning and growth reveals both challenges and opportunities for future success. Financially, while the restaurant has maintained profitability largely due to land ownership and lower operational costs, there is a pressing need for more structured financial planning to ensure long-term sustainability. On the customer front, Sunitgolf's loyal customers continue to value its consistent quality and family-like atmosphere, but attracting new customers will require innovative marketing strategies and updates to the menu. Internally, the absence of standardized procedures, such as formal staff training and recipe management, has resulted in service inconsistencies that need to be addressed to maintain high standards. Lastly, from a learning and growth perspective, the restaurant must focus on leadership development and technology adoption to modernize operations and engage the next generation of management. By addressing these areas, Sunitgolf can not only preserve its legacy but also ensure continued success and growth in a competitive industry.

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