A Study Of The Management Of Thai Food Shops In Auckland, New Zealand

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ABSTRACT

This study aims to present: (1) the motivations behind the decision to set up Thai food shops in Auckland, New Zealand, (2) how the owners manage their business, and (3) the support requirements from the Thai government. This study includes an in-depth interview of a Thai man who is an owner of three food shops in Auckland. From the study, we found the motivations of the owner to set up business in New Zealand were that he likes the country, because the people have discipline and follow the rules, and he has a girlfriend who previously worked in Auckland. In addition, we found that to run a Thai food shop in New Zealand, a businessman must know service, marketing, food standards, consumer behavior, and other aspects of running a business, such as the costs of labor and operating expenses.

Keywords: Thai Food Shop; Management; Auckland; New Zealand

INTRODUCTION

The government of Thailand had a policy of promoting the “Thai Brand” and exporting Thai agriculture production. However, Thai restaurants abroad not only promote Thai cuisine, but also provide a particular view of Thailand, Thai people, and Thai culture. Thai restaurants overseas began as sources of local food for Thai immigrants in London, Chicago, New York, and Los Angeles; by the early 1990s there were over 200 Thai restaurants in Los Angeles (Penny, 1992: 183). Data of the Import-Export Bank of Thailand (cited in Sunanta, 2005) show that in the year 2003, there were 6,875 Thai restaurants overseas; 49% of them were in the United States and Canada, 20% were in Europe, 15% in Australia and New Zealand, 14% in Asia and 2% in other countries.

In addition, Thai food attracts a Western audience as a healthy and non-fattening diet. The food industry is an important sector that encourages economic growth in Thailand. The Thai government implemented the strategy of Thai Food to the World under the promotion motto of “Thailand is a world kitchen” (The Government Public Relations Department, 2009). The concept was presented in regard to food quality, promotion practices of agriculture production to food in restaurants around the world (Husniah, 2007). Thai restaurants overseas is one way to promoting and supporting the strategy.

As mentioned above, Thai food restaurant are in many countries around the world, but the Thai food industry is not yet a world kitchen as a Thai government strategy. In this paper, researchers will present information regarding the motivation of owners to do business in New Zealand, how they manage their business, their obstacles, and the support requirement from the Thai government.

OBJECTIVE

1. To study the motivation of owners to do business in New Zealand
2. To study the management strategy of Thai food shops in New Zealand
3. To study the support requirements from the Thai government

METHODOLOGY

The area of study is a Thai food shop at Food Alley, Number 9, Albert Street in Auckland, New Zealand. In this study, the researcher gained data from random samplings and did in-depth interviews with a Thai businessman who owns three food shops in Auckland. Researchers spent much time between January 7–9, 2011, visiting his food shops and talking with him about his management, his motivation to do business in New Zealand, the obstacles he faced, and the support requirements from the Thai government.

FOOD SHOPS

Researchers did in-depth interviews with Mr. Sawek Tanghom, owner of Thai food shops at Food Alley, Number 9, Albert Street, Auckland, New Zealand. He has two Thai food shops, and one Vietnamese. The first is a chicken and rice food shop, and the other is “Wang Thong;” the Vietnamese food shop is “Saigon Vietnamese Cuisine.” The Auckland location is not far from the sky tower and Waitemata Harbour

Figure 1. Three food shops at Food Alley, Auckland, New Zealand

OWNER BACKGROUND

Mr. Sawek Tanghom is 50 years of age. He only graduated from primary school, but he has more than 40 years of work experience as a server, chef, and general manager (GM) at the Welcome Jomtien Beach Hotel, Pataya, Thailand.

THE MOTIVATION TO BECOME AN OWNER OF A FOOD SHOP

When he first came to New Zealand on vacation, he fell in love with the country; he thought it was beautiful, and he liked Auckland very much. While travelling, he visited a food court called “Food Alley” to look for food. He met the owner, who wanted to sell his business. Mr. Sawek considered the possibility and then studied the food shop business in Auckland: cost of operation; how and where to buy vegetables, pork, chicken, and other foods; and consumer behavior. After conducting a pre-market survey, he found the cost of materials (food) was not over 20%; he made his decision and spoke with the owner. He and his girlfriend invested in the business (she is also Thai but is now a citizen of New Zealand); she had previously worked as a manager at a Thai restaurant in Auckland five years before. The case that will be presented will explore the perceptions that led him to make the decision to go into the business. This will be similar to the report of DeJong and Fawcett (1981) and Alberto and Davis (2005) in which they present information about why people will migrate when they have information and experience, as well as some other factors, so the economic issues are influential in guiding people’s decisions to migrate.

THE MANAGEMENT STRATEGY FOR THE FOOD SHOP IN NEW ZEALAND

From an in-depth interview, the researcher concludes that the strategy for management is as follows:

1. Service: The owner and worker of a food shop must provide customer service and manage customer satisfaction, while being steady and calm.
2. Quality control: Food quality such as taste, image, and cleanliness are important.
3. Marketing management: Mr. Sawek often created new menus and/or created special menus and used coupons (for example, with 10 coupons, a customer gets one free food item).
4. Consumer behavior: The food shop must follow consumer behavior and study what customers want [the tastes of New Zealanders (Kiwi)].

THE OBSTACLES

From the study, Mr. Sawek also told the researcher about obstacles that he faced when creating a business:

1. It is very difficult to get a working visa, but he received one with the help of an attorney; the process was quite expensive. His girlfriend suggested this tactic. Mr. Sawek asked if some Thai people do not have the money or understand the process, how can they succeed?
2. It is difficult to find an excellent chef and cook in New Zealand, and it is difficult to employ Thai cooks.
3. It is difficult to obtain visas and communicate with the New Zealand Embassy in Bangkok.

SUPPORT REQUIREMENT FROM THE THAI GOVERNMENT

1. The Thai government should encourage Thai people to work in New Zealand because it is difficult for Thais to do so; he saw many Chinese, Vietnamese, and Indians working in New Zealand.
2. The Thai government should encourage more collaboration with Thai workers in New Zealand.
3. The Thai government must promote the notion that “Thailand is a world kitchen” by encouraging Thai people to open Thai food shops and restaurants in many countries around the world. It should also train chefs and send them overseas.

CONCLUSION

This study surveys the successful case study of managing a Thai food shop with a Thai owner in an overseas location. The management strategy depended on customer requirements; researchers also found four significant issues for success: customer behavior, food tastes, service mind-set, and quality of food. This study is similar to that of Liu & Jang (2009), who studied American customers’ perceptions of Chinese restaurants in the U.S. They found that customers’ satisfaction and behavior are important; environmental cleanliness and attentive service are also important. In addition, food tastes and service reliability appear to be key attributes for Chinese restaurants’ success in the U.S. Ha and Jang (2010) also suggested that customer satisfaction and behavioral intentions are important factors in regard to the for restaurant industry.

This paper presents the motivation to create a business, how to manage that business, the obstacles, and the requirement of support from the Thai government. Another motivation was that Mr. Sawek wanted to be a New Zealand citizen and permanent resident because he wanted to receive New Zealand's government benefits after he retires. In addition, this paper is only a pre-survey; it is a case study of one owner. To collect data on the issues listed above, more cases are necessary. However, this paper can serve as a guideline for people who want to know about the Thai food business in New Zealand and can promote further research.

LIMITATION

This study collected data from only one owner, and it is just one case that was successful. To study good strategy and management in the future, studies should investigate more than one case.

AUTHOR INFORMATION

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