

EXPLORATION OF COMPETITIVE STRATEGIES IN INDEPENDENT RESTAURANTS WITH A FAMILY STRUCTURE: ELEMENTS OF A CONCEPTUAL MODEL IN MAZATLAN, SINALOA, MEXICO.

Ricardo Osuna Peraza¹, Tomas Jesús Cuevas Contreras²

Universidad Nacional Autónoma de México¹

Universidad Autónoma de Ciudad Juárez²

Emails: ricardoosunaperaza@gmail.com tccunam@gmail.com

Abstract

This paper presents advances in the examination of the elements for a conceptual model of administrative management, from an organizational approach, which consider relevant aspects of today's circumstances of independent restaurants with a family structure in contrast to the franchises and chains in the Mazatlan Sinaloa area. It evaluates the operating conditions related to administrative systems and also explores the potential indicators that allow independent restaurants to incorporate those competitive strategies that will give them a greater chance of success and development, in relation to chains and franchises.

Key Word: Restaurant; family-owned; independent unit; competitiveness; and administrative conceptual model.

Introduction

This research paper focuses on exploring the competitive advantages of the independent family businesses, in comparison to the franchise and chain businesses. It develop a management conceptual model that allows companies, such as restaurants with an independent family structure, to be more competitive in globalized environments, based on organizational development and resource management.

Some authors (Hoshino, 2004; Castrillo, 2007 and Flores 2010), who have studied on family business, assume different theoretical positions and empirical results that are contradictory, generating a debate on the pros and cons of the matter. De la Garza (2008) observed that the survival percentage of family businesses, after the generational transmission, is low due to a familiar condition which tends to the demise of the company in the short term. Other authors and researchers as Avendaño et al. (2009) indicate that the family business offer better possibilities of supporting the development of a competitive strategy using family factors as a key to success and power, experience and culture.

Background

The family business, as an object of study in economics, and especially in the field of

management studies, is a relatively new phenomenon that formally began in the U.S. in 1985 with Professor John Davis of Harvard University.

In this vein, the study of family business is a complex and challenging concept, different variables or conditions that the authors take into consideration such as: the firm size, the degree of control on the property families have on it, the varying degrees of professional management, geographical region national or international in acting and in the succession of property between generations (Romero, 2006).

Therefore, "the character of a family business is not associated with the size of the company or its particular sector of activity. There are both large and small family business groups in both modern sectors of the economy as well as in traditional sectors" (Sharma, 2003).

In order to have a correct understanding of this phenomenon that occurs in the family business, it is pertinent that an investigation has to be made. It is a complicated task, because of the tightness of the owners, which make them very closed and opposed to interventions, due to prevent business entities to report their results and achievements publicly and systematically. They are often seen as small, full of family conflicts and administered in a non-professional way (Lansberg, 2000).

In the broad sense of the concept, the family business is often seen as an organization that meet the ownership, management and family. Regardless of this definition, say the experts, what is relevant to refer is that a significant portion of the property is from a family group; which also persists in a vocation of continuity and participates in managing the household, at least one of its members.

Like any organization: "Family businesses have a life cycle, but unlike companies, they do born, grow and die, and perhaps because of the complexity of the family relationships, more of them die earlier than non-family firms" (Felairán, 2005).

In the field of independent company restaurants, a family structure shows an influence of other forms of administration and management resources. That is, these business entities face a highly competitive standardized conditions like franchise chains with cutting edge technology and management tools in continuous innovation.

Even with competitive threats, mentioned in the previous paragraph, the independent companies constitute a landmark for the family structure and a significant employment generating wealth worldwide.

Under this scenario, we can see that both in Europe and in America the family business contribute greatly to the creation of jobs and wealth. In Spain, these business entities make up the core of the business sector, as they generate 70% of GDP and 80% of private employment in Canada constitute 80% of the business sector and in the United States generate about 40% Gross National Product, in the rest of the world, family businesses account for 60% of all enterprises, contributing between 50% to 60% of GDP and employs 100 million people (Navarro, 2008).

In Mexico, according to the National Institute of Statistic, Geography and Informatic (INEGI, 2009), it was estimated that in 2004 Micro, Small and Medium Enterprises (MSME) constituted 90.7% of total economic units country's output, accounting for about 52% of GDP and contributed to create more than 71.9% of the jobs. Also, according to the Interministerial Commission on Industrial Policy (CIPI, 2009), 65% of Mexican companies are familiar, but it is worth mentioning that the legal framework of this country still does not recognize this information in any official classification.

In that sense, in the year 2009, trends still holding in approximate terms, since the average number of persons employed per unit of economic production in the country were 5.4 persons. In addition, 90.5% of this production units occupied from 1 to 10 people, 4% occupied 11 to 50 people, 0.8% occupied from 50 to 250 people and 0.2% occupied 251 or more people (INEGI, 2010).

Problem Statement

Mazatlan restaurant business activity has grown around four major development poles. This development has moved from south to north. The first development center started in the southernmost point of the city, the historic downtown, as states Santamaría (2002) "The hotel restaurants Belmar, San Jose and De France, in the decades of the twentieth century, were the best places to eat".

The restaurants of a higher grade of activity were installed in the coastal boardwalk known as Paseo Olas Altas. This idea projected Mazatlan as an emerging international destination, and to serve in its restaurants, in a regular frequency, American artists like John Wayne, Rock Hudson, Tony Curtis and Robert Mitchum (Santamaria, 2002). The restaurants nestled in the historic downtown area which has been successful for at least two decades are: Milk Cup, Shrimp Bucket, Puerto Viejo and Santa Clara Fonda.

Another historic downtown area that has been reborn in the last two decades is located on the corner of Plaza Machado and Teatro Angela Peralta. To this date, summer 2012, there are a large number of restaurants, most family-like restaurants as Pedro and Lola, El Mil Amores, The Panama, La Tertulia, The Lace and some others. There is no possibility to increase significantly the number of them, however, they are installed and have a favorable expectation of sustain ability, because is part of the historic, cultural and artistic activity tour of the port, and is frequented by tourists and the foreign community of elder adults residing in the area.

The second development center is in the *Avenida del Mar*, which started its growth in the sixties of the last century. It includes restaurants located on the boardwalk: Pacific Restaurant, New York Burger, The restaurants of Hotel Agua Marina, De Cima, Olas Altas and some others in a range of about 10 miles where all the restaurants established in this cluster are remarkably sparse and even, some of them have completed their life cycle or require renewal.

Other restaurants in this area are well established, with a tradition of good food: The restaurant of the Hotel Agua Marina and Hotel Me Coral Island. Others have already disappeared, such as the Patio Restaurants and The Cave or changed its location as Mr. Frog's and Wings Army.

The third pole is the golden zone development that started in the late seventies and early eighties of the last century. It has about 15 blocks and a coastal strip about 3 km. long. There is a large concentration of restaurants of all kinds, the most representative are: independent family type like Panchos, Jungle Juice, Costa Marinera and Country House. Franchise and chains like McDonalds, Burger King, Panama, Army Wings and Sr. Frog's. And under the circumstance that some already have gone, are Gringo Lingo, Tony's, Latitude 23, Guadalajara Grill, which quickly emerged to replace the others that have disappear.

The last pole, located in the Marina Mazatlan, is the latest development since its beginning in 2008. It encompasses a wide coastal strip in which there are restaurants that have held their remaining time. The restaurants are the most representative like Bengal, La Movida. La Mona, Ernie's the hotel restaurants La Marina, Riu and Emerald Bay. This pole provides ample opportunity for growth of real estate development, such as urban, residential and tourism, Mazatlan currently follows the north coastline as its growing direction.

The global financial crisis affecting the world, is not a stranger to Mazatlan. The local community and tourists restrict their spending to the essentials. Cruise ships have stopped coming and they have lost three hundred thousand cruise passengers per year, as potential restaurant customers. However, the situation for

all economic activity is difficult and consequently is also difficult for independent restaurants with a family structure, which have a higher rate of closure for business, and being more vulnerable to crises.

Therefore, this study of family business is complex and dynamic and will consider and / or adopt improvement models; so it is necessary to question the following: Why is it desirable to design and develop a conceptual model of administrative management in independent restaurants with a family structure?; How the analysis of the management systems in independent restaurants with a family structure, will identify the advantages which allow them to be competitive in the local-global market?; What criteria of resource management in restaurants from a global chain or franchise are suitable to incorporate in the independent restaurants?; and will that criteria allow them to be competitive in the local-global market?.

Justification

Even with all the threats faced by the economic crisis and the unfair competition from companies of franchise chains, armed with the latest technology and management tools in continuous innovation, independent family businesses are still a need and significant employment-generation wealth to Mexico and to the world.

The port of Mazatlan is not a stranger to the problems that arise in family businesses see Figure 1, and now specifically dedicated to the restaurant activity, so they have declined by 30% from 2005 to 2011, (CANIRAC, Mazatlan, 2011) in most cases because of a lack of adequate training and counseling in the administrative needs of the business owners, and this is coupled with the arrival of new restaurant concepts as restaurants and franchise chain.

Figure 1. Location Map of Mazatlan Sinaloa



Source: Authors' calculations based on INEGI (2012), <http://geoweb.inegi.org.mx/>

In that same vein, research is desirable because the independent company with family structure, and family restaurants are particularly vulnerable to corporate and franchise chains, in situations of crisis and global competition. Therefore it is important for family structure independent restaurants in Mazatlan, Sinaloa, to understand the elements, to be diligent and be more receptive to the incorporation of a conceptual model of administrative management in order to enable them to be competitive in the local-overall business.

The Review of the Competitiveness of the independent family business, through the exploration of a conceptual models will Identify and understand the conditions for innovation and the company's claim THUS Economic sustainability, to Contribute to the development of new interpretations managing independent restaurants.

General Purpose

To examine the elements that form a conceptual model of administrative management, that incorporate the competitive strategies of the franchise and global chains restaurants and the global-local independent restaurants with a family structure, which could be applied to the administration of family structure independent restaurants in Mazatlan, Sinaloa, for improvement in management capacity, adaptation and organizational development.

Specific objectives

- a. To evaluate the management systems of family structure independent restaurants, franchises and global chains.
- b. To explore the elements of a conceptual model that allows improvement in the administrative capacity with family structure.
- c. To identify the competitive advantages of family structure independent restaurants, franchises and global chains.

Working hypothesis

Hi: The independent restaurants with a family structure that incorporate the competitive strategies of family restaurants and franchise restaurants and chains, by the creation of a conceptual model of administration, will substantially improve the ability of adapting, developing and reaching competitiveness in global environments.

Ho: The family structure independent restaurants that do not incorporate the competitive strategies of family restaurants and franchise restaurants and chains by the creation and implementation of a conceptual model of administration, they will diminish the possibility of having the ability of adapting, developing and reaching competitiveness in global environments.

Theoretical Foundations

The adoption of a model in quality management enables businesses, through feedback processes and benchmarking with similar businesses, to improve their management in order to get closer and closer to the implementation of world class practices. "Most of the big companies in the country have adopted a management model to improve the competitiveness and quality in its administrative management" (Espinoza, E. and Perez, R.). The same finding and similar conclusions apply for MSMEs (Carrasco and Rubio, 2007).

Moreover, some SMEs in smaller scale, have dabbled in the use of quality tools and models and even won awards because of it, due to the wisdom of its leaders whom are convinced of the favorable results of its application.

"The successful SMEs use HR practices more professionalized and formalized in line with market requirements, while unsuccessful resort to more traditional practices" (Carrasco, 2007).

The competitiveness of MSMEs was born of the domestic market and is because of their ability to produce and deliver market innovative products and services with a high added value.

Elaborating on this: "The conditions, quantity and quality demanded by the market to consolidate and expand, both domestically and abroad, shows that these smaller companies face the arduous task of professionalizing their work administrative" (Canales, 2009).

In that sense of competitiveness, it is important to mention that quality is the ability of a company to produce and deliver products, not only of the best quality, but also with a better price, reaching more effective business opportunities than their competitors (Porter, 1985).

The advance in the knowledge of this disciplines, is enriched by the paradigms that

have developed. "Paradigms are accepted into the form of a scientific community to produce knowledge of the discipline" (Kuhn, 1975). Therefore: "We consider three constituent elements of paradigms: ontology, epistemology and methodology" (Denzin and Lincoln, 2008). Regarding this, the administration is fully compliant with the scaffolding and disciplinary paradigmatic as shown below.

On the twentieth century, specifically in the case of a major epistemological revolution Administration from the stages of sociological positivist thought, alternative to a continuous basis.

Precisely in this line, Max Weber not only proposed a new epistemology for the social sciences, but also made a fundamental distinction to management theory: "Develop the argument for the distinction between the object of study of sociology and society is the Theory of Organization, which are organizations" (Chambers, 2003).

The family business, in the broad sense of the concept, is generally accepted that is a business organization in which the ownership, management and family merge (Felairán, 2005). Meanwhile, the franchise is a business strategy that is based on a system of marketing and services which the franchisor provides through a contract, the authorization for the distribution, production and sale of goods and services to the franchisee for a determinate period (Alba, 2010). The chain is a business where the owner of the company is the majority owner of all businesses that are started under that concept.

Inside the restaurant business activity and using the same classification, independent restaurants are productive entities that have one or more unique activities and have no affiliation to another company brand. The owner is directly or indirectly responsible of the business management (Walker, 2001). While chain restaurants operate under the same name, the same brand and the same systems and administration operations, while franchise restaurants, operate under an agreement that requires the franchisee to work under the conditions of a standardized quality, in the concept of the brand, product or service,

operation and administrative management (Lane and Dupré, 1997).

Methodology

Through an exploratory method, with a transactional design of a correlational-causal, of a mixed nature, are obtained quantitative and qualitative data will be obtained, and outline the possible elements for a conceptual administrative management model for family restaurants, franchises and global chains that may be applicable to independent restaurants with a family structure.

The delimitation of the research in spatial demographic context focuses on the port of Mazatlan, Sinaloa. A temporary branch is pursued because it is located in a period comprising in Stage 1 of the year 2011 to 2012. The field of study is Tourism. Its population delimitation: Employers and workers of family restaurants and franchise or chain-affiliated National Chamber of Industry and Seasoned Foods Restaurants (CANIRAC), which are located in the port city of Mazatlan, Sin.

Stage 1 is focused in the office work, for that purpose, a literature review was made.

The 2nd stage is focused in the determination of the significant elements related to the procedures used to operationalize the variables. Using a non-probabilistic convenience sampling, according to the persons willingness to participate in the study, as units of analysis considered the owners and / or directors of companies and employees that are operating.

Table 1 shows the type of synthesis tools related to the stages of the administrative process, as potential elements of the conceptual model. For this purpose we used two types questionnaires.

On one hand, questionnaires were applied to N = 30 and N = 30 executives, and on the other hand questionnaires were applied to employees, working in the most representative restaurants in Mazatlan. Out these questionnaires, 19 were applied to family structure independent restaurants, 6 to chain restaurants and 5 to franchise restaurants.

Box 1. Operationalization of variables

Independent Variable	Indicators	Level Measurements	Conceptual Definition
Planning tools	Breakeven Strategic Planning Tactical planning Cash Budget Investment Projects	Nominal	What kind of planning tools to implement in the family structure independent restaurants, franchises and chains
Organization Tools	Organization Manuals Operating Manuals Delegation of Authority Defining Levels of Authority	Nominal	What kind of organization tools implemented in independent restaurants with a family structure, franchise and chain
Management Tools	Motivation leadership communication supervision	Nominal	What kind of tools implemented address in independent restaurants with a family structure, franchise and chain
Control Tools	Comparison of Results Performance Measurement Analysis of Changes Continuous Improvement	Nominal	What kind of tools implemented Control in independent restaurants with a family structure, franchise and chain
Meeting to plan activities	Daily week	Nominal	Frequency of Meeting with immediate supervisors
Training	Yes no	Nominal	Participation in courses, workshops, etc. to professionalize their activities

Source: Authors' calculations based on Hernandez, Fernandez and Baptista (2006).

The 3rd stage is to identify the competitive advantages of independent restaurants with a family structure in relation to global franchises and chains. This is carried out in N = 15 depth interviews with owners and managers of business entities mentioned above, which 67% of them were from independent restaurants with

a family structure, and 33% were from chains and franchises as well.

Results and Discussion

Preliminary results of the research show that the vast majority of restaurants are divided into

scattered Mazatlan four major development poles. These poles have evolved, following a close correlation with urban, population and

economic growths, in the city of Mazatlan from south to north and begun their development in accordance with the following timeline:

Figure 2. Timeline of development pole



Source: Authors.

The poles of development in the Port of Mazatlan, according to the timeline, illustrate thirty year periods. There we can observe signs of a new drive, like 70% of the restaurants are independent family owned and 30% are franchise and chain restaurants, this allows us to identify the independent restaurants that are family structured, are the mainstay of the economic restaurant activity.

Table 2 shows that the planning in franchise restaurants and chain focuses primarily on financial resource management, not only in the short term but in the long run too. Also shows that planning focuses on its growth and new investment projects. In contrast we can estimate that the independent family restaurants focus on solving the tactical, the basic, the usual activities, since its priority is planning short-term tasks.

Table 2. Planning Tools in restaurants in Mazatlan, Sinaloa

Planning Tools	Independent Restaurant with a Family Structure	Franchise and Chain Restaurant
Breakeven	20 %	
Strategic Planning	30%	30%
Tactical Planning	50%	
Cash Budget		30%
Investment Projects		40%

Source: Authors' calculations based (on) questionnaire(s) to restaurateurs.

Table 3 shows the use of organizational tools, while much of the independent family restaurants do not rely on an operations or organization manual, in contrast, franchise and chain restaurants have manuals where activities are well defined to develop during their

implementation. However independent family restaurants focus their management and organization in the delegation, to define levels of authority, which puts them in a competitive disadvantage in relation to the franchises or chain restaurants' organization.

Table 3. Organization Tools restaurants in Mazatlan, Sinaloa

Organization Tools	Independent Restaurant with a Family Structure	Franchise and Chain Restaurant
Organization Manuals	15%	60%
Operation Manuals	10%	40%
Delegation of Authority	30%	
Defining Levels of Authority	45%	

Source: Authors' calculations based questionnaire restaurateurs.

Table 4 shows the executive management, primarily made independent family restaurants' leadership and motivation tasks preponderantly, indicating dependence on the leader. In the case

of franchise restaurants and chains, they used all the tools to run the business, designing higher levels in the delegation of responsibilities.

Table 4. Management Tools in restaurants in Mazatlan, Sinaloa

Management Tolls	Independent Restaurant with a Family Structure	Franchise and Chain Restaurant
Motivation	20%	20%
Leadership	50%	30%
Communication	15%	25%
Supervisión	15%	25%

Source: Authors' calculations based questionnaire restaurateurs.

Table 5 shows that in the control of independent family restaurants dominate benchmarking, which is the comparison of the results against the previously planned goals

franchise and chain restaurants have, with a balance in the main control of activities they have developed in their companies.

Table 5. Control Tools in restaurants in Mazatlan, Sinaloa

Control Tools	Independent Restaurant with a Family Structure	Franchise and Chain Restaurant
Comparison of Results	50%	25%
Performance Measurement	10%	20%
Analysis of Changes	15%	30 %
Continuos Improvement	25%	25%

Source: Authors' calculations based questionnaire restaurateurs.

Table 6 shows that in the independent family restaurants, dominate the daily meeting with workers to determine activities to be developed, indicating that companies are planning day by day, as they have no long-term plans.

While in restaurants and franchise chains plan and hold a weekly meeting with an agenda, bringing evidence in that effect working through logs, or reports. In addition there is a constant in developing work plans that are medium to long term.

Table 6. Frequency of meetings at restaurants in Mazatlan, Sinaloa

Frequency of Meeting with immediate supervisors	Independent Restaurant with a Family Structure	Franchise and Chain Restaurant
Daily	80%	30%
Week	20%	70%

Source: Authors' calculations based questionnaire restaurateurs.

Table 7 shows that in the independent family restaurants, there are less efforts focused in training their staff, not like the chain and franchise restaurants, which constantly train their workers. Under this approach the franchise and chain restaurants manage themselves to

have a competitive advantage over the family restaurant.

This situation exposes the interpretation of the concept that training is an investment, not an expense. However, further examination is

required under the terms of the management of human resources in family firms.

Table 7. Questionnaire for workers of the restaurants in Mazatlan, Sinaloa

Participation in courses, workshops, etc. to Professionalize Their Activities	Independent Restaurant with a Family Structure	Franchise and Chain Restaurant
Yes	15%	100%
No	85%	

Source: Authors' calculations based questionnaire restaurateurs.

Competitive advantages in restaurants in Mazatlan

In independent restaurants with a family structure competitive advantages that were identified are as follows, 90% of surveyed owners personally attend their customers, and communication flows easily because it is direct to their subordinates, it also gives the worker the confidence to make decisions. As evidence:

"A constancy and perseverance that has always characterized us. The experience in the administrative and service staff of the company seeking customer satisfaction and most importantly personalized care and supervision of the owner in all activities of the organization. Said Jorge Haro (2012). Comptroller General of Costa Fishermen Restaurant.

The economic situation prevailing now, almost daily forces them to plan activities, always depending on what happened the previous day daily planning. In a globalized world, with permanent changes, tactical planning and learning are indispensable tools and becomes an important competitive advantage for independent family restaurant.

"The main strategy is planning and within it we consider any situation or unforeseen circumstances that could affect the proper functioning of the company." Luis Ramirez (2012), Partner's Restaurant Bar El Mil Amores

"The offers are implemented from Monday to Friday, we do not raise our prices, looking forward for our customers to find everything in our company is always seeked" Ernesto Chavez (2012), manager of the Restaurant Bar La Movida.

Another advantage that can be identified in the family restaurant is the weight in the owner's leadership actions directing the company. Nobody knows the operation and needs of the company better than the owner. In that sense, the employee has to hand the immediate response to any problems that might arise in the operation of the restaurant. This teaching of managing the business problems allows the worker to meet the essential task.

"We improve facilities and service, in spite of starting without knowing anything about the industry and business. We continued with the same offers and took care of all our customers" Isabel Osuna (2012), owner of Restaurant Bar Gatherings

Regarding that the control of the family restaurant operations must be focused on the comparison of results while there is some strategic planning, the owner controls the company effort focusing on the immediate result, and that is a competitive advantage.

"Positively impacting the customer, providing a friendly and efficient way to improve the quality of service and food quality I've made a considerably improvement, prices are competitive and the atmosphere is 100% enjoyable" Salvador Barraza (2012), owner the Jungle Juice Bar Restaurant

The competitive advantages of chain and franchise restaurants that were identified are higher in relation to independent restaurants, just to name a few: market studies for the opening and operation of business, strategic planning in the short, medium and long term, below average turnover, professional training of its managers and employees, full or complete application of the administrative process' stages tools, etc. The above mentioned competitive advantages contribute to a better administration, but they do not ensure the success of a company, because there are several factors that cannot be controlled and they can prevent the planning of the company from being successful.

"We have always sought the forefront in service and the products we offer, seeking customer satisfaction through quality in food and service" Abelardo Juarez (2012). Anderson Group Chain Partner.

"For many years, the experience and market position we have are thank to the Mazatlan families, the recruitment and training of staff and (the professionalization of care workers" Jorge Aguirre (2012), franchisor of the Rin Rin Pizza

"The professionalism and consistency of the activities we have in all of our establishments,

the agile and faster that we have gotten, positions ourselves higher on the preference of the customers, and all the attractions we have for children although they are not the main consumers, are the excuse for the adults to eat here ". Oscar Segura (2012) Duty Manager, Burger King franchise

Cores and ties in restaurants

Figure 3 is illustrate the poles of greater areas of development in relation to Mazatlan restaurants, and also identifies the independent family structure, chain and franchise restaurants most representative of each area. It is important to underline that there is a great number of restaurants per each area, just in the tourist strip are about 100 restaurants according to CANIRAC (2012).

"Let's start with the location, in the heart of the historic downtown of Mazatlan, the type of construction of the establishment, promotion, improvement and redemption of the area by the municipal and state governments, all together with the quality service we provide to our customers" . Luis Ramirez (2012), Partner's Restaurant Bar El Mil Amores

"The union of all the tourism entrepreneurs to change the image of our port in conjunction with local and state government to attract tourists, converged by offering security and peace" José Manguart Sánchez (2012), owner of the Hotel Olas Altas Inn.

We also found that not in all the tourist areas is feasible or appropriate to establish and locate a restaurant, because there are several factors and conditions that do not allow the proper functioning of the business entities. Shot (2006) argues elaborated on the urban structure of Mazatlan:

- 1) A high outsourcing of the economy, with a significant diversity of activities to provide visitor services to the population, 2) a not very clear spatial concentration of tertiary activities in the downtown area of the city, but rather tend to their dispersion mainly

Figure 3. Distribution of most representative restaurants of Four Poles of Development

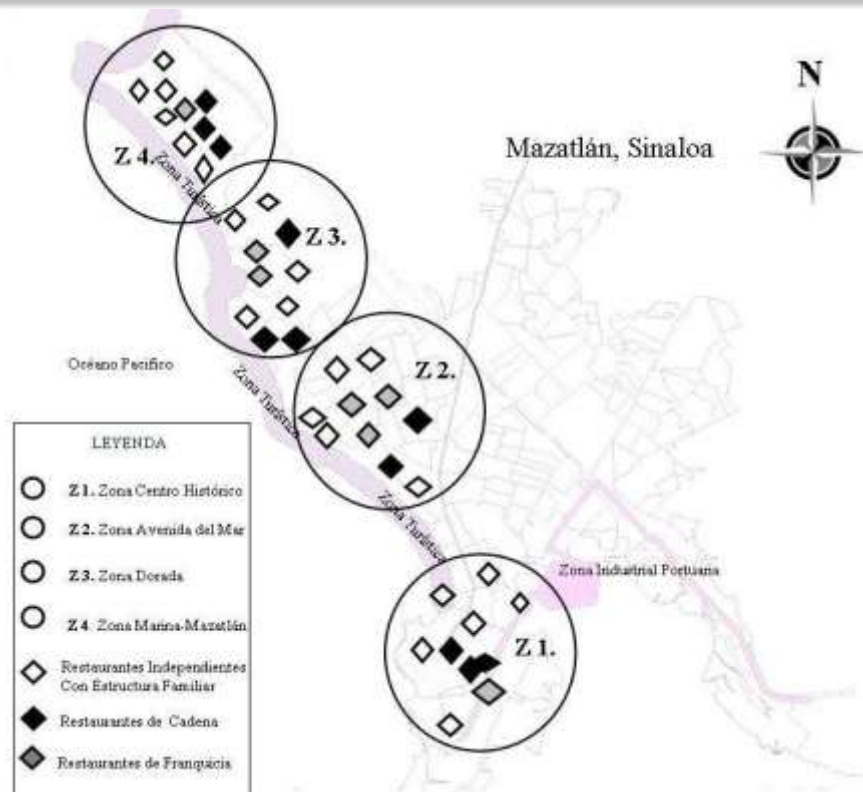
along a strip parallel to the coast, predominantly those linked to tourist activity, 3) a kind of urban duality, characterized by the existence of two broad distinguishable areas: [...] tourist sites the city and surrounding areas [...]

Z 1. Centro Historico Zona. The historic downtown is immersed in the old part of Mazatlan, in which point restaurant activity began in the early twenties of the last century, reached its peak and its time of recession, but today is an area reclaimed by investors, currently are settled around 25 restaurants, divided on by largely independent family businesses, and, on a smaller scale, are chain franchises.

Z 2. Avenida del Mar Area. At this pole, there is a possibility to extend the offer by the sparseness of restaurants and the expectation that could awake the lethargy in Mazatlan, once the Mazatlan-Durango superhighway is completed and a more secure terrestrial link is established communicating the port with northeastern Mexico and southeastern United States.

Z 3. Zona Dorada Area. In this development center in the port of Mazatlan, are settled a lot of franchise and chain restaurants, as this area has tremendous conditions that contribute to increase the possibility of success of these business entities, the main feature of this area is the location as it has the largest influx of hotels, shopping malls and entertainment venues.

Z 4. Marina Mazatlan Zona. This pole is relatively new since it started its business at the end of the last decade and has been gradually positioning itself within the restaurant business and economic activity of the port, has a great development and offers a great potential for growth as it is located in a wide strip that has not been fully exploited, because it currently has about 20 restaurants spread across, from independent family to, franchise and chain restaurants.



Source: Authors' calculations based on INEGI (2012) and Tirado (2006).

Conclusion

The family company form is a very important economic dynamic within their sphere of influence. According to INEGI (2010) these businesses generate more than 80% of the direct jobs in the country. In this vein, it is feasible the possibility of incorporating new knowledge from the local level, as these business entities seek innovation intended to get a chance to be more competitive enterprises.

Communication and transmission of knowledge from workers and managers with greater experience to inexperienced workers and managers in independent family structure restaurants becomes highly essential to develop an administrative management to simplify operations and facilitate decision making, contributing business competitiveness like franchises and chains do.

Although independent restaurants will open their family structure planning in the medium and long term, which is a point that has been neglected, they also have a window of opportunity in the strategy and tactical area. As an example of this affirmation, is the financial planning made by franchise restaurants and chain restaurants, which is not observed by the

family restaurants, incorporating organizational and operational policies' manuals, where the chain and franchise restaurants establish their organizational tools.

Although the management of the family restaurant has a lot of strength in leadership and motivation, they should improve their monitoring, communication and delegate as much authority as possible to avoid overwhelming problems as an approach to self-management.

Finally, independent restaurants with a family structure, must give their commitment to consider the variance analysis in control measurement activities. Planned meetings with staff members should be scheduled and spaced more frequently, and should consider incorporating ongoing training programs to professionalize their operating tables, supervising and middle management.

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