



Table of Contents

Validity Sheet.....	ii
Statement of Originality	iii
Table of Contents	iv
List of Table	vi
List of Figure	vii
Preface.....	viii
Abstract	x
Abstrak	xi
Chapter I: Introduction	1
1.1. Background	1
1.2. Problem Statement	4
1.3. Research Question.....	5
1.4. Research Objective.....	5
1.5. Research Contribution.....	5
1.6. Scope of Research	6
1.7. Systematics of Research.....	7
Chapter II: Literature Review	9
2.1. Family Business	9
2.2 Innovation.....	13
2.3. Innovation Through Tradition	17
2.3.1. Source of Past Knowledge	20
2.3.2. Form of Past Knowledge.....	21
2.3.3. Reinterpretation and Interiorization	22
2.3.4. Product Innovation	25
Chapter III: Research Method.....	26
3.1. Research Design	26
3.2. Case Selection	31
3.3. Data Collection Technique	32
3.4. Data Analysis	34
3.5. Data Trustworthiness, Validity, and Reliability.....	36



Chapter IV: Finding and Discussion	39
4.1. Company Profile	39
4.1.1. Batik Gunawan Setiawan	40
4.1.2. Pempek Sindang	40
4.1.3. Warung Bakmi Mbah Gito	41
4.1.4. Batik X	42
4.1.5. Ikan Bakar Legian (IBL)	42
4.1.6. TTN	43
4.1.7. Giorno's Pizzeria	44
4.2. Findings	44
4.2.1. Pre-innovation: Leveraging Traditions as Asset	46
4.2.1.1. Tradition Based on Territorials	47
4.2.1.2. Skills are Inherited and Early Involvement in Business.....	49
4.2.1.3. Business Motivation.....	52
4.2.2. During Innovation: The Process of Balancing Tradition and Innovation	54
4.2.2.1. Management in Business: Cultivating a Culture of Success and Shifting Mindset	54
4.2.2.2. Streamlining Business Operations: Technology, Internalization, and Standardization...	58
4.2.3. Post-innovation: An endeavor to fulfill the Market's Demands	68
4.2.3.1. Product Diversification	68
4.2.3.2. Complementary Factors to Enhance Business Performance.....	79
4.3. Discussion	84
4.3.1. Pre-Innovation: Leveraging Traditions as Assets	85
4.3.2. During Innovation: The Process of Balancing Tradition and Innovation	86
4.3.3. Post-innovation: An endeavor to fulfill the Market's Demands	91
Chapter V: Conclusion	97
5.1 Conclusion.....	97
5.2 Research Limitation	98
5.3 Theoretical Contribution	99
Bibliography.....	100
Appendix	111

List of Table

Table 2.1 Family Business Definitions by Expert.....	9
Table 3.1 Participant Information and Interview's Duration.....	33
Table 3.2 Interview Question.....	33
Table 4. 1 Companies' Data Summary.....	39
Table 4. 2 Summary or checkpoint of participant practice based on interview and data analysis on research (2023)	84
Table 4. 3 Implementation of Edgar Schein Organizational Culture based on Processed Primary Research Data (2023)	87

List of Figure

Figure 2.1 Three-Circle Model of Family Business (Tagiuri and Davis (1997)).....	12
Figure 2.2 Types of Innovation (Rothaermel,2019)	14
Figure 2.3 Framework of Innovation through Tradition (De Massis, 2016)	19
Figure 3.1 Theory and Concept from Research Onion (Saunders,2019) Applied.....	27
Figure 3. 2 Stages of Iterative Analysis (Miles & Huberman (1994)	35
Figure 4.1 Data Structure (Processed Research Primary Data (2023)).....	45
Figure 4. 2 Workshop poster and activity in social media.....	70
Figure 4. 3 Variety of Mock-up Dress in social media.....	73
Figure 4. 4 Written Batik using natural coloring (eco-friendly substance).....	74
Figure 4.5 Batik Combination from written and stamp	76
Figure 4.6 Other menus in the Warung Bakmi Mbah Gito Rica-rica and Wedang Uwuh	77
Figure 4. 7 Grilled Clams Menu with the flavor from Bali, Bali Latah.....	78
Figure 4. 8 Ambience in IBL's location	82
Figure 4. 9 Ambience in Warung Bakmi Mbah Gito.....	83
Figure 4. 10 Ambience and Interior in Giorno's Pizzeria	83