Marketing Factor for Obtaining a One Tambon One Product Food Five-Star Rating in Phatthalung and Songkhla Provinces

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Abstract

The main purpose of the research is to study the marketing factor for obtaining a One Tambon One Product (OTOP) food five-star rating. Data was collected from the presidents of community enterprises in Phatthalung and Songkhla provinces whose products were selected as five-star food products of the OTOP project in 2011. In-depth interviews were used to collect data from 13 presidents of community enterprises. Content analysis was used to analyse the data.

In terms of marketing, the majority of entrepreneurs focused on a marketing plan for distribution and promotion. They paid great attention to the quality of the product, and the price was set by considering relevant factors. Customers were attracted by various means, and the products were distributed at a place which was convenient for consumers to access. Sales promotions and advertising were used for the promotion mix. Competitors also sell similar products. The recommendation is that the community enterprise should have short and long term marketing planning.

The Significance of the Problem

Community enterprise is a community development activity. Since the economic crisis in 1997, this activity has turned out to be the way the community expects to recover from the economic crisis. The activity was announced by the Ministry of Interior as one of the self-reliance strategies (Danthanin, 1998). Not only the government but also academics and private development organizations expected that the activity would lead to the strengthening of the community. This activity also helps to draw income from the city to the countryside, and helps to prevent unfair exchange (Petprasert, 1999). A rise in income and quality of life are also expected results from this activity, as the majority of the population in the country are poor people living in the countryside. A rise in local income will be a positive sign for the Thai economy. Although Werathammo (2005) stated that nowadays, it is more difficult to succeed in business than in previous decades.

The operation of a community enterprise should emphasise the strengthening of the community and the economics of self-reliance, by using local wisdom and local raw materials given by the community to the community, and planning and targeting should also be set by the community. This will help the government to solve the poverty of the majority of the country’s population, reduce migration to the city, and strengthen the rural sector. With strong support from the government, the management of education, wisdom, and domestic resources can be very useful in enhancing income and the quality of life of local communities. Local wisdom that cannot be found in western countries can be developed into a competitive advantage for the commerce of the region. The beginning of economic sustainability can be created from the self-reliance of a local community with higher income and quality of life (Pheumphun, undated).
OTOP is the brand of products sold under the 'One Tambon, One Product' project, a nationwide sustainable development initiative launched by the Thai government. OTOP uses local wisdom and community skills, and aims to support unique locally made products, by utilizing the indigenous skills and craftsmanship of the community combined with available natural resources and raw materials. OTOP has more importance in the current economic situation as it enhances the country’s economy by increasing the employment rate and distributing income to local communities. The Thai government supports the development of OTOP in terms of quality and standards, in order to compete in the world market and have sustainable development (Lungtawe & Noknoi, 2012). To support the achievement of OTOP, this research aims to study the marketing factor of OTOP and how this factor enhances a product so that it becomes one of the five-star OTOP products. The entrepreneurs of the food OTOP product in Phatthalung and Songkhla provinces were selected to be the unit of the study. The reason that the researchers focused on food products is that food products are needed for daily living and are produced by most community enterprises. However, some entrepreneurs have success and some failure, so the results from the study can be used as an approach for OTOP to develop competitiveness. The relevant agencies can also benefit from the study by supporting the businesses to increase their efficiency.

**Research Objectives**

1. To study the marketing factor of the five-star food products of One Tambon One Product (OTOP).
2. To give guidelines for community enterprise entrepreneurs to develop their business.

**Methodology**

**Data and Source of Data**

In-depth interviews were used to obtain data from 13 presidents of community enterprises in Phatthalung and Songkhla provinces whose products had been selected as the five-star food product of OTOP in 2011. There are 15 community enterprises whose products had been selected as above, but only 13 presidents were available for interview.

**Research Instruments**

An open-ended interview and questionnaire were the research instruments.

**Data Collection**

Researchers collected data from the community enterprises in Phatthalung and Songkhla provinces.

**Data Analysis**

Content analysis was used to analyse the qualitative data that was obtained from the in-depth interviews and from observation of the behaviour of entrepreneurs, including the collection of field data. Adjusting the concept, and checking the data accuracy and data collection methods, were used to improve the accuracy of the research. Data was categorized based on the content.
Results

Entrepreneur Information

The list below is the 13 five-star OTOP enterprises from which data were obtained:

1. Koh-Yo T. P. M. Product
2. Gold Mermaid Songkhla Partnership
3. Sak’s Chilli products.
4. Chawee candy store
5. Golden Hand Group
6. Yare Orange House
7. The Community Garden Store
8. Hou-Khao Housekeeper
9. Nudam’s Lokhii
10. Galamae Mae Tim
11. Houiluk Women
12. Olan Cracker
13. Nongriang Community Enterprise

Data from the following two enterprises could not be collected:

1. Koh-Yo Bun: The entrepreneur was out at an exhibition during the data-collecting period.
2. Juthamad Marketing Company Limited: The entrepreneur was not available to provide the information.

Marketing Factor

Most of the entrepreneurs planned the marketing for the enterprise (Kaewbunreung (2003), Suekham (2004) and Phunchai (2004)), but there were differences between short-term and long-term planning. In other countries, Brooksbank, Kirby & Wright (1992) found that high performing medium-sized British firms had more extensive marketing plans than the low performing ones. Various types of marketing can be used in the operations. The majority of the entrepreneurs focused their marketing plans on distribution and promotion. They paid great attention to the quality of product. The same results were also found in Suekham’s (2004) study, in terms of the standard of production, cleanliness, and taste. There were various types of customers, of both genders and all ages, which is different from the study of Kaewbunreung (2003) who found that most of the buyers came from other provinces or were tourists. Customers were attracted by various methods, and the products were distributed at a place which is convenient for customer access; this is consistent with the results of Kaewbunreung (2003) and Phunchai (2004). The advantages of the products are their freshness, cleanliness and taste. Price was set by considering relevant factors. Kaewbunreung’s (2003) study found that price was set by considering the production and operation costs and also the price offset by competitors. Sales promotion and advertising were used for the promotion mix, which is a similar result to that of the studies of Ritprasert (1997), Kaewbunreung (2003), and Phiraban (2007). Competitors also sell similar products.

Recommendations

From the results, the researchers recommend that community enterprises should have both short-term and long-term planning. This will enable stakeholders to decide on their marketing activities in order to achieve targets for product, price, place and promotion and meet customers’ needs.
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References