

The Development of Marketing Strategies: A Case Study of OTOP Products Maha Sarakham Province.

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## Abstract

Studying the marketing strategy development in the case study of OTOP product, Maha Sarakham province is to study the problem and the obstacle in the process of doing the marketing of the producer and the entrepreneur who sell the OTOP product. To study the factor of selecting the OTOP product, and to study the guideline in developing the marketing strategy for OTOP product in order to answer the customer respond. The result from the interview found that the problem condition, the product's obstacle was the financial problem, the financial planning, the personnel knowledge, the product variety.

The important issue for developing the OTOP product group is to give the member the knowledge, such as how to do the business plan, how to manage the raw material, the marketing planning, the public relation and the advertising, the distribution channel in the aspect of the price and the service, provide the staff to introduce the product, and arranging the beautiful physical should be concerned.

**Keywords:** OTOP product, the marketing strategy development

## Introduction

The 9<sup>th</sup> national economic and social development plan has wrote about how to solve the poor problem by scattering the opportunity to the poor people. In order to drive the poor people to become better life, creating the strong community is important by supporting and developing the community economy in the issue of the management, the producing and the marketing with using the local wisdom, and providing the local fund for supporting the community.

One Tambon One Product: OTOP is the urgent policy for solving the poor problem. Creating the value added to the raw material in the community, such as increasing the wage

for the local will make local people stay in the community. The government section will only support the knowledge and technics for developing the product quality.

The OTOP business is the business for the group of local who are living in the village. Their target is the niche market which the key is to get close to the customer, and to know the customer's needs. Anyway, there still lack of the good marketing plan which is the reason why they aren't achieve enough in the business.

Therefore, the research is interested in doing the research for studying and searching the research about OTOP product for having the most benefit to any person who are willing to do the business in Mahasarakham province.

### **The research objective**

1. For study the problem and the obstacle in the marketing process of the people who is making the product and the OTOP's entrepreneurs.
2. For studying the buying selection factor in OTOP product.
3. For studying the guideline for developing the marketing strategy in OTOP product for answering the consumer's needs.

### **The research methodology**

#### **1. The pattern/The research methodology**

This study is to study the marketing strategy development in case of OTOP product at Mahasarakham province which are consisted of the factor affecting to the consumer making decision in buying, such as the marketing mix and the other environmental factors. And also studying about the process of the consumer's making decision in buying, and collecting the important factor for being the guideline planning for doing the OTOP business.

#### **2. Population and sample**

This population are the entrepreneurs, the producer, the sales and the OTOP consumers.

#### **3. Tool/ The collecting data methods**

The tool in this study are the questionnaire and the interview form.

1. In-depth Interview by using the interview form which are consisted of the problem and the obstacle and the trend in developing the product in order to be unique.

2 The Survey by using questionnaire for knowing the behavior of the questionnaire's construction by focusing on the satisfaction behavior in OTOP product for searching the trend for developing the product which can be divided into 4 sections as follows:

Part 1 The general information of the respondent in the issue of the gender, the profession, the age, the income, the status, the number/the buying price, the product category/ the buying source.

Part 2 The general about the product buying behavior in OTOP product of the consumer.

Part 3 The information about the factor affecting toward the decision making in buying the OTOP product by using the rating scale in 5 levels which are about the marketing environment factor, such as the product, the price, the distribution channel, the marketing promotion, and the personnel.

Part 4 The consumer's opinion about the product that they want to be developed the most as the open ended questionnaire.

The descriptive statistic, such as the average, the percentage are used for analyzing the data.

## **The research result**

The result can be concluded into 3 parts.

1. The result of analyzing the problem condition, the obstacle of OTOP product in Mahasarakham province from the qualitative analysis can be showed are as follows;

1.1 The low budget OTOP group, any group who have the strong leader might survive which shows that the potential in developing the OTOP group are small amount.

1.2 The product aspect, most of the producer group will be produced in the same type of product, such as no variety, no updated, no design, no banded.

1.3 The price aspect, it depends on the difficulty level and the producing duration, but most of OTOP product will be produced by hand. (Handmade) which affects the product price, and less competition.

1.4 The distribution aspect, it isn't cover the market. There's problem about putting the product on shelf which the credit issue is involved.

1.5 The marketing promotion aspect, since there aren't many advertising and promoting, the product aren't enough well known.

1.6 Lacking of the labor, the personnel don't have much knowledge and ability in producing the product, and also having problem in term of the OTOP's strength, such as The OTOP group don't have the management process in the organization.

2. The result of analyzing the consumer's behavior in buying the OTOP product in Mahasarakham province

**Part 1** The result of analyzing the general information of the sample who are the OTOP's consumer in Mahasarakham province found that most of them are female (57.14), the age between 31-40 years old (49.35%), government officer (64.94%), income between 15,000 – 20,000 Baht (51.95%), the family size about 2-3 persons (59.74%), single (40%), and bachelor degree (38.80%).

**Part 2** The result of analysis the data about the buying OTOP product behavior of the consumer who have the buying frequency about 1-2 time/month (31.17%). The product that the consumer bought the most was food/beverage (33.76%), and also being as the product that the consumer like the most was 29.09%. The reason why the consumer bought the product was the product quality and inexpensive in the same percentage (43.63%). Most of the consumer bought the OTOP product at the booth from the exhibition (48.83%). The people who influenced the most to the consumer was the family (45.19). And the second was the people who used to use the product (28.57%).

**Part 3** The result of analyzing the factor affecting to the making decision in buying the OTOP product in this study considers the marketing mix (7P's) along with, and can be concluded as follows: 1.The product aspect found that most of the consumers commented in the issue of the security aspect by using the natural product was 4.45 (55.2%). 2. The price aspect found that the consumer gave the priority in term of the fair pricing which was 4.33 (45%). 3.The distribution channel aspect found that most of the consumer gave the priority with the convenience for approaching the product which was 4.05 (46%). 4. The marketing promotion found that most of the consumer gave the priority in advertising which was 4.14 (48.0%). 5. The personnel aspect found that most of the consumer gave the priority in the issue of the product detail and the service which was 4.30 (40%). 6. The physical environment aspect found that most of the consumer gave the priority in the issue of the convenience for selecting the product which was 4.15 (51.6%). 7. The producing process / service found that most of the consumer gave the priority in the issue of the producing method as GMP producing standard which was 4.00 (48%). The trend in

developing the OTOP product found that the consumer had the opinion that the product quality should be improved in order to reach the standard of FDA, the community product, the food label which was 4.30 (48.3%). And when considering in overall found that the consumer had the opinion about the product development in the product as which was 4.40 (42.0%).

## The discussion

From the research result, the research was able to make the discussion as follows:

1. The result from analyzing the problem condition, the obstacle of OTOP's product in Mahasarakham province.

From the result of analyzing the qualitative data which has interview from the sample, it can reflect the financial problem that relates to the study (2012) which studied about the pattern development and the standard of managing from <sup>[1]</sup>Ari Devi (2005) which studied in the title of the development of the marketing strategy of OTOP group in Tak province. And also relates to the study from <sup>[2]</sup>Shewawan Jaroensuk (2004) which studied in the title of the marketing adapting of the conventional Thai retail shop. Apart from that some groups still have the financial and accounting problems which make the product become low-increasing in term of the development. And the new members have no good knowledge about the producing which causes of lacking quality and standard of the product, and relates to the study of <sup>[3,4]</sup>Pitsanu Keawnaijit (2005) and Aunchun Jongjaroen in OTOP shop in Ranong province which causes the marketing problem. So, the important issue for developing the OTOP product is to create the strength among the members.

2. The result from analyzing the factor affecting towards the making decision in selecting the OTOP product in Mahasarakham province.

From the study result, most of the female will select the food / beverage the most. The marketing mix issue that the consumer has considered the most are the product aspect, such as the product should use the natural composition which relates to the study of <sup>[5]</sup>Tanawat Chompu (2004). The person who has the most influence for making decision in buying the product is the family and the person who used to use the product. So, that group is the important group which should to make the advertising campaign in order to be well-known product which relates to the study of <sup>[3]</sup>Pitsanu Keawnaijit (2005). Most of the consumers would prefer to buy OTOP product from the exhibition and the OTOP shop.

Most of the consumers concern before selecting the product is the hygiene of the shop, the shop decoration, and providing the knowledge staff for advising the product.

3. The guideline of the development of the marketing strategy in the product aspect for the achievement from the highest to the lowest priority as follows;

3.1. From the study of managing of the achieved OTOP entrepreneurs found that most of them has the monthly planning, and give the important to the producing aspect which is producing to relate to the consumer's needs.

3.2. The raw material for producing the product should be the natural resources, and separating the raw material and the quality control, and developing the producing process to the best standard.

3.3. Giving the important to the marketing planning by focusing on the product aspect as the first priority, such as developing the packaging pattern for preventing the product's damage, extending the product's expire and responding the market's needs.

3.4. Making the public relation and advertising for the customer awareness, such as the radio, TV, newspaper, and includes with the intensive for the top sale reward.

3.5. The distribution channel should cover the target market in every province including with attending the expo events.

3.6. In the pricing aspect should define the cost plus the profit at less 10% by having the price on the product's label. And the personnel should have the knowledge about the financial and accounting management.

3.7. In the service aspect should provide the personnel for advising the product.

3.8. In the physical evidence aspect should give the important about the product arrangement in the shop.

### **Suggestion**

1. Should study about the product research which has trend to develop in order to be the product for the province.

2. Should do the research, study the OTOP market for being the guideline in the OTOP product developing strategy for other areas in the future.

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