

Key Factors Affecting Sales Volume of Community Enterprise (OTOP): Local Fabric of Three Southern Border Provinces

Yalada Pornprasert

Business Enterprise Program, Faculty of Management Science,
SuanSunandhaRajabhat University, Bangkok Thailand, email: yalada.po@ssru.ac.th.

Article Info

Volume 83

Page Number: 4843 - 4849

Publication Issue:

July - August 2020

Abstract

This research was aimed to study the key factors affecting sales volume of community enterprise (OTOP): local fabric of three southern border provinces. The population of this study was 40 members from local fabric of three southern border provinces, SriYala Batik, Barahom Batik and Anuroj Hand Paint. The data was gathered by using the questionnaire and interview, and the data was analyzed by using Chi-Square and Eta. The findings revealed that the relations between the sales volume and key factors of local fabric of three southern border provinces were; 1) the customers bought it for their own use, as souvenir or resale which related to the sales volume at the 0.05 level of significance, 2) the factor of product quality was the customer loyalty which related to the sales volume at the 0.05 level of significance, and 3) the factor of time was the punctual product distribution to the customers which related to the sales volume at the 0.05 level of significance. Consequently, the relevant sections should support the training on new technology of fabric production to meet the customer needs by the international fashion trend for each global region and finding market, support the factor of capital with the low interest of budget with easy access and not too many additional conditions from experienced researcher, besides entrepreneurs must be open-minded to new things.

Article History

Article Received: 06 June 2020

Revised: 29 June 2020

Accepted: 14 July 2020

Publication: 25 July 2020

Keywords: Local fabric, sustainable business, three southern border provinces

I. Introduction

OTOP or One Tambon One Product is the government project to promote and support the process of sustainable local development to strengthen the community for its dependence and enhance the well-being of people by producing or managing the exist resource of each local area for being the quality product. The OTOP of Thailand is initiated in 2001 until nowadays (One Tambon One Product. (Online) 2018) but the project results of local fabric are not successful in many

areas. If the enterprise is closed, the local fabric would be lost and the producers would be back to their old career. The researcher recognizes that the local fabric of three southern border provinces reflects to Thailand and basis of sustainable local development, the development of failed enterprise to achieve the success and enhance the competency of product exporting especially to the neighboring countries such as Malaysia and Indonesia etc. In consequence, the entrepreneurs and community should understand on the components of OTOP and success factors of

OTOP development, then the researcher has gathered data from article, research, survey and in-depth interview with the entrepreneurs to analyze and create the prototype for success factors of the local fabric of three southern border provinces. There are many interesting cultural dimensions in three southern border provinces such as design which reflects to the lifestyle and culture through the fabric especially Batik, Pala Nging Batik, Patae Batik, Natural Dyeing Fabric and Painted Batik, its handmade as the local wisdom of southern border provinces and indicates that three southern border provinces have their own unique custom and tradition, and local specification.

The entrepreneurs such as; 1) Yala's OTOPTOP called SriYala Batik has rehabilitated the making of Pala Nging Batik in 2009 (Pala Nging Batik – Local Wisdom Won't Be Lost, 2018) and it received KBO Awards 2011, Best OTOPTOP and 5-Star OTOPTOP at the provincial level, 2) Anuroj Hand Paint, the best OTOPTOP of Naratiwat Province is famous and well-known globally as the artist who creates Anuroj Hand Paint Brand (Creativity Creates Dream...Oil Colors Go Global 2018) with the specific characteristics in hand painting the contemporary art on natural fabric which changed the local wisdom of Batik to the fashion design product and 3) Barahom Batik, the best OTOPTOP of Pattanee Province. Due to the government policy of promoting the small enterprises continually for being the international enterprises to create the long-term economic stability and sustainability of Thailand by providing the relevant sections to support and subsidize the small enterprises as the basis and key force for the overall of economic system and national development.

As mentioned above, the researcher recognizes the significance on study of local fabric of three southern border provinces development for the sustainable business to solve the poorness issue and strengthen the entrepreneurs including the well-being of people in the small enterprises and

creating the cultural uniqueness of product of southern border provinces as the basis of sustainable local economic development.

II. OBJECTS

To study the key factors affecting sales volume of community enterprise (OTOP): local fabric of three southern border provinces.

In the software industry, the developers will never state that the product is free of imperfections, dissimilar to other modern item makers generally do. This distinction is because of the accompanying reasons.

III. METHODOLOGY

This study was the survey and development research which aimed to study the local fabric of three southern border provinces development for the sustainable business. The population of this study was 40 members from local fabric of three southern border provinces, SriYala Batik, Barahom Batik and Anuroj Hand Paint, and the data was gathered by using the questionnaire and interview. The 1st academic services project of the local fabric of three southern border provinces: Langkasuka development for the sustainable business at SriYala Batik, Mueng District, Yala Province and the 2nd academic services project of the local fabric of three southern border provinces: Langkasuka development for the sustainable business at Imperial Naratiwat Hotel, Mueng District, Naratiwat Province. The statistics for data analysis were the descriptive statistics by using frequency, percentage, mean, maximum value and minimum value, and the inferential statistics by using Chi-Square and Eta to respond to the objective of research. While gathering the data, there was a training of the entrepreneurs in Yala, Pattanee and Naratiwat Province, and a proof on the validity and content validity of the questionnaire, and the interview's completion by

the professor to improve for their obviousness and comprehension.

IV. RESULTS

The findings revealed that the most of local fabric entrepreneurs in Yala, Pattanee and Naratiwat Province was female (80.00%), at the age of 41-50 years old (32.50%), they are married (72.50%), attained the bachelor's degree (37.50%), earned lower than 10,000 baht monthly (50.00%) and worked as the business owner (72.50%), and the local fabric entrepreneurs development in Yala, Pattanee and Naratiwat Province was as follows;

1. The most of local fabric entrepreneurs in Yala, Pattanee and Naratiwat Province made Batik (82.50%), at the 4-star level (45.00%), they had learned the production from speakers (37.50%), they had developed and improved the production process, pattern and design, and additional training from the government section (27.50%).

Data of the local fabric entrepreneurs of three southern border provinces

Table 1 Amount and percentage of product

Entrepreneurs	Amount	Percentage
N = 40		
Batik	33	82.50
Pala Nging Batik	1	2.50
Patae Batik	5	12.50
Others	1	2.50
Total	40	100.00

Amount and percentage of product selected as OTOP

Selected level	Amount	Percentage
N = 40		
5-Star	3	7.50
4-Star	18	45.00
3-Star	3	7.50
2-Star	3	7.50
Not selected	13	32.50
Total	40	100.00

Amount and percentage of learning center the entrepreneurs had learned from

Learning center	Amount	Percentage
N = 40		
They had learned from the class.	11	27.50
They had learned by themselves.	5	12.50
They had learned from Batik producer.	9	22.50
They had learned from the speakers (government section project).	15	37.50
Total	40	100.00

Amount and percentage of OTOP development the entrepreneurs had

Learning characteristics	Amount N = 40	Percentage
The additional learning.	7	17.50
The production process was improved continually.	11	27.50
The pattern and design were improved.	11	27.50
The additional training from government	11	27.50

sections.

Total	40	100.00
--------------	-----------	---------------

The findings of statistic test revealed that monthly sales volume was very distributed when it was tested with the independent variable, then the researcher had reclassified the monthly sales volume and tested with the independent variable as shown in Table 2 as follows;

Table 2

Relation between local fabric of southern border provinces and key factors affecting sales volume for community enterprise development.

		The customers bought for their own use, as souvenir or resale		
	Baht	For their own use	As souvenir	Total
			or resale	
Monthly sales	5,000–10,000	11	0	11
	10,001–30,000	7	1	8
volume**	30,001 and above	12	9	21
Total		30	10	40

chi-square = 7.905^a sig = 0.05**

From Table 2, the researcher brought the key factor as the customers bought for their own use, as souvenir or resale which related to the sales volume at the 0.05 level of significance for the community development on the local fabric of three southern border provinces as follows;

The customers bought for their own use (75.00%) and as souvenir or resale (25.00%) related to the sales volume at the 0.05 level of significance which was consistent with the product strategies of BoonlertYenkongka et al., 2011 referred in YaladaPornprasert (2013), said that the strategies of product attributes or product component were a presentation of the unique product attributes included to meet the customer needs and satisfaction by the product component was the product characteristics comprised of core product as the basic use directly, formal or tangible

product as the physical characteristics such as quality, appearance, pattern, package and augmented product for being the additional use or services after their purchase. The expected product was an expectation from the purchase and potential product use to meet the customer needs and was consistent with the research of JaritaHintao et al., (2009), a study of OTOP management: case of SamakkeePattana Village, Ban Tam Tao, Moo 1, SamakkeePattana Sub-district, Akat-amnuai District, Sakon Nakhon Province revealed that they made the indigo dyed cotton as a hobby besides agriculture; Production – there were 3 processes: input, process and output without an effect on the environment by emphasizing on the fabric weaving for sale, Marketing – there was a strength on the design and weaving skill of indigo dyed cotton but a lack

of packaging and transformation development as a lack of new innovation to add value, and

Distribution – there was a direct sale at OTOP provincial centers.

Table 3

Relation between sales volume of local fabric of three southern border provinces and factors of product quality and time affecting the community enterprise development.

Product qualityBaht		Brand loyalty		Total
		Min	Max	
Monthly sales	5,000 – 10,000	0	11	11
volume**	10,001 – 30,000	1	7	8
Eta	30,001 – 50,000	3	7	10
(sig= 0.01) **	50,001 – 100,000	0	4	4
	100,001 and above	0	7	7
Total	436			40

punctual product distribution to the customers

Time	Baht	Min	Max	Total
Monthly sales	5,000 – 10,000	0	11	11
volume**	10,001 – 30,000	0	8	8
Eta	30,001 – 50,000	2	8	10
(sig= 0.01) **	50,001 – 100,000	0	4	4
	100,001 and above	0	7	7
Total		2	38	40

From Table 3, the researcher brought the factors of product distribution for the community development on the local fabric of three southern border provinces such as product quality and time to test the relation with sales volume and synthesize with the interview from local fabric entrepreneurs for knowledge development as follows;

The product quality as brand loyalty related to the sales volume at the 0.05 level of significance which was consistent with the concept of SupanyaChaichan (2011), a product quality was important as the customer needs on “special product quality” for their affordability. In general, if all enterprises were in the same business, which one had the better quality was the one who had the better sale opportunity.

Additionally, it was consistent with the research of SupatsaraBoonrueng et al., (2015), this study was aimed to study the customer behavior and needs on Thai Lue Textile and to study the guideline for Thai Lue Textile market development in Chiang Kham District, Phayao Province which revealed that most of the customer behavior was a decision on the textile; its fame, plain textile or colored textile for their own use, by themselves and uncountable time of monthly purchase, and on the textile quality; it was made from cotton, comfortable use and durability. Besides of time for punctual product distribution as the transportation to the customer related to the sales volume at the 0.05 level of significance which was consistent with the concept of Alan Ratchatan et al., (2006), factors of consignment or relevant route which affected to the final decision

of the best transportation for each product. These factors were the relevant component for ordering or specific product which affected to the decision of transportation by one or many factors and consistent with the concept of product distribution of Kritchakrit N Wattanaprasert (2015), a plan of product distribution on the right quality, right quantity, right time, right place and right condition as the customer specified which affected to the good services level constantly and consistent with the research of Kotchakorn Boonyalitphon (2010), strategy of enhancing the logistics services efficiency by the theory of customer relationship management revealed that it should enhance the logistics services efficiency as follows; 1) The accessibility of customers, 2.) The sufficiency of car services and 3) The sales discount or promotion consecutively. It was analyzed on the office location accessibility by the factors of distance, cost and transportation, the factors of sufficiency of car services by increasing an amount of resource to decrease an amount of customer request refusal, decreasing the opportunity cost of earning, increasing the opportunity of supporting future customers and improving the sales discount or promotion to meet the customer needs included increasing the opportunity of earning at the low demands and consistent with the research Luedee Niyomrat (2011), a study of logistics management of traditional Thai five-colored porcelain industry in Samut Sakhon Province revealed that it was at the competitive advantage level, and the efficiency of time was at the competitive advantage level except the purchase issues such as duration of sending order, holding and packaging, and storing the readymade to meet the customer needs.

Policy suggestion

From the findings, there were suggestions from the local fabric entrepreneurs of three southern border provinces for the relevant sections and people to support the enterprise factors as follows;

1. The training on new techniques of fabric production to meet the customer needs trend for each global region and finding market.
2. It should support the factor of capital with the low interest of budget and not too many conditions for the accessibility and sufficiency of entrepreneurs as well as the reasonability of loan to support their expense discipline.
3. The entrepreneurs should be open-minded to new things.
4. The concept of government participation should be suggested as a guideline for the entrepreneurs to enhance the knowledge of wider customer accessibility.

Operational suggestion

From the findings, the researcher brought the suggestions from entrepreneurs on the relevant issues and effect on their sales included the other issues and suggestion for solving as it presented the suggestions from the local fabric entrepreneurs of three southern border provinces for the relevant sections to apply for their operation and problem solving included it should have a training on new techniques, capital support and finding new markets such as the trend colors of, and the customers in each region and international customers included the wider marketing etc.

Academic suggestion

1. This study revealed that it should expand the product distribution and production to meet the trend of new customers to support the local fabric entrepreneurs of three southern border provinces on their qualitative research for more in-depth and completed data.
2. As this study presented the opinion of entrepreneurs and it might be tended on their product, then it should study on the customer comments towards the sales of local fabric entrepreneurs of three southern border provinces to apply for improving and solving their weaknesses to enhance their progress.

REFERENCES

- [1] Kritchakrit N Wattanaprasert. (2015). Engineering Logistics and Supply Chain Management. Bangkok :Panyachon.
- [2] One Tambon One Product Project (Online). (2015). Retrieved from <http://www.thaitambon.com>
- [3] YaladaPornprasert. (2013). Strategic Management. Yala :Kauman Printing.
- [4] _____. (2015). Production and Operation Management. Bangkok :SuanSunandhaRajabhat University.
- [5] BoontawanWingwon. (2013). Being Entrepreneur in Globalization Era. Bangkok : CU Print. Pala Nging Batik – Local Wisdom Won't Be Lost. (2018). Retrieved from www.thaipost.net/main/detail/14521
- [6] PoonsukSangrungs et al. (2013). Production Management. 9th Edition. Bangkok : V.J. Printing.Batik on ELLE Fashion Week. (2018). Retrieved from www.thaipost.net/main/detail/16272
- [7] LuedeeNiyomrat. (2011). A Study of Logistics Management of Traditional Thai Five-Colored Porcelain Industry in SamutSakhon Province. Bangkok : Research report supported by SuanSunandhaRajabhat University.
- [8] SupanyaChaichan. (2011). Production Management. 7th Edition. Bangkok : P.A. Living.
- [9] SupatsaraBoonrueng et al. (2015). Guideline for Thai Lue Textile Market Development in Chiang Kham District, Phayao Province. Research report of Pacific Institute of Management Science.
- [10] Creativity Creates Dream...Oil Colors Go Global. (2018). Retrieved from www.style.co.th/SME_Bank/P8.pdf
- [11] One Tambon One Product (Online). (2018). Retrieved from <https://th.wikipedia.org/wiki/%>
- [12] Alan Ratchatan et al. (2006). Translated from Manual for Logistics Management and Product Distribution by WittayaSuharitdamrong, WichaiRungruenganan and BoonsabPanitchakan 2008. Bangkok : E.I. Square.