Development of Marketing strategy for Cordyceps militaris Entrepreneurs Among The working Age Consumer in Phra Nakhon Si Ayutthaya Province

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Abstract – The research on “Development of marketing strategy for Cordycepsmilitaris entrepreneurs among the working age consumer in Phra Nakhon Si Ayutthaya province” is an applied research to study the market system for Cordycepsmilitaris products, purchasing behavior and factors influencing the purchase decision of Cordycepsmilitaris among working-age consumers and presents marketing strategy for Cordycep militaris to the entrepreneurs. The population in this research was divided into two groups, namely 400 consumers who had ever consumed cordyceps militaris products (Yamane table) and 20 cordyceps militaris entrepreneurs using a purposive sampling method. Data collection was done by using questionnaires and in-depth interviews. The results were analyzed with descriptive statistics and complex comparisons. (LSD) and time series forecasting as well as organizing meetings for cordyceps militaris entrepreneurs and marketing experts.

Research results showed that the cordycepsmilitaris market system has both direct and indirect ways; The demand level for Cordycepsmilitaris products has a continued trend; Buying behavior of cordycepsmilitaris consumers is longer than 1 year of purchase; Most of consumers buy for the product for their own consumption via online channel; The purchase cost is more than 500 baht per time with the purchase frequency of 1 month per time. The most important factors influencing purchasing decisions are to feel safe from using the product, followed by the price that is suitable for the quality. Considering marketing strategy, the main target group is female consumers aged 30-50 years with high income and bachelor's degree; Product strategy is to aim to produce quality products with outstanding features and packaging development; Pricing strategy is to use cost-based pricing; The distribution channel strategy includes both offline and online distribution and; The marketing promotion strategy is conducted with integrated marketing communication strategy to create consumer experience and confidence.

Keywords— Strategy development, Cordyceps militaris, Working-age, Entrepreneurs

I. INTRODUCTION

At present, the Cordyceps militaris are widely popular in Thailand, especially among the consumers of working age and the elderly and those who love health or use it to treat their own diseases because Cordyceps militaris contain high levels of protein, vitamins, antioxidants and amino acids. It also has properties for treating allergies, inflammation, asthma and bronchitis, as well as improving nervous system function [1] The sale of dried Cordyceps militaris in Thailand is about 250,000 baht to 40,000 baht/kg. Although the cultivation of the Cordyceps militaris had increased exponentially, it was still not enough to meet the market demand. The consumption of Cordyceps militaris continues to grow[2]. Phra Nakhon Si Ayutthaya Province is a province in the central region and is an important industrial economic zone. The province's gross domestic product is the 3rd highest in the country [3]. It has a total population of 819,088 people. There are 382,713 working day people in the age range 20-59 years old [4]. It is considered that the Cordyceps

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militaris Market is a very large market, especially for working age customers and the elderly. According to statistical data, 100,000 people will have a target of at least 3,000 people in the Cordyceps militaris market. It can be estimated that in Phra Nakhon Si Ayutthaya Province, the sale of the Cordyceps militaris generates a monthly income for the target group of not less than 700,000 baht (50% market share) and may generate income of not less than 100,000 baht per month. Thus, it shows that the opportunity of the Cordyceps militaris operator can create a career and make a stable income if the entrepreneur has a marketing strategy that meets the needs of the target consumer group. Due to the increasing popularity of Cordyceps militaris consumers, the operators of Cordyceps militaris should develop a competitive strategy of Cordyceps militaris among working age groups in Phra Nakhon Si Ayutthaya Province. This is for the benefit of community enterprise entrepreneurs and as a guideline for developing strategies to meet the needs of consumers in the working age group.

II. RESEARCH OBJECTIVES

1) To study the system of the Cordyceps militaris product market in Phra Nakhon Si Ayutthaya Province

2) To study the buying behavior and factors influencing the purchasing decision of the Cordyceps militaris of working age consumers.

3) To present a marketing strategy about the Cordyceps militaris among working age groups to entrepreneurs in Phra Nakhon Si Ayutthaya Province.

III. LITERATURE REVIEW

The research on the development of marketing strategies for the Cordyceps militaris entrepreneurs among working age consumers in Phra Nakhon Si Ayutthaya Province was based on concepts, theories and related research as well as various factors related to the development of marketing strategies related to the Cordyceps militaris among working age groups for entrepreneurs in Phra Nakhon Si Ayutthaya Province.

3.1 Relevant theoretical concepts

The general concept of consumer characteristics includes the attitudes, motivations, experiences and lifestyles of consumers. The concept of [5] That consumer attitudes referred to trends acquired from prior learning in relation to a person's preferences or dislikes arising from the values and beliefs that influenced consumer behavior during that time.

According to the concept of [6] Consumer behavior factors included reason of purchase, time of purchase, timing of purchase, place of purchase and date of purchase. Although consumers could find information on the purchase, use of services, assessment of the use and non-use of products or services to meet their own needs, the right way for marketers to strategize to meet consumer satisfaction was: asking the question of buying - what, where, when, why.

Marketing strategy factors for the Cordyceps militaris operators of working age groups in Phra Nakhon Si Ayutthaya Province consisted of products, prices, place or distribution channels, promotion, people, process and physical evidence. According to the modern marketing concept of [7] The marketing mix had seven components: (1) Products consist of product quality, product style, durability, brand design and packaging. (2) Price is the amount a person pays to purchase a product or is the value a consumer pays in exchange for a desired benefit. (3) place must take into account convenient access. (4) Promotion is a marketing communication process by communicating to distribute information to customers according to their behavior. (5) Personnel or employees rely on selection, training and motivation to create satisfaction. (6) Process is a service offering to allow
users to receive services accurately and quickly. (7) Physical evidence is the creation and presentation of physical characteristics and forms of service to consumers.

3.2 Relevant research

[8] Studied the marketing mix factors influencing the purchasing decision of dietary supplement containing cordyceps extract of consumers in Bangkok. The purpose of this research was to study the marketing mix factors influencing the purchasing decision of dietary supplements containing Cordyceps extract of consumers in Bangkok, and to study the purchasing decision model of dietary supplements containing Cordyceps extract of consumers in Bangkok. The results showed that marketing mix of products, price and promotion had a statistically significant influence on consumers’ decision to purchase dietary supplement containing Cordyceps extract in Bangkok at 0.05 levels. In consumption of 1 kg of Cordyceps per time, the frequency of consumption was 2 times a month. There was a low level of purchasing decision to try out, and there was a moderate level of purchase decision in repurchase and post-purchase decision.

[9] Studied the factors influencing consumers in purchasing herbal dietary supplements in Nai Mueang Subdistrict, Mueang District, Lamphun Province. It was found that in terms of purchasing decisions, the sample group focused on employees who provide service with politeness, good-naturedness, honesty and expertise in working. Communicating or explaining various details to customers could also have a significant influence on their purchase.

[10] Studied the marketing strategies influencing consumers’ decision to buy dietary supplements in Warin Chamrap District, Ubon Ratchathani Province. It was found that the sample group focused on good human relations, clear knowledge of products, equal services, and prompt service and politeness of employees.

[1] Researched the business plan of medicinal mushroom supplement products to nourish the body. It was found that Cordyceps were considered a type of mushroom that consumers are very interested in. According to the latest forecasts, the demand for natural Cordyceps was much higher but natural production was limited, leading to even higher prices. Moreover, the natural yield of Cordyceps was insufficient. Therefore, it was an important opportunity to do business of cultivating Cordyceps with bioactive compounds equivalent or higher than natural. According to market research, most of the respondents were aware of Cordyceps and were interested in purchasing new brands of Cordyceps through dealers and e-commerce.

IV. RESEARCH METHODS

Population and sample

In research and development of marketing strategies of Cordyceps militaris entrepreneur in consumers of working age groups in Phra Nakhon Si Ayutthaya Province was a characteristic of applied research. The population and sample could be divided into two groups:

1. 400 consumers who have purchased Cordyceps militaris products using Accidental Sampling method, and set the samples as shown in Yamane’s table at 95% confidence level and 0.05 error.

2. 20 Cordyceps militaris entrepreneurs using Purposive Sampling method. Entrepreneur was constantly selected and willing to participate in research to provide realistic insights into all areas.

Data Collection Tools

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This research study on the development of marketing strategies of Cordyceps militaris entrepreneurs among working age consumers in Phra Nakhon Si Ayutthaya Province was an applied research. The data collection tools for this research were questionnaires and two interview forms. Each set of questions is divided into parts as follows:

Set 1: The questionnaire for consumers using Cordyceps militaris products consists of 3 parts:

Part 1: Personal information including gender, age, education, occupation, average monthly income.
Part 2: Consumers’ buying behaviors of Cordyceps militaris in working age
Part 3: Factors Influencing the Purchase Decision of Cordyceps militaris Products

Set 2: The interview form for the operators consists of 3 parts:

Part 1: General information of the Cordyceps militaris entrepreneurs in Phra Nakhon Si Ayutthaya Province
Part 2: Weaknesses, Strengths, Opportunities and Threat Analysis of Cordyceps militaris entrepreneurs in Phra Nakhon Si Ayutthaya Province
Part 3: Marketing System of Cordyceps militaris entrepreneur in Phra Nakhon Si Ayutthaya Province

The steps of the research are shown in Figure 1.
V. RESEARCH RESULTS

Set 1: Results of market analysis of Cordyceps militaris products

The market system of Cordyceps militaris products was divided into 2 groups: The first group started by raising Cordyceps militaris and then drying and packing them for their own sale by making their own brand. The second group was the receipt of packaged products and applying their own branding for both direct and indirect distribution systems as shown in Figure 2.

Figure 2: Market System of Cordyceps Products

Set 2: Purchasing behavior and factors influencing the purchase decision of the Cordyceps militaris products among working-age consumers

Part 1: Consumer Personal Data

Most of the respondents were female (78.7%), aged 31–40 years (42.4%), bachelor's degree (57.3%), civil servant (36.0%), and average monthly income of more than 18,000 baht (41.4).

Part 2: Buying Behavior of Cordyceps Products

According to research, most consumers prefer to buy Cordyceps capsules (41.5 percent), more than 1 year of consumption experience (49.5 percent), purchase for own consumption (90.78 percent), own purchase decision (68.7 percent), online shopping (63.8 percent), purchases of more than 500 baht per time (84.5%), 1 purchase per month (50.4 percent), information about products via the Internet (41.18%), satisfaction with cordyceps products was at a good level (58.9 percent).

Part 3: Factors influencing the purchase of Cordyceps militaris products

No.1: Product Factor Consumers were concerned about safety from using the product (Mean=3.94), quality accreditation from a reliable institute or agency (Mean=3.91), date of manufacture and expiration date, (Mean=3.87), and identification of indications, restrictions and product ingredients (Mean=3.86).

No. 2: Price Factor Consumers focused on price and quality (Mean=3.85), special discount when buying in bulk (Mean=3.63), and a wide range of prices (Mean=3.56).
No. 3: Distribution Channel Factors Consumers focused on stores that offer multiple shopping options such as Facebook, telephone, internet (Mean=3.86), location of stores that are convenient to travel to buy (Mean=3.66), and stores that sell products that meet all the needs (Mean=3.64).

No. 4: Promotion Consumers were concerned about good product knowledge and product recommendations by staff (Mean=3.65), and product warranty or product replacement (Mean=3.59).

Part 4: Comparison of personal factors and factors that influence the purchasing decision of Cordyceps militaris consumers.

From the research, it was found that the differences in education, occupation and income of consumers on purchasing decisions were not significantly different at the .05 level and the age difference of consumers on price factors, distribution channels and promotions was not significantly different at the .05 level.

Different age among consumers affected product factors was statistically different at the .05 level. They were divided into two groups: people aged 21-30 and over 41 focused more on product factors than those 21-30 years old, consumers under 20 were more focused on product variety than those 21-30 years old, consumers over the age of 41 pay more attention to the brand of a product than those aged 21-30 and aged 31-40.

Consumers under 20 and over 41 pay more attention to product packaging than those aged 31-40, consumers aged 21-30 and over 41 prioritize the quality assurance of a trusted institution or agency over those aged 31-40.

The results of the analysis of strengths, weaknesses, opportunities and threats of Cordyceps production (SWOT Analysis) were shown in Figure 3.

The main target groups were consumers with good income, females aged 30-50 years, bachelor's degree, occupation of civil servants or government employees, people with good social standing, health and beauty concerns, and a passion for herbs.

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Figure 3 SWOT Analysis
Secondary target groups were nursing homes and health food distribution groups such as herbal medicine stores. It could then be developed into a new market for community enterprises.

Marketing mix strategy

Product strategy Manufacturers must focus on the quality of the production of products based on wisdom. The distinctive features depend on the properties of each herb. Products are diversified, but packaging should be improved and developed.

Pricing strategy A cost-oriented strategy should be used close to that of competitors. At the same time, the principle of pricing should be consistent with the quality and variety of prices.

Distribution channel strategy There are two distribution channels: direct, which is self-selling at the point of sale, Facebook, phone, internet, group members, and finding markets through direct contact with healthcare facilities and individual businesses. Indirect distribution channels: distribution through the platform and consignment through various stores.

Promotion strategy Entrepreneurs should choose salespeople or admins who are witty, skillful and good sales techniques along with preparing various advertising materials such as leaflets to provide information about the product, its benefits and properties. Point of purchase should be beautiful and attractive. On Facebook, promotions should be organized for customers, business groups and resellers along with freebies and special discounts on bulk purchases and sample products. Direct marketing include telemarketing Catalog marketing for selling products to business customers.

VI. DISCUSSIONS

The market system of consumer’s Cordyceps militaris products focused on people of working age in Phra Nakhon Si Ayutthaya Province. Most of them started with their own cultivation, but there were some ingredients that needed to be purchased from outside the area. Distribution systems were divided into two types: 1. Direct distribution system included Facebook, phone calls and sales through group members. 2. Indirect distribution system was operated by consignment through stores which correspond to Thirathana Insee (2018).

Consumer purchasing behavior is consistent with the concept of Schiffman, L. G. & Kanuk, L. L (2010) in the sense that most consumers' purchasing decisions are self-determination, the period of use of the product was 1 year or more and the average cost of purchasing the product per month was more than 500 baht.

The most important factor influencing purchasing decisions was product safety, followed by the price which was suitable for the quality, in line with Watcharaporn Vejkul (2018), location of the store, the ease of purchase and the sales staff have good knowledge of the product, consistent with Jintana Onla (2015), Watcharaporn Wechakul (2018). The product factor had the greatest influence on the decision, followed by the price factor, distribution channel and promotion.

The difference in age of consumers on product factors was statistically significant at the .05 level. Consumers under the age of 20 tended to focus on product variety. Consumers over 41 years of age tended to value the brand of a product. Consumers under 20 and over 41 tended to focus on quality assurance from institutions or agencies. The results of such research lead to the development of marketing strategies of Cordyceps entrepreneurs among working-age consumers in Phra Nakhon Si Ayutthaya Province. Most of the samples focused on product quality, quality assurance from institutions and agencies, product variety and packaging aesthetics.
CONCLUSION

The market system of consumer’s Cordyceps militaris products focused on people of working age in Phra Nakhon Si Ayutthaya Province. Most of them started with their own cultivation, but there were some ingredients that needed to be purchased from outside the area. Distribution systems were divided into two types: 1. Direct distribution system included Facebook, phone calls and sales through group members. 2. Indirect distribution system was operated by consignment through stores.

Buying behavior of consumers that had been used for more than 1 year, mostly for own use. The purchase cost was more than 500 baht per time. The purchase frequency was 1 month at a time. The most important factor influencing purchasing decisions was product safety (Mean=3.94), followed by quality accreditation from a reliable institute or agency (Mean=3.91), reasonable price with quality (Mean=3.85), bulk purchase discount (Mean=3.63), ease of purchase (Mean=3.66), and good knowledge of salespeople (Mean=3.65).

The main target group of herbal products of community enterprises was female consumers, age 30-50 years, good income and bachelor's degree. Secondary target groups were hospitals and health food distribution groups. Product strategy focused on producing quality and standard products, outstanding features, variety, and aesthetics of packaging. A cost-oriented pricing strategy was used along with pricing that was appropriate for the quality of the product. The original distribution channel must be maintained and try to expand more distribution channels. There should be an integrated marketing communication strategy to make consumers know and trust the product and create a consumer experience.

ACKNOWLEDGEMENT

1) Entrepreneurs should create unique products, differentiation, perceived benefits, and adding stories about the origin of each product and its actual value.

2) In the product strategy of Cordyceps among working age groups in Phra Nakhon Si Ayutthaya Province, entrepreneurs must ensure product safety, packaging safety and standard certification.

3) In the strategy of developing marketing strategies, the Cordyceps operators in the working age group in Phra Nakhon Si Ayutthaya Province should study the health care consumers in order to expand the market and increase opportunities for those less than 20 years old.

4) There should be a group of community enterprises and a network of Cordyceps products in Phra Nakhon Si Ayutthaya Province to help and support the operation.

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