

Chapter 3

Background Analysis of the Case Study

3.1 The market and the business policies

The company in this case study is the company with long time business in lingerie and swimwear. It was founded in 1958 under the name of "Jintana" which was firstly a family business. From the beginning, the company believes in manufacturing the high quality products over the price. The company has grown rapidly through the years. In 1977, the company has changed name from Jintana to the name used at present and become an international company.

The effort of the company is the continuous effort in creating lingerie for Thai and International women and the long experience in manufacturing and exporting specially designed undergarments to Japan and European countries for more than three decades have made this company well known both locally and internationally and well acclaimed as an expert in exquisite wearable women's lingerie.

For years the company has striven to meet the very highest standards. The material selected for the products is of pure comfort, beauty and high quality. All women in real life have in their mind is affordable underclothing of just their sizes that simply and always make them look good which is what the company always aware about.

At present, together in their concerted efforts, more than 1,500 members of staff under the management of the president of the company are now working at the head office and in the factory in Bangkok. The products under the brand name of the company in this case study can be found at more than 280 outlets nationwide. The company also manufactures high quality undergarments for

more than 20 companies in Europe and Japan such as in JOE BOXER in USA, KNICKER BOX in England etc.

The mission statement of the company in this case study

“ To create the lingerie for Thai and International women with the best quality, impressive designs and reasonable price”

The mission statement shows that this company wants to create the best quality lingerie for both Thai and international women. The best quality, impressive designs and the reasonable price are what the company would always achieve in order to gain the loyalty from the customers.

3.1.1 Principle Products

The products cover all types of lingerie for all age of women. The products consist of 4 main groups as following:

- ◆ **Lingerie**

Target customer: For all groups of women from the first bra age to the old age.

Market: middle class to upper class women.

- ◆ **Nightwear**

Target customer: From young teenagers to old age.

Market: middle class to upper class women.

- ◆ **Maternitywear**

Target customer: Pregnant women from the first month to the day when the child is born.

Market: middle class to upper class women.

◆ **Swimwear**

Target customer: From young girls (5 years old) to the middle age women

Market: middle class to upper class women.

3.1.2 Turnover

The turnover of the company is about 30 Million US.dollars

3.1.3 Number of Employees

The total number of employees is 1,787, which could be divided as:

Factories employee:	1,110
Staffs	52
Labor	1,058

Head Office:	677
Staffs	173
P.C.	504

3.1.4 Domestic Outlets

Company's Brand:	300 Outlets
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3.1.5 Number of Machines

Sewing Machine:	1,000
Cutting Machine:	9
CAD:	1

3.1.6 Capacities

Brassieres	300,000 pieces/month
Panties	300,000 pieces/month
Nightwear and casual wear	20,000 pieces/month
Girdles	20,000 pieces/month
Swimwear	5,000 pieces/month

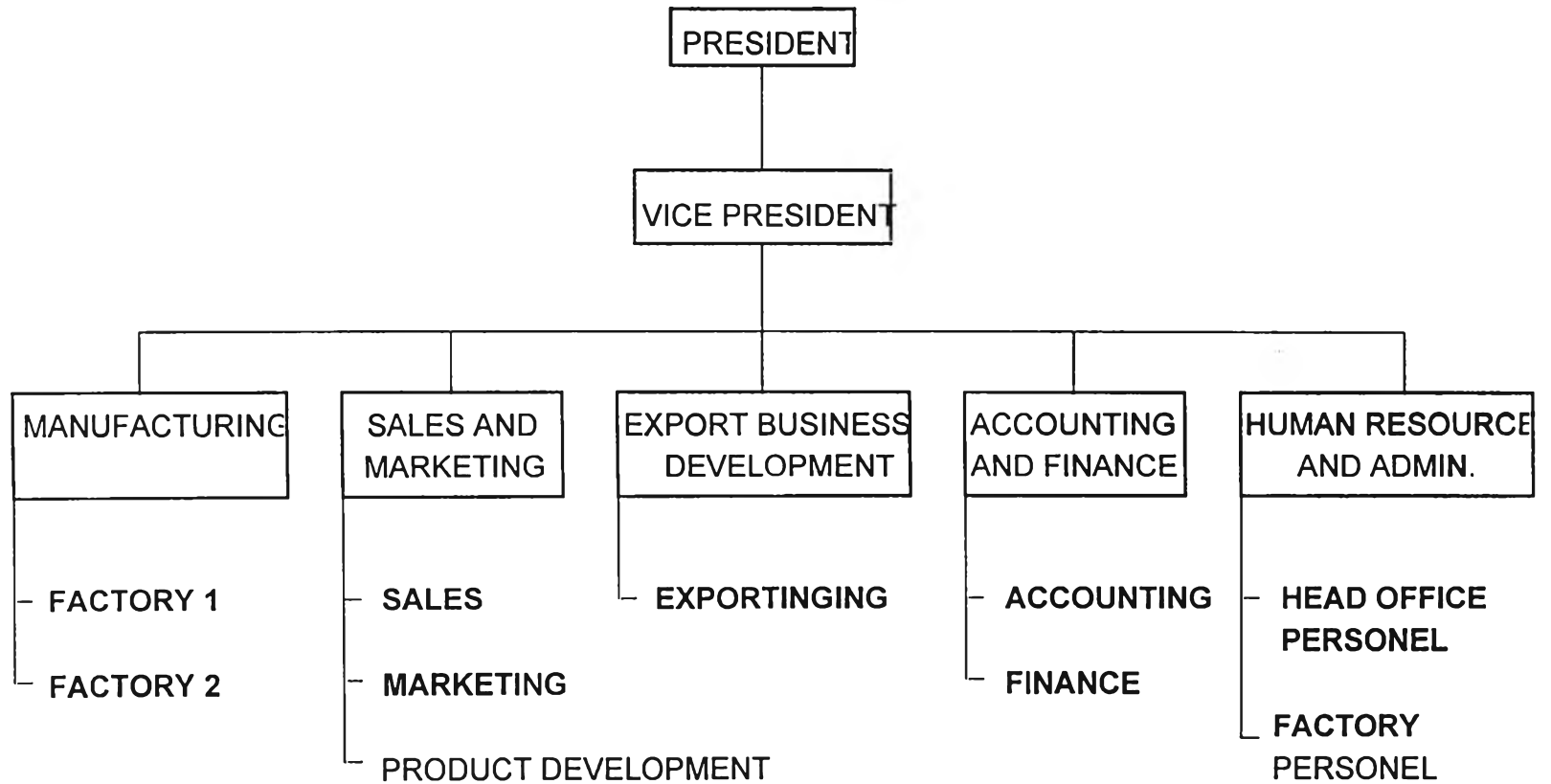
3.1.7 Material Sources

The raw materials used are both from local and imported.

3.1.8 Quality and Price

Superior quality with moderate price

Organization Chart



3.2 Organization

3.2.1 Sales and Marketing

The marketing department of the company in this case study covers all the marketing activities. The department is mainly responsible for the research, sales, customers' service, advertising and promotion and also sales order. Besides that, the department also covers the activities of product development. The major responsibilities of the product development are to design new styles, patterns and develop the products by an expert design team.

3.2.2 Manufacturing

The manufacturing department is responsible for manufacturing all the products at all factories. There are around 1,000 employees working there. The orders of manufacturing come from the sales division.

3.2.3 Accounting and Finance

The accounting and finance department is responsible for all activities to do with money and accounts such as billing, payment term, taxes, loans, etc. At the time of economic crisis that Thailand is facing now, many of the systems have to readjust themselves to be able to become more efficient and effective. This company has not gone into the stock market yet and so many company profiles about financial terms are kept confidential.

3.2.4 Export Business Development

For this department, it is newly established and there are no personnel under this department. The company hasn't emphasis on the export before until the passed 2 years and it is considering splitting the export business into one department concentrating on export business only. In the

mean time, the personnel from every department are contributing to the export business informally. In the future, the company will consider of separating the personnel from the export and local business.

3.2.5 Human Resource and Administration

The human resource and administration takes care of the employees and staffs and provides the information about the company. They set laws and regulations in order to keep the organization in order and provide helps to the employees. They are responsible for recruitment, selection process, salary structure, etc.

3.3 Current Situation

At present, the company in this case study has the third share in the lingerie market. The 2 most competitive brands that over take the first two share in the market are WACOAL and TRIUMPH. These two brands are long time in the lingerie business and gain a lot of trust and brand awareness from the customers. For the group of customers, the company is very effective on the young generations and working woman because of the attractive designs the company has and also the variety. These groups of customers like new and fashionable trends. They always have up-to-date information about the fashion in each season and like to read fashion magazine. That is the area where the company is very strong because it realizes how much fashion and designs mean to the customers. They make women feel confident with the innerwear and this will certainly show in the personality of that person.

Other lingerie brands are not very competitive when compare with the three brands of which is well known at present. Most of them are newly established and they are not experience in the lingerie business. Besides that, there are also imported brands, which are more expensive, and the sizes or styles are not appropriate for Thai women.



Figure 3.1: The market share of the case study in lingerie market

3.4 Problem Analysis

This case study concerns the development of an information system for managing a company. The company in this case study is a company with long time business in lingerie and swimwear. The company also has its own factories in several provinces in Thailand with its head office is in Bangkok. As mention before, this company owns a brand that is well known by the local people and it also exports to many countries in Europe, Asia and America. In this time of economic crisis, the export business is playing the most important for the company and the income of the company mainly comes from the export.

The business is facing some problems concerning the information for the management. The sales and marketing is identified as one with a very serious problem since they do not have a formal information system. The information is transferred by using the simple methods of sending papers around such as sales order, purchasing order etc. Besides that, the information may not be sufficient enough in some cases and need more information from other departments, which causes the delay in the whole process and result in the delay of the goods to the customers.