

Marketing Strategy Analysis of K.S. Plastic Works Company

Mr. Kittiphat Temtavornkul



An Independent Study Submitted in Partial Fulfillment of the
Requirements
for the Degree of Master of Arts in Business and Managerial Economics
Field of Study of Business and Managerial Economics
FACULTY OF ECONOMICS
Chulalongkorn University
Academic Year 2021
Copyright of Chulalongkorn University

การวิเคราะห์กลยุทธ์ทางการตลาดของบริษัท เค.เอส. พลาสติก เวิร์ค จำกัด



สารนิพนธ์นี้เป็นส่วนหนึ่งของการศึกษาตามหลักสูตรปริญญาศิลปศาสตรมหาบัณฑิต
สาขาวิชาเศรษฐศาสตร์ธุรกิจและการจัดการ สาขาวิชาเศรษฐศาสตร์ธุรกิจและการจัดการ

คณะเศรษฐศาสตร์ จุฬาลงกรณ์มหาวิทยาลัย

ปีการศึกษา 2564

ลิขสิทธิ์ของจุฬาลงกรณ์มหาวิทยาลัย

Independent Study Title Marketing Strategy Analysis of K.S. Plastic Works
Company
By Mr. Kittiphat Temtavornkul
Field of Study Business and Managerial Economics
Thesis Advisor Assistant Professor SAN SAMPATTAVANIJA, Ph.D.

Accepted by the FACULTY OF ECONOMICS, Chulalongkorn University in
Partial Fulfillment of the Requirement for the Master of Arts

INDEPENDENT STUDY COMMITTEE

----- Chairman
(Assistant Professor NIPIT WONGPUNYA, Ph.D.)
----- Advisor
(Assistant Professor SAN SAMPATTAVANIJA, Ph.D.)
----- Examiner
(KATIKAR TIPAYALAI, Ph.D.)



กิตติภักดิ์ เต็มถาวรกุล : การวิเคราะห์กลยุทธ์ทางการตลาดของบริษัท เค.เอส. พลาสติก เวิร์ค จำกัด. (Marketing Strategy Analysis of K.S. Plastic Works Company) อ.ที่ปรึกษาหลัก : ผศ. ดร.สันต์ สัมปิตตะวานิช

งานวิจัยเล่มนี้ได้ร่วมมือกับบริษัท เค.เอส. พลาสติก เวิร์ค จำกัดเป็นกรณีศึกษา ในบทความส่วนแรกจะเป็นการแนะนำธุรกิจ SME ในประเทศไทย เนื่องจากบริษัท เค.เอส. พลาสติก เวิร์ค จำกัดอยู่ภายใต้ ธุรกิจ SME ในประเทศไทย จากนั้นงานวิจัยได้กล่าวถึงอุตสาหกรรมพลาสติกทั้งระดับโลกและในประเทศไทย จากนั้นได้อธิบายถึง ประวัติศาสตร์ของบริษัท กรณีศึกษา ในทศวรรษที่ผ่านมาบริษัทกรณีศึกษาประสบกับยอดขายที่ลดลงเนื่องจากไม่สามารถตามตลาดได้ทัน เนื่องจากตลาดได้เคลื่อนที่เร็วมากอีกทั้งบริษัทกรณีศึกษาไม่ได้มีความรู้ทางด้านการตลาดใดๆเลยจึงยึดติดแต่การทำตลาดแบบเก่าๆทำให้ไม่สามารถที่จะแข่งขันกับคู่แข่งได้ ดังนั้น ผู้วิจัยจึงก้าวเข้ามาช่วยเหลือและใช้เครื่องมือทางการตลาดสามอย่าง ได้แก่ทฤษฎี PEST ทฤษฎี 4Ps และการวิเคราะห์ SWOT เพื่อวิเคราะห์สภาพแวดล้อมทั้งภายในและภายนอกของการตลาดสำหรับบริษัทกรณีศึกษาและกลยุทธ์ทางการตลาดที่มีอยู่เพื่อช่วยให้พวกเขาเข้าใจสภาพแวดล้อมโดยรอบของตัวเอง หลังจากใช้เครื่องมือทางการตลาดทั้งสามสำเร็จแล้ว ผู้วิจัยได้เสนอกิจกรรมหลัก 5 กิจกรรม ได้แก่ การเข้าร่วมแพลตฟอร์มอีคอมเมิร์ซในประเทศไทย การออกแบบและสร้างรูปแบบใหม่ๆของตัวสินค้า การเพิ่มกิจกรรมในโซเชียลมีเดียต่างๆ และสุดท้ายคือการใช้เทคนิคการโฆษณาใหม่ๆ นอกจากนี้บริษัทกรณีศึกษาควรปฏิบัติตามสี่คำแนะนำของผู้วิจัย เนื่องจากผู้วิจัยเชื่อว่าการทำกิจกรรมเหล่านี้จะทำให้ยอดขายของบริษัทดีขึ้น นอกจากนี้ ค่าใช้จ่ายของแต่ละกิจกรรมที่แนะนำทั้งสี่รายการยังค่อนข้างต่ำ ดังนั้นบริษัทกรณีศึกษาจึงควรดำเนินการโดยทันที

จุฬาลงกรณ์มหาวิทยาลัย
CHULALONGKORN UNIVERSITY

สาขาวิชา เศรษฐศาสตร์ธุรกิจและการจัดการ
ปีการศึกษา 2564

ลายมือชื่อนิสิต
ลายมือชื่อ อ.ที่ปรึกษาหลัก

6484004129 : MAJOR BUSINESS AND MANAGERIAL ECONOMICS

KEYWORD 4Ps, SWOT analysis, SWOT, PEST, Marketing Strategy Analysis,
D: Marketing Mix, Internal analysis, External analysis

Kittiphat Temtavornkul : Marketing Strategy Analysis of K.S. Plastic Works Company. Advisor: Asst. Prof. SAN SAMPATTAVANIJA, Ph.D.

This individual paper takes K.S. Plastic Works Company as the research objective. In the first part of the paper, it introduces SME business in Thailand because K.S. Plastic Works Company falls into Thailand's SME business category and the plastic industry at both global and domestic level, then moves on to the history of the case study company. In the past decade, the case study company faced a decrease in sales due to the fact that they could not catch up with the market because it was moving so fast, and they did not have any marketing knowledge to stay competitive against their competitor. Therefore, the researcher steps in and applies three marketing tools, which are PEST theory, 4Ps theory, and SWOT analysis, to analyze the internal and external environments of marketing for the case study company and its existing marketing strategy to help them understand the surrounding environment. After finishing applying all three marketing tools, the researcher proposed four main activities, which are: joining e-commerce platforms; creating new designs and models for company products; increasing social media activities; and finally, using new technology advertising techniques. Furthermore, the case study company should follow the researcher's suggestion because the researcher believes that by doing these four activities, it will improve the company's sales. Also, the cost of all four of the suggested activities is relatively low. Therefore, the case study company should work on them immediately.



Field of Study:	Business and Managerial Economics	Student's Signature
Academic Year:	2021	Advisor's Signature

ACKNOWLEDGEMENTS

First and foremost, I would like to express my most sincere gratitude from the bottom of my heart to Professor San Sampattavanija for giving me advice and meeting with me every week through the entire individual research period. You were the reason that I changed my individual research topic from Marketing Strategy Analysis of Amazon to my family business. I learned so many things about my family company and was able to provide them with many suggestions. This also prepared me to become a good owner of the K.S. Plastic Works Company in the future.

Then, I would like to say thank you to my mom and dad. You guys have always stood by my side since I was born. You guys never told me that our company faces many challenges but both of you always put a smile on your faces and provide your kids with everything that we need, such as a good education. I am so thankful to be born as your oldest son, and I promise that K.S. Plastic Works will not die in my generation but instead be stronger, bigger, and more successful. I also want to thank you for providing me with as much information about the company as possible for the researcher's paper and for taking the time to explain our family business to me.

Kittiphat Temtavornkul

TABLE OF CONTENTS

	Page
.....	iii
ABSTRACT (THAI)	iii
.....	iv
ABSTRACT (ENGLISH)	iv
ACKNOWLEDGEMENTS	v
TABLE OF CONTENTS	vi
1. Introduction	1
1.1 Research background	1
1.2 Objective	5
1.3 Methodology and Related theories	6
1.3.1 Methodology	6
1.3.2 Related theories	7
1.3.2.1 PEST analysis	7
1.3.2.2 “4Ps” theory	9
1.3.2.3 SWOT analysis	11
2. Literature review	12
2.1 Overall Marketing Strategy	12
2.2 E-commerce in Thailand	14
2.3 Manufacturing process and Plastic company	14
2.4 Marketing Analysis of International companies	15
2.5 Marketing Analysis of Thailand companies	16
2.6 Marketing Analysis of International Watch companies	17
3. PEST external environment analysis of K.S. Plastic Works company	18
3.1 Political	18
3.1.1 SME policies from the Thai Government	18

3.1.2 ATIGA and Free trade agreements	19
3.1.3 Thailand's wage policy	20
3.1.4 Thailand's co-payment policy	21
3.2 Economic	21
3.2.1 Thailand gross domestic product (GDP)	21
3.2.2 The relationship of crude oil and plastic pellets prices	22
3.3 Socio-cultural.....	24
3.3.1 The rise of online shopping	24
3.3.2 The Land of Smiles and end-of-year gift giving ceremony	24
3.4 Technological	25
3.4.1 The technology of industrial programming.....	25
3.4.2 The technology of communication.....	25
3.4.3 The technology of data analysis	26
4. The analysis of "4Ps" for K.S. Plastic Work company existing marketing strategy	26
4.1 Product.....	27
4.2 Price	30
4.3 Place.....	32
4.4 Promotion	32
5. K.S. Plastic Works company's SWOT analysis	35
5.1 K.S. Plastic Works company's strength	35
5.2 K.S. Plastic Works company's weakness	39
5.3 K.S. Plastic Works company's opportunity.....	42
5.4 K.S. Plastic Works company's threat	44
6. Suggestions for the K.S. Plastic Works company.....	46
7. Conclusion	52
REFERENCES	56
VITA.....	59

1.Introduction

1.1 Research background

Founded in 1972, K.S. Plastic Works Company is a family business that manufactures wall clocks and is located in Samut Sakhon province, Thailand. The company produces wall clocks for a brand called Anchor Brand “นาฬิกา ทรายทอง”. It has a number of employees lower than 50 and a fixed asset value of less than 50 million baht. Therefore, K.S. Plastic Works consider to be small size company. The main material that is used to manufacture wall clock is plastic. The manufacturing process of plastic products starts with the melting of plastic pellets by high temperature and injecting them into different kinds of molds and cooling them to obtain the desired shape. The company has 3 injection molding machines (top left of figure 1), 2 spray painting booths (top right of figure 1), 8 plastic vacuum metallizing plant machines (bottom left of figure 1) and 1 industrial vacuum dryer (bottom right of figure 1). The figure below will show the real picture of each machine that is used in the production process of a wall clock manufacturer.



Figure 1: K.S. Plastic Works Company industrial machines

After the second generation of the family joined the business, they faced many challenges due to the increasing number of competitors in the market. This led to a decrease in the number of company sales. Also, the company is still using the old traditional way of selling products, which is mainly offline sales and focus on

wholesale. In 2021, wholesale accounted for around 95 percent and retail accounted for only 5 percent of the total product sales. Additionally, due to the rapid increase of e-commerce users and online shoppers in Thailand, many Thai consumers will tend to choose e-commerce platforms to purchase wall clocks instead of visiting physical stores, which has a significant impact on the company's offline sales. Donici and Maha (2012) mentioned that e-commerce industry has been experienced substantial expansion in recent decades and it will become more important to the businesses around the world^[1].

The case study company knew that they could not catch up with the market because it was moving so fast and did not have any marketing knowledge to stay competitive against their competitor. This causes many competitors around them to move quicker and gain more sales due to their high ability of marketing plan and come up with different ways to approach customers. The second generation that took over the company even admits that they need help to come up with a new plan for their marketing. They also want to understand the external and internal environment of the company. Since they are small businesses, it is hard and expensive for them to hire a professional consultant or create a marketing team. They know that if they do not change the way of selling products and still waste time doing business in the old way, one day the company will face the end of its road. Therefore, the researcher sees a good opportunity to step in and help them improve their marketing by using different marketing strategies for the firm. It is important for the company to have a new and different marketing plan that suits itself in order to stay ahead in the competitive market. Marketing can help them in so many ways, such as reaching out to more customers, promoting their brand, and taking advantage of opportunities that surround them.

Small or medium-sized enterprises (SMEs) refer to a small to medium business unit in terms of investment, cash flow, fixed assets, number of machines, number of employees, or operational scale when compared to larger businesses in the same industry. According to the Thai Office of SME Promotion (2020), Thailand had over 3.134 million SME businesses, accounting for 99.54 percent of all businesses.

^[1] DONICI, A. N., MAHA, A., IGNAT, I., & MAHA, L. G. (2012). E-Commerce across United States of America: Amazon. com. *Economy Transdisciplinarity Cognition*, 15(1).

They collectively accounted for 42 percent of Thailand's gross domestic product (GDP) and 72.94 percent of overall private sector employment. Therefore, the SME industry in Thailand is the heart of Thai economy. SMEs also created more than 12.714 million jobs and more than 5 trillion baht of added revenue. Additionally, 41.10 percent of Thailand's SMEs are located in the retail and wholesale sectors, followed by the services sector, which had around 40.09 percent, 16.98 percent in manufacturing, and finally 1.83 percent in the agriculture sector. Also, the provinces that had the highest number of SME businesses were Bangkok, Chonburi, Chiang Mai, and Samut Prakan, and the provinces that had the highest number of hiring workers were Bangkok, Chonburi, Samut Prakan, and Nonthaburi^[2]. Table 1 below will show the percentage and number of SMEs in each sector from the year 2020.

The distribution of firms in Thailand by sector, year 2020		
Sector	Percentage	Number of SMEs
Retail and Wholesale	41.10	1,288,256
Service	40.09	1,256,755
Manufacturing	16.98	532,104
Agriculture	1.83	57,327
Total	100	3,134,442

Table 1: Percentage and number of firms in Thailand by sector from year 2020

(Source: *Thai Office of SMEs Promotion, 2020*)

As reported by the ministerial regulation issued by Thai Ministry of industry in 2002, SMEs are defined and allocated according to the firm value of their fixed assets (not include land) and the number of workers. Table 2 below will show the details of SME qualification by the ministry of industry^[3].

^[2] OSMEP Annual Report 2020

^[3] Office of the Council of State. (n.d.). Ministerial regulation of The Ministry of Industry (2002). Retrieved from Office of the Council of State website: <http://www.ratchakitcha.soc.go.th/DATA/PDF/00102303.PDF>

Type	Small size		Medium size	
	Number of Employees	Fixed Asset in Thai baht (Million)	Number of Employees	Fixed Asset in Thai baht (Million)
Service	Less than or equal to 50	Less than or equal to 50	Between 51 to 200	Between 51 to 200
Wholesales	Less than or equal to 25	Less than or equal to 50	Between 26 to 60	Between 51 to 100
Retail	Less than or equal to 15	Less than or equal to 30	Between 16 to 30	Between 31 to 60
Manufacturing	Less than or equal to 50	Less than or equal to 50	Between 51 to 200	Between 51 to 200

Table 2: The qualification of SMEs business

(Source: Thailand Ministry of industry, 2002)

Therefore, K.S. Plastic Works company is one of the small-sized businesses in Thailand. The main material that the company uses to manufacture its products is plastic. Khanunthong (2021) mentioned that from 2021 to 2023, the number of plastic products sales will increase by 2.0 to 3.0 percent per year as a result of Thailand's economy and the rest of the world's recovery from the COVID-19 pandemic, particularly the growth of continuous industries such as packaging, electrical appliances, construction, automotive parts, and medical devices, which account for nearly 80 percent of total plastics use within the country's plastic products. In the year 2019, the number of plastic products around the world was about 370 million tons, which increased by 2.5 percent from the previous year. Asia was the world's leading region in plastic production, accounting for 51 percent of global plastic production, with China accounting for 31 percent, followed by the North American Free Trade Agreement (NAFTA) with 19 percent and Europe, at around 16 percent. Figure 2 shows the percentage share of global plastic manufacturing in the year 2019.

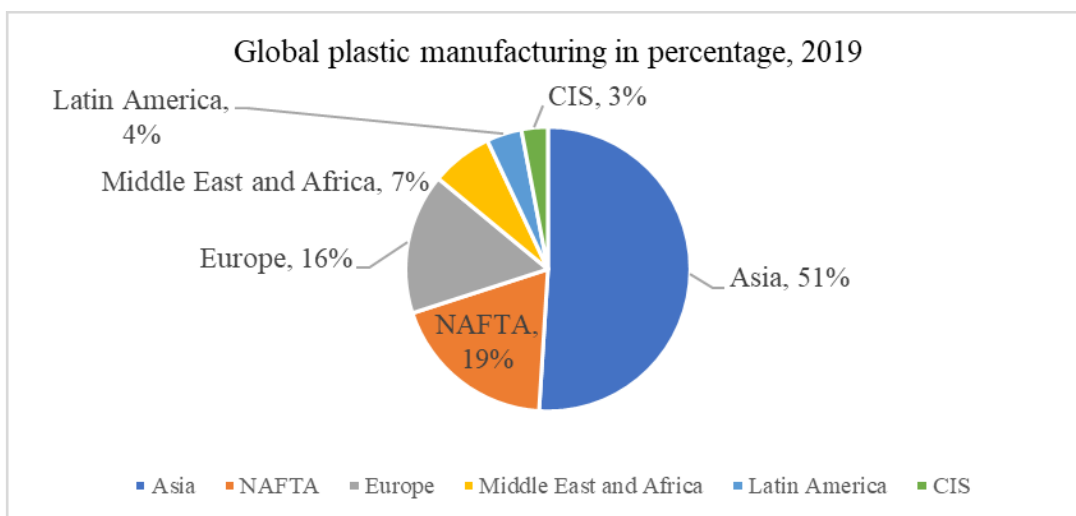


Figure 2: Shares of global plastic manufacturing in year 2019

(Source: Compiled by Krungsri Research, 2021)

Thailand is one of the world's major plastic production bases. The overall economic value of this industry is 1 trillion baht. The key factor comes from the large size of the petrochemical industry in Thailand. This led to a competitive advantage among the ASEAN countries. In the year 2019, Thailand was able to produce more than 9 million tons of plastic pellets and only import around 2.2 million tons. There are more than 2,790 plastic industry operators in Thailand. About 87 percent are small and medium-sized enterprises, and 13 percent are large enterprises. This shows that the plastic industry is important for Thailand's economy^[4].

1.2 Objective

K.S. Plastic Works is a small-sized company that produces wall clocks for a brand called Anchor Brand, and the company has never done any kind of marketing analysis or applying any marketing tools since it opened. This paper aims to help K.S. Plastic Works company understand the external marketing environment of the wall clock industry and its internal environment, and how K.S. Plastic Works can increase its competitiveness in terms of sales by analyzing its marketing and product/services in Thailand. This is because K.S. Plastic Works company faces so many competitors in the market, such as GOOD, King Time, Haven, Seiko, Citizen, and many Chinese

^[4] แนวโน้มธุรกิจ/อุตสาหกรรม ปี 2564-2566: อุตสาหกรรมพลาสติก, from Krungsri research written by Aphinya Khanunthong (2021)

brands. Therefore, this paper will use the combination of PEST analysis, the 4Ps marketing mix strategy, and the SWOT analysis method in order to construct the research framework for the marketing strategy of K.S. Plastic Works company. Finally, this research paper will suggest future marketing activities for K.S. Plastic Works company and help them gain more sales in the market.

1.3 Methodology and Related theories

1.3.1 Methodology

This individual research paper is considered descriptive research because it aims to investigate and provide marketing strategies or activities for the case study company. Chart analysis, case analysis, and literature analysis will be the main tools used in this individual research paper. The marketing analyses that will be used in this paper are PEST, 4Ps, and SWOT. PEST analysis will give the company a bigger picture of its external environment through political, economic, socio-cultural, and technological factors. All of them are important factors that can have both negative and positive impacts on the company. Then, the 4Ps (product, price, place, and promotion) will be implemented to provide a clear understanding of the current case study company's existing marketing strategy. Finally, SWOT analysis is used to identify the strengths, weaknesses, opportunities, and threats of the K.S. Plastic Works company. By doing three marketing analyses, the researcher will have enough information and a full understanding of the company's environment. So that the researcher can come up with a suggestion for future activities for the company to fulfill its objective. Furthermore, the Microsoft Excel program will be used to construct different types of charts, such as bar charts and pie charts. The data that will be used in this research will be secondary data. It will be the data collected from public, private, and reliable sources such as the Thai Office of SMEs Promotion, Krungsri Research, OECD, Thailand Ministry of Industry, or K.S. Plastic Works company.

The owner of K.S. Plastic Works, Mrs. Thanatorn Temtavornkul. She is the second generation that took over the business after Mr. Gui Song Xe Diao, the founder of K.S. Plastic Works company and Anchor Brand. She is kind enough to give the researcher as much information and data about the company as she can, but

the company is a family organization and does not use any program to organize or store their data. Therefore, most of the data from the K.S. Plastic Works is collected by the researcher. For observation, the company owner allows the researcher to visit the company and store as much as the researcher wants. Also, she allowed the researcher to take a photo of the company's machines for educational purposes. Without these sources of information, researcher will not be able to understand the internal environment of the company and its current marketing strategy. Therefore, the researcher will not be able to provide suggestions or solutions to the case study company.

1.3.2 Related theories

1.3.2.1 PEST analysis

Political environment, economic environment, social and culture environment, and technological environment are the full definition of PEST analysis. Harvard university professor name Francis Aguilar was a creator of PEST analysis in 1967. It is a very effective and well-known technique that use universally around the world for assessing critical risk. It is one of the most capable tools that indicates the changes and consequences of the external macroeconomic environment on a company's competitive position. The factor that outside and beyond the company ability to control is the meaning of external macroeconomic, and it cannot be overlook but in fact it requires the business to analyze in order to re-adjust its plan with the change in business environment. Each individual company is part of the bigger picture of the economy. Therefore, they are sensitive to a range of external circumstances, which can have a significant influence on the competitive position of the organization. It is really important for the company to has a strategy that aim to comprehend external influences and develop company plan in order to response to the change of its surrounding environment also, keep in mind that different industries will deal with different types of environments. External factor can be managed by using proactive planning, and opportunities are on as a new result from newly developed competitive position.

(1) Political environment

In the PEST analysis, political aspect focuses on the area that government create or change the policy in order to stimulate the country economy and it also can affect the specific type of industry. Example of some political factors that should be consider are tariffs (a tax or duty for import and export product), tax policy, political stability, trade restrictions and reform, environment legislation, or labor. Those factors that mention above may influence a business into ups and downs direction. Therefore, it is important for the company to take political factor into consideration before building new strategy.

(2) Economic environment

Economic considerations have the most direct influence on a market's or industry's profitability and overall appeal. The economic factors can be fuel price, exchange rate, inflation and cost of living or unemployment rate but, the most often used metric of economic progress to measure a single industry sector or domestic economy is GDP which stand for Gross Domestic Product. It is typically expresses in terms of purchasing power parity.

(3) Socio-cultural environment

If the firm has a good understanding about the social and culture environment that surrounding the company. It will help them to better plan for their marketing strategy. Social factor can influence human behavior such as mindset and work habits, amount of consumer demanded for good and service or customer tastes. Therefore, monitoring social and culture factor can helps a business to reposition its good or service in response to the shift in customer expectation.

(4) Technological environment

Innovation and development in technology is the meaning of technological factor, which can be generated by producer that explore for new opportunity or push the barrier of limitations. artificial intelligence (AI), blockchain, robotic, metaverse, 5G, quantum computer, or machine learning are some of the new developments in technology. Technology advancements may either mean the end of some company

due to their unable to catch up with the technology advancement or the rise of the new one.

(5) Example of each PEST factors

<p>Political Factors (examples)</p> <p>government policies, wars, trading policies, fiscal policy, international legislation, government policy that support specific type of industry</p>	<p>Economic Factors (examples)</p> <p>Local economy, international economy, Gross Domestic product, interest rate, exchange rate, product taxation and duties, corporate taxation</p>
<p>Social and Culture Factors (examples)</p> <p>demographics, racial, culture, consumer purchasing behavior, influencers, lifestyle, and psychographics</p>	<p>Technological Factors (examples)</p> <p>new machine, innovation of software or electronic processes, innovation in pricing, new product design</p>

1.3.2.2 “4Ps” theory

In the 1950s, Neil Borden is a professor at Harvard University. He is specialized in the idea of marketing mix which later on became the well-known theory call 4Ps theory. Also, he published the article in the name of “The Concept of the Marketing Mix” to show the ways that firms could use this strategy to engage with their consumer. Then, marketing professor at the Michigan State University named E. Jerome McCarthy co-auteur the book called “Basic Marketing: A Managerial Approach” which separated the idea of 4Ps worldwide. The 4Ps was created from the idea that before starting any kind of business or marketing strategy, firm should be focused on four important topics which are product, price, place, and promotion.

(1) Product

Product is referring to good, service, or even consulting that firm created to answer the needs for customer. In order for the firm to success, they need to have clear understanding about their target audience. Therefore, the firm must explore customer wants and pay attention to the detail. Branding, product design, product

assortment, services (same-day delivery, free-shipping, 30 days free return), warranties and guarantees are some of the example of typical marketing decisions under the product category of 4Ps.

(2) Price

Price is the cost of product and service that customer needs to pay in order to acquire them. It is a key element that will influence number of sales for both product and service. The firm can do the marketing research to find out the proper number of pricings. If the firm did not do enough research and end up putting a wrong price on product or service, it can cause low sales performance. On the other hand, if the firm put the reasonable price, their sale performance can increase tremendously.

(3) Place

Place is channel which customer can access to company product or service; it is similar to a road that connect both customer and producer together. The goal for every business is to go where they can put their product in front of the customer. This concept can be related to the product placement or placing a product in a public store but, in recently year there is new word that can be replace “place” which is platform. According to Pattaratanakun (2021), place can be referred to platform, it is directly related to e-commerce industry. The e-commerce platform is a software that allows producer and customer to interact to each other by using the internet^[5]. Nowadays, there are so many online platforms that allows producer to list their product on the website or mobile application such as Shopee, Line shopping, JD central, or Lazada. Therefore, the firm should use the right platform in order to reach out to their target customer/audience.

(4) Promotion

Public relations, promotion strategy, discount strategies, marketing campaign, digital marketing or advertising are fall under the branch of promotion. In the past 10 years, there is an increasing trend of the promotional activity taking place on the

^[5] EtDa. (n.d.). *4P ฉบับ อีคอมเมิร์ซ easy ที่ง่ายสำหรับทุกคน*. ETDA, from ETDA e-Commerce written by Asst. Prof. Ake Pattaratanakun, Ph.D (2021)

internet such as Google, Facebook, Twitter, or other social media platform. The main purpose of product promotion is to communicate with the customer and demonstrate to them why they should buy or pay a certain price for either product or service from the firm. Promotion is really important for the firm, without communication about a product or service, a firm will not be able to attract the customer. Also, if the firm enter perfect competitive market. They will face a lot of competition; therefore, they may want to consider a discount pricing strategy so that they can gain more customer interest and increase number of market share.

1.3.2.3 SWOT analysis

The inventor of the SWOT analysis was a management consultant named Albert Humphrey. He invited SWOT analysis in the year 1960s at the Stanford Research Institute. It is a tool that use for strategic planning that help company to build a stronger foundation for the company, overcome different challenges that the company are facing and determine new opportunities for their future. SWOT is the combination of starting letters for strength, weaknesses, opportunities, and threats. The table below will provide a basic concept of the SWOT analysis

	GOOD	BAD
INTERNAL ENVIRONMENT	S = Strengths (The firm advantage over another competitor)	W = Weaknesses (The firm disadvantage over another competitor)
EXTERNAL ENVIRONMENT	O = Opportunities (Environment factor that can cause firm to expand or explore in order to gain more revenue and market share)	T = Threats (Environment factor that can harm, hurt, destroy,

Table 3: The basic concept of the SWOT analysis

According to the table 3, both strength and weakness will be the internal factor within the firm itself but, opportunities and threats will be the external factors of the firm. The goal of SWOT analysis in this individual research paper is to find and formulate the suitable marketing strategy that well help the case study company moving forward into the right direction by providing clear understanding of all both internal and external environment factors.

2. Literature review

Al-Herwi (2019) mentioned that most chief executive officers (CEOs) for SME businesses often hold many positions, such as owners, human resource department, marketing, managers, or even investors. As a result, the CEO position for a SME business can determine whether the business will fail or succeed.

2.1 Overall Marketing Strategy

Nowadays, marketing strategy is not only beneficial for the business, but it has become a key element and strategically important in almost every business and industry around the world. As stated by Isoraite (2009), both domestic and foreign markets are growing fast. This means that there is an increase in the degree of competition in the market. Therefore, it motivates many companies to adopt more effective strategies and new marketing techniques to stay competitive within the world market as well as develop their own domestic market. As a result, in order for the company to gain more profit in the long run and increase their market share, they need to have a clear marketing plan and understand their surrounding environment. In Kotler (1997), he described that in order for a company to be successful in the market, it does not just depend on the company's strength to match the ability to reach the target audience, but they need to step ahead of their competitors and keep looking for new opportunities to increase their company's performance. Also, Kotler (2003) mentioned that businesses can develop a market mix strategy by utilizing the tools available to them, which are product, price, place, and promotion, or 4ps. In order for the company to take full advantage of the marketing mix strategy and to take the necessary action, they need to conduct marketing analysis and execute a marketing strategy by monitoring and adjusting to its environment.

In addition, according to Kotler and Keller (2015), marketing mix is a tool for marketing analysis that a company uses to achieve its marketing objective and accomplish its goal, but most customers think of 4P's as a marketing strategy that assists a company in generating more profit. Then, Cravens (2000) explained in detail that a product can be anything that has value and can be sold in the market. However, a product does not need to be just a physical object; it can be in service form. Both of them will also provide benefits and fulfill customer wants and needs. The amount of

money that the customer pays for a product or service is called the price. It can be in different types of payment methods, such as cash, bank transfer, or credit. A place is a location or channel that firms use to put their product in front of their target customer. Promotion is mainly information or a message about a company's product or service that a company sends to multiple groups or target consumers (Hawkins, 2010).

According to Namugenyi, Nimmagadda and Reiner (2019) explained that SWOT is a popular analysis among company owners. Many of them applied SWOT analysis as a part of their quality control and key analysis strategic planning. In the SWOT analysis, strengths refer to the internal factors and positive elements of the company that are important for them to help fulfill its goals and serve its customers' demands. If the company has more strength than its competitors in the market, it means that they have a high chance of being successful among them. On the other hand, weakness is the internal factor of the company that might cause a danger to the company's performance. Therefore, it is important for the company to reduce the number of weaknesses and take immediate action. As a result, both the weaknesses and strengths of the business are internal factors and can be analyzed within the company. For both opportunities and threats, they are external factors. It is a factor that is going on outside the company. The company can take advantage of the opportunity factor, but a threat is an element that might cause a delay or failure for the company to achieve its goal. Threats can come from anywhere around the company's, such as government policy or surrounding competitors.

Alanzi (2018) mentioned that PEST analysis helps companies see what is going on around them on a macroeconomic level and in their business environment. Every company, even those of small to large size, is interconnected with the larger system of the world economy. As a result, doing the PEST analysis will provide critical elements that may affect a company's success or failure. Similar to Carruthers (2009), he believed that by doing PEST analysis, it would help small-to-big companies open their eyes to a wider picture of their macroeconomic factors and show the direction and magnitude of the economic environment's influence on them. He did a PEST analysis on a small local business that sell animal food. He was able to show which factors were negatively affecting the business and which were positive.

Some of the negative effects that he found were economic growth, trade restrictions, and unemployment. On the other hand, the positive effect was social trend of pet ownership.

2.2 E-commerce in Thailand

Bharadwaj, Chaudhary, Kittikachorn, and Rastogi (2017) explained that e-commerce in Thailand is growing at a fast rate due to the increasing number of smartphones, the internet, and secure online payment methods such as Shopee Pay and Line Wallet. They constructed a consumer survey and found out that more than 40 percent of their research group were influenced by digital marketing, and more than 50 to 60 percent of them were doing products research on different online platforms such as Shopee, Lazada, JD Central, Kaidee, Facebook, or Instagram. In the past few years, Thai customers have increasingly purchased products online. They are always on the lookout for good deals on different e-commerce platforms. Therefore, companies should consider the social media model as their marketing strategy in order to generate more sales. Lastly, advertising on social media is another way to create more opportunities for the brand.

2.3 Manufacturing process and Plastic company

Plastic is one of the most important materials for manufacturing different kinds of products. Plastic is a part of many product categories, such as electronic appliances, packaging, medical, agriculture, automobile parts, housewares, or home decoration. The reason behind the popularity of plastic as the main material for many products around us is that it is a low-cost, easy to create, strong, durable, lightweight material that can be easily molded into different shapes by using a mold. The raw material that is used to create plastic is crude gasoline (Mwanza and Mbohawa, 2017). There are many different methods for molding plastic, which are blow molding, compression molding, extrusion molding, but the most popular one in Thailand is injection molding. It is the technique that K.S. Plastic Works uses to manufacture its products. (Khanunthong, 2021).

Mwanza and Mbohawa (2017) investigated three plastic manufacturing facilities in Zambia. They found that these three companies in Zambia used to operate 24 hours a day, seven days a week, but now only five days a week. There are five

main factors that the writers found to cause a challenge to the plastic industry in Zambia, which are market share, quality and demand, cost and capacity, technology, and environmental concerns and legislation. Also, Bodhichitti (2020) believed that Thailand plastic industry in 2020 was decreased by 3.45 percent from last year because of four factors which are slow down global economy due to Covid-19, domestic economy slowdown, price level of crude oil in the world market is highly volatile, and global warming trend.

2.4 Marketing Analysis of International companies

Yami (2019) investigated Clorox Company by using SWOT in order to determine the company's strengths, weaknesses, opportunities, and threats because he wanted to develop a new product for the company. After he finished with the SWOT analysis, he saw an opportunity under the weaknesses section because he believed that these kinds of weaknesses were common to almost every company in a similar market. Therefore, he believed that his new product idea would be a one-of-a-kind product in the market compared to other competitors. So, the SWOT analysis was able to provide him with two weaknesses. First, the product cannot be used with colored clothes, and second, it causes damage to the environment due to its plastic bottles. Therefore, he was able to suggest a solution to the company by changing the container to biodegradable plastic and using sodium percarbonate.

Finally, Wei and Yazdanifard (2013) examined the green marketing strategy of edible food packaging. They investigated the business by evaluating the strengths, weaknesses, opportunities, threats, and marketing mix as a marketing strategy. The result showed that the business will face threats from new competitors, but that they can apply new technology as an opportunity. However, technology is also a weakness for businesses. Their main strength is that they are fully eco-friendly, and their products cause no harm to the environment. Furthermore, they applied the 4Ps method to understand the current position of the green product. They concluded that innovative technology would help lead the food packaging industry. They also proposed that the researcher should implement the 4Ps approach first, before using any marketing tools, because it will give the researchers, the company, and the reader

a clear picture of the company in terms of product, price, place, and promotion. As a result, it would be beneficial to begin the analysis with the 4Ps method.

2.5 Marketing Analysis of Thailand companies

Mahachanok and Pali-Ngarm (2021) carried out a feasibility of branch expansion for Duangporn company. The study used marketing analysis tools such as PEST analysis, marketing mix, and SWOT analysis to examine internal and external factors of the company, and they explained that those tools are widely used around the world and accepted worldwide. The results showed a positive result to support the marketing feasibility of adding additional branches. Then, the researchers mentioned that those marketing tools are the foundation for the company to build a stronger position in the competitive market. Then, Mungmee (2018) constructed a study on packaging factory in Thailand. The author mentioned that using PEST analysis and marketing mix can help the company understand internal and external factors that can affect the company. Also, those marketing tools can help company to expand and look for new opportunities in the future, continuing their sustainable growth.

On top of that Kraipornsak (2014) studied SME bag firms in Thailand. He mentioned that free trade policy did not help much on small firms because they could not export their products due to the low capacity of machines to produce their products. In fact, it has a bad effect on the company because competitors will enter the Thai market and lower the price of the product because they have better technology. Therefore, politics and technology are important parts for small company. Limurai (2018) researched the marketing strategy to helps Thai distributors of plastic pellets increase their profit by using different marketing tools such as PEST and SWOT. The researcher found out that PEST and SWOT analysis can advise the distributors to understand which factors can cause positive or negative effects on them. SWOT analysis provides a clear result on their strengths, weaknesses, opportunities, and surrounding threads. So, they can improve their current strategy and achieve more competitiveness in the market. SWOT is a useful tool for any kinds of business or even in a service area.

By applying PEST analysis, Wasprasertsuk (2016) analyzed the corporate governance models of SMEs. He explained that it is an important tool that is used to

analyze the bigger picture of the company. To an outsider, it seems that this tool is easy to construct, but in fact, it is really hard. The result of this analysis shows macro-economic factors that affect the company in the future. Tungkaew (2005) used SWOT to analyze food packaging for a company called RN. He applied SWOT analysis by using SWOT matrices and designing different alternatives that would increase S and O but reduce T and W. The summary result of SWOT showed that new competitors find it hard to enter this market because of technology, market connection, and knowledge of know-how. Finally, the author came up with four strategies for the company, which were: action plan, functional strategy, corporate strategy, and business strategy.

Additionally, Luo (2014) studied business plans for JIP Recycling Company. He used marketing mix 4Ps, the combination of SWOT and PEST. He summarized that SWOT is used to analyze the inside and outside environment of the company. PEST is focused on outside factors such as political, economic, technology, and social. Then, the marketing mix is used to find the current marketing of the business. As a result, the author can match each factor into different strategies, such as Strength and Opportunity, Weakness and Opportunity, or Weakness and Threat. This helps the company increase their efficiency by using different tools around them.

2.6 Marketing Analysis of International Watch companies

Castellanza (2015) examined the SWOT analysis of the Swatch group and found that innovation and electronic systems are their strength. Swatch group weaknesses are low social media action and a limited number of watch stores in the United States. However, their opportunities are online retail and smart watches. Finally, counterfeit products are the only threat to the Swatch group. Therefore, the author suggested that Swatch Group should take immediate action against counterfeit products. Furthermore, Samanta (2009) analyzed four watch companies in India using SWOT analysis. The companies were Swatch, Tag Heuer, Titan, and HMT. He found out that HMT has the strongest position in India due to an external factor, which is the government's support of its brand, and all of the four brands are facing the same threats, which are counterfeit products and misusing the brand name. Yao (2006) mentioned that some buyers do not want to spend a lot of money on watches.

Therefore, they were looking for a cheaper option, which could have led to a counterfeit product.

3. PEST external environment analysis of K.S. Plastic Works company

3.1 Political

3.1.1 SME policies from the Thai Government

The Thai government has come up with many policies to support SME businesses. In 2015, Department of Business Development came up with a collateral law for SMEs. This law will help SMEs acquire more funds or investment. It also offers a tax reduction program. Then there's the SME rescue center, which is a government-created organization that assists small businesses with financial consult, management, and marketing issues. The government also has Pracharat Credit. SME businesses can borrow money from 14 well-known banks at a special interest rate for the first two years, with a float interest rate the following year. The borrower can set up a 7-year installment plan and have a maximum credit of 2 million baht. Then, the government helps SME businesses with rehabilitation and bankruptcy protection program.

The Department of Thai Industrial Economics currently has three major policies for SMEs. First, they aim to develop labor skills for different types of industry, especially in technology, design & develop product, risk of exchange rate and business development sectors. This will increase the efficiency of small-to-medium-sized companies. Second, they will support non-governmental organizations in rural areas and, finally, provide various types of agencies that will increase knowledge about the working system and management skills for SME businesses. In 2021, the Office of Small and Medium Enterprise Promotion has offered Smart MSME (Micro, Small & Medium size enterprise). It is a policy that helps drive macro-SME businesses forward into industry 4.0. The overall goals are to increase the competitiveness of the macro-SME business sector to create more value for the Thai economy by using digital technology to change the traditional business model and accelerate the growth of the business.

3.1.2 ATIGA and Free trade agreements

In year 2010, ASIAN started the ASEAN Trade in Goods Agreement, or ATIGA. It is a trade policy that focuses solely on products and enables each ASEAN country to trade with one another. The goal of this agreement is to reduce taxes, make no taxes, help increase trade between countries and make it more convenient, increase safety for agriculture and animals' sectors, and reduce trade barriers between countries. Furthermore, free trade agreements (FTA) focus on lowering product taxes to zero percent and non-tariff barriers. This agreement has led to an increase in the number of import rates for China, Australia, and India products that has been significantly increased after the FTA was used.

On the other hand, it also increases the number of Thai exports to different countries within the agreement. Therefore, a domestic company that is able to take advantage of FTA can gain benefit from it, but if they are not able to take advantage of the FTA, they could face a major problem because FTA allows more international competitors into the market, such as Chinese products entering Thailand at a lower cost and replacing domestic products. The graph below shows the cost of imported and exported of plastic products from 2015 to 2019.

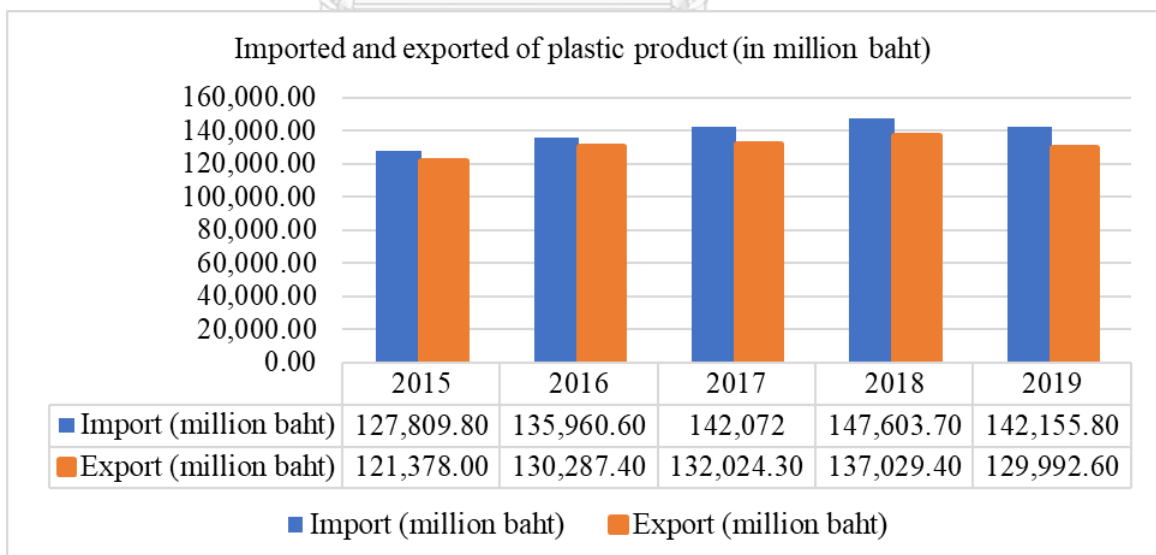


Figure 3: Number of imported and exported plastic product (in million baht)

(Source: GSB research, 2021)

From the figures above, the scale shows that Thailand has an increasing trend in both the number of plastic imports and exports. In 2015, Thailand imported 127,809.8 million baht of plastic products, and that increased to 147,603.7 million baht in 2018, but it started to decrease in 2019 because of the COVID-19 pandemic situation, which caused an economic shock to the whole world. On the other hand, Thailand has exported fewer plastic products than it imported in every single year since 2015.

3.1.3 Thailand's wage policy

From 2012 to 2013, Yigluck Shinawatra, former prime minister of Thailand, came up with a wage policy that increased the minimum wage from 215 baht to 300 baht per day. Minimum wages had increased by more than 70% on average across the country. This led to an increase in the cost of production for many companies, which caused the case study company to increase the price of its product. The table below shows an example of the price change for some of the K.S. Plastic Works products during that time.

Product design number	Price in Baht (Year 2011)	Price in Baht (Year 2013)
No. 01 (Square)	305	315
No. 03 (Square)	235	245
No.61 (Circle)	335	345
No.62 (Circle)	405	415

Table 4: The price change of K.S. Plastic Works product

(Source: K.S. Plastic Works, 2022)

Increasing the minimum wage is one of the main campaign policies of the current Thai government, which is the Pracharat party. They want to increase the minimum wage to 425 baht per day, which means it is an increase of 41.6 percent, or 125 baht, from the original wage. Even though this policy has not happened yet in Thailand, it is important for the company to take it into consideration as a part of their future strategy, such as building another factory or expanding their production plant in Thailand.

3.1.4 Thailand's co-payment policy

During the COVID-19 pandemic, the Thai government increased its spending by coming up with a program that provides free money to Thai citizens called the 50/50 co-payment policy. When Thai citizens purchase a product, they will be subsidized for half the price under this program and maximum 300 baht per day. In these past few months, news came out that the Thai government would come up with "คนละครึ่ง" policy in which the government would help 25 percent when Thai citizens purchase products. This policy puts money in the hands of Thai citizens and helps small/local businesses in Thailand.

3.2 Economic

3.2.1 Thailand gross domestic product (GDP)

Gross domestic product (GDP) is one of the most frequently used indicators to measure the size or growth of a specific country. According to the graph below, the annual GDP in terms of U.S. dollars (billion) and the growth rate of GDP in Thailand from 2015 to 2020 are shown. Thailand's GDP in 2019 reached an all-time high of 544.26 billion U.S. dollars, an increase of 2.266% from the previous year. This shows that the Thai economy was doing well because of the increasing trend of GDP. Therefore, it is beneficial to almost every industry, but suddenly, in the year 2020, the GDP dropped to 501.64 billion USD due to the COVID-19 pandemic. It caused an economic shock to the entire system.

The GDP growth rate decreased to a negative 6.099 from its previous year^[6]. Many industries in Thailand had to slow down or even lower the number of employees and salaries. In the first quarter of 2021, there were around 760,000 unemployed people and it accounted for 1.96 percent, which is higher than the first quarter of last year, when there was around 1.03 percent. Also, in the fourth quarter of 2020, the average number of worker hours was around 40.1 hours per week, which is less than last year by 1.8 percent. It showed that the worker worked fewer hours. Therefore, workers received less pay from their employer (Mahachanok and Pila-Ngarm, 2021).

^[6] *Thailand*. Data. (n.d.). Retrieved from <https://data.worldbank.org/country/thailand>

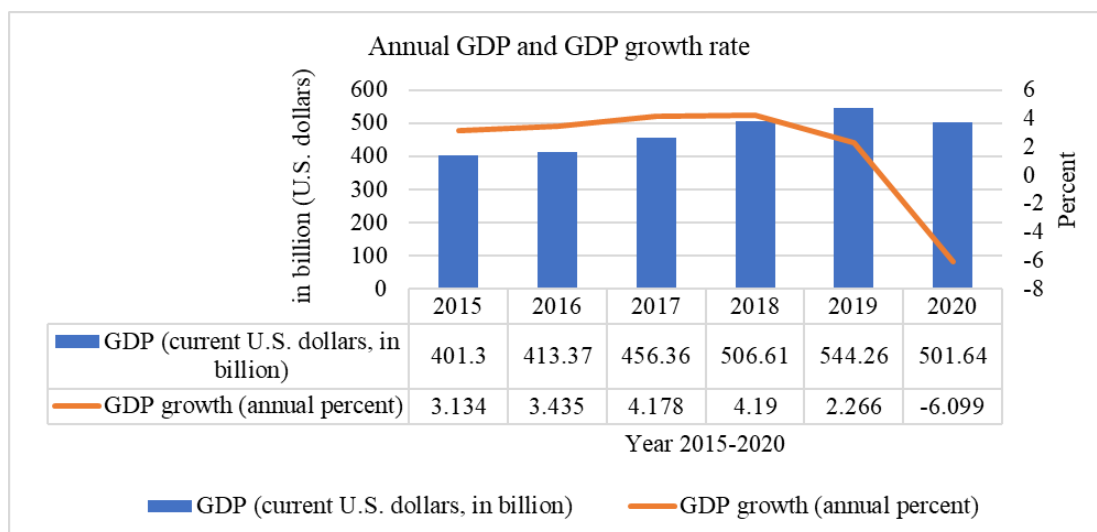


Figure 4: The Annual and growth rate of Thailand GDP (2015 to 2020)
 (Source: *The World Bank, 2022*)

3.2.2 The relationship of crude oil and plastic pellets prices

In 2008, the price of world oil reached its highest ever level, which was 147 dollars per barrel. Then, from 2011 to 2014, Thailand faced a price increase of more than 100 dollars per barrel. It is because during that period, the economy started to perform well, which led to an increase in demand for oil^[7] (TNN news, 2022). This was not the first time that when the economy started to get back on its feet and caused oil prices to rise due to the high demand for power. In October 2021, the COVID-19 situation started to improve and caused the price of oil to increase again. The chart below shows the average annual crude oil price in U.S. currency from the year 2008 to the year 2022. On the X-axis, it represents the years from 2008 to 2022, and on the Y-axis, it represents the number of U.S. dollars.

^[7] Tnnthailand. (2022, March 23). *ย้อนรอย 50 ปีราคาน้ำมันโลก-ไทย นโยบาย อดีต-ปัจจุบัน*. <https://tnnthailand.com/news/wealth/108741/>.

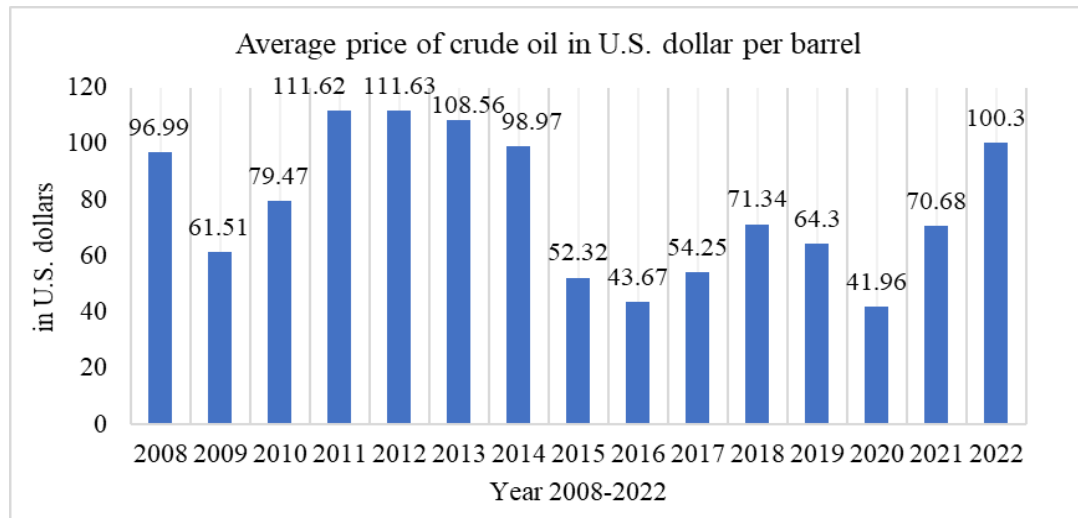


Figure 5: The average price of crude oil in U.S. dollar per barrel (2008 to 2022)

(Source: *Petroleum & Refinery Statista*, 2022)

According to the bar graph above, the price of crude oil varies over time. Therefore, it is really important to monitor the price of crude oil because it is a natural resource that provides energy to most of the machines and also the raw material for producing plastic, which is the case study company's main material. If the price of raw materials increases, it will lead to an increase in plastic pellets. The graph below shows the average price of plastic pellets per kilogram that the case study company purchased from the years 2009 to 2021^[8].

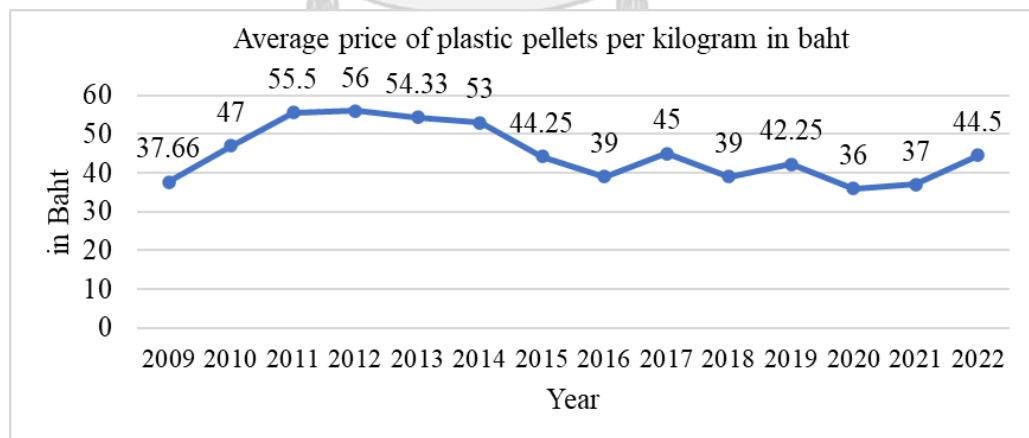


Figure 6: The average price of plastic pellets per kilogram in baht from 2009 to 2022

(Source: *K.S. Plastic Works*, 2022)

^[8] Published by N. Sönnichsen, & 11, A. (2022, April 11). *Average Brent Price 1976-2022*. Statista. Retrieved from <https://www.statista.com/statistics/262860/uk-brent-crude-oil-price-changes-since-1976/>

The graph shows that from 2011 to 2014, the price of plastic pellets was more than 50 baht per kilogram and in 2012, the price reached 56 baht per kilogram, which was the highest price of plastic pellets between 2009 and 2022. Also, since the beginning of Russia and Ukraine war started, the price of oil has started to increase, similar to the price of plastic pellets.

3.3 Socio-cultural

3.3.1 The rise of online shopping

In the past few years, the introduction of online shopping has changed many Thai customers' shopping behaviors. Many of them prefer online shopping rather than offline because it is more convenient, fast, and easy to compare prices between platforms. Sometimes the product sold on an e-commerce platform is less expensive than in an offline store because the seller does not have to rent an official store and can instead open a free account online and pay a small commission fee. Also, in 2021, Thailand was ranked number one in social media users, number four for online shopping by using mobile applications, number eight for Facebook users, and number 16 for Instagram users^[9] (Bangkokbiznews, 2021).

3.3.2 The Land of Smiles and end-of-year gift giving ceremony

Thailand also has another name called "the Land of Smiles". Many tourists come to Thailand and are shocked by the Thai culture. Thai people love to smile in every situation. Thai people normally smile when they meet new people or friends. A smile is another marketing tool that can provide good feelings to the customer, such as welcomeness, kindness, or even happiness. It can also be a magnet that pulls or draws customer attention toward your product and service. The watch company can adapt the "smiles technique" to the product by using the 10:10 theory. This theory is widely applied in the watch industry. They will set the time to 10:10 AM because they want customers to have the feeling that the clock is smiling at them. Therefore, it will create a good impression on the buyer^[10] (Jhala, 2020).

^[9] bangkokbiznews. (2021, September 3). เปิดสถิติ! คนไทยใช้ 'โซเชียลมีเดีย' อันดับ 1 ของโลก. bangkokbiznews. Retrieved from <https://www.bangkokbiznews.com/lifestyle/958161>

^[10] The Watch Guide. (2021, January 19). *The myths and realities behind the time on all watches: 10:10*. The Watch Guide.

Furthermore, at the end of the year, it is a gift-giving ceremony for Thailand. Many Thai people love to give gifts as an end-of-year present to each other. For example, company A gives a gift to their customer or employer. Company A also gives gifts to the higher or lower levels of its employees. According to Thairath news (2022), many business owners prefer to give a gift that is useful in everyday use around the office, such as a clock, bag, or pen^[11]. Therefore, at the end of the year is a good opportunity for the company to promote its product to align with Thai culture.

3.4 Technological

3.4.1 The technology of industrial programming

Technology is one of the most important factors for Thailand's industry. There are many new inventions that were created to increase productivity for companies, such as automatic robots, artificial intelligence (AI), digital systems, or even automated production lines. Those technologies will help reduce the labor force, time, and cost of production and increase machine capacity. In the past, the cost of creating a mold for injection molding was really expensive, but with the help of technology, that cost has been decreased to more than half of what it was in the past. This is because the computer numerical control (CNC) machine is an automated machine tool that can be used with a computer program and the CNC machine is widely taught all over Thailand. Therefore, this technology is not hard to reach, which means it is reachable for every company of any size. When it comes to designing a product, there are many new technologies that allow companies to design in the easiest way possible by using computer programs such as SketchUp, Siemens NX, Solidworks, or the latest release of AutoCAD. Those programs are easy to learn, and they are all widely available through the internet.

3.4.2 The technology of communication

Additionally, communication is another important factor that drives the business forward. During the COVID-19 pandemic, communication technology advanced and improved dramatically. Many companies offer great communication services such as Zoom, Skype, or Google Meet. Those technologies change how the

^[11] Idea for Thai new year gift 2022 ให้ของขวัญแบบไหน ประทับใจผู้รับ. www.thairath.co.th. (2021, December 28). Retrieved from <https://www.thairath.co.th/lifestyle/life/1990747>

world of business works. People do not need to physically face each other anymore or even fly in from different countries for just a business meeting, but instead they can just sit at home and still receive the same information as in a physical meeting. This reduces time and costs for the company.

3.4.3 The technology of data analysis

In the past, the data gathering process was one of the hardest and longest processes for small-to medium-sized businesses, but nowadays, with the new technology, it helps the company collect data easily and faster by just using a computer and program. For example, Facebook offers a data set for business owners called Business Suite. It provides data analysis to the user, such as engagement of your customer, evaluating the effectiveness of your post or advertisement, and many more. Also, it helps users to have a better understanding of who clicked or was interested in your post. Therefore, the user can use the provided information and data as a part of their future strategy. Lastly, Facebook Business Suite was not the only tool, and there are a lot more data analytic technologies that provide similar or even better results for the company^[12] (Facebook Business Suite, 2020).

4. The analysis of “4Ps” for K.S. Plastic Work company existing marketing strategy

The sales revenue of K.S. Plastic Works company has been decreasing over time. In the year 2014, the company's sales revenue was 17.1 million baht and decreased to 10.3 million baht in 2021, which was an almost 40 percent decline. This is due to two main reasons, which are the increase in production costs such as raw materials or labor costs and the number of competitors. These two factors lead to an increase in the number of costs and expenses and a decrease in the number of sales revenues. The table below shows sales revenue, cost and expenses, net profit, and net profit growth of the case study company from 2014 to 2021.

^[12] *Getting started with Facebook Business Suite*. Meta for Business. (n.d.). Retrieved from <https://www.facebook.com/business/news/introducing-facebook-business-suite>

Year	2014	2015	2016	2017	2018	2019	2020	2021
Sales revenue	17.1	15.9	14.6	14.2	13	12.5	11.1	10.3
Cost and expenditure	13.8	11	9.8	10.4	9.3	9.5	6	6.3
Net profit	3.3	4.9	4.8	3.8	3.7	3	5.1	4
Net profit growth	-18%	48%	-2%	-21%	-3%	-19%	70%	-22%

Table 5: Net profit and net profit growth (in million baht)

(Source: author's calculation, 2022)

4.1 Product

K.S. Plastic Works Company has been producing and selling Anchor Brand wall clocks for more than 50 years, and it is mainly sold in Thailand. The last time the company came up with a new design was 30 years ago. Most of the products that they still offer to customers are mainly original designs from 1972. In the beginning, the company had more than 30 product designs and more than 80 models, but in the past 10 years, the company faced many new competitors from different directions, which caused the company to reduce their production line to 12 designs and about 55 models. All of the Anchor Brand wall clocks are on the analog clock system. This system will consist of 3 hands, which are: long thick hand, long red color skinny hand and shorthand. Long thick hand will refer to minute, long red color skinny hand will refer to second and shorthand will refer to hourly. The clock will be powered by the single double AA battery. When the battery is inserted into the movement that is located behind the wall clock, the second hand will start to tick and tock, all of the 3 hands will move continually until the battery run out of its power. The tables below will show the product designs that are still in K.S. Plastic Works production.






Product Design	Product Picture	Model (Color)	Size	Core Material
No. 01 (Square)		Green, Dark Blue, Brown, Light Blue and Red	34X38 cm	Plastic
No. 03 (Square)		Green, Dark Blue, Brown, and Red	30X33 cm	Plastic
No. 04 (Square)		Green, Dark Blue, Brown, Light Blue and Red	28x28 cm	Plastic
No. 05 (Square)		Green, Light blue, Red, Gold and Silver	25x26 cm	Plastic
No. 14 (Square)		Gold and Silver	28X28 cm	Plastic
No. 25 (Square)		Green, Dark Blue, Brown, Light Blue, Red, Gold, Dark wood, and Light wood	23X24 cm	Plastic

Table 6: The current product for square model

(Source: K.S. Plastic Works, 2022)







Product Design	Product Picture	Model (Color)	Size	Core Material
No. 54 (Circle)		Gold and Silver	11.5 inches	Plastic
No. 55 (Circle)		Green, Dark Blue, Orange, Light Blue, Red, Silver, Gold, Dark wood, and Light wood	10 inches	Plastic
No. 61 (Thai) (Circle)		Gold, Silver, Dark wood, and Light wood	14 inches	Plastic
No. 61 (Circle)		Gold, Silver, Brown wood, and Light wood	12.5 inches	Plastic
No. 62 (Circle)		Silver and Gold	15 inches	Plastic
No. 64 (Circle)		Gold, Silver, Black, Brown wood, and Light wood	18 inches	Plastic

Table 7: The current product for circle model

(Source: K.S. Plastic Works, 2022)

The company has only 2 shapes of wall clocks, which are square and circle. The size of each wall clock varies from 10 inches to 18 inches for a circle shape and

from 23x24 cm to 34x38 cm for a square shape. Also, in each product design, the company provides a variety of color selections to the customer such as blue, red, gold, silver, brown, black, or green. Therefore, the company offers different sizes, colors, and shapes of the product to satisfy the customer's wants and needs. Product design numbers 25, 62 and 55 are the most popular designs for the company. According to the data that researchers gathered from the company, in 2018, the case study company produced more than 6,000 pieces of No. 55 and No.62 and more than 3,500 pieces of No. 25 per month.

Mrs. Thanatorn Temtavornkul mentioned that our product is targeting the age group of around 35 to 75 years old because people at an age higher than 35 are facing farsightedness eye problems. They will also start to have a family and buy a house for themselves. Therefore, a wall clock is a part of home decoration and a time-teller. On the other hand, people who are below the age of 35 tend to buy wristwatches or only look up the time on their smart phones. Finally, when customers purchase the wall clocks from the brand, they will receive a free double AA battery within the box and one year warrantee. Also, the packaging that the wall clock will be contained in is a brown square shape box, similar to the pizza box. The figure below will show the picture of the box that contains the wall clock inside.



Figure 7: The packaging of Anchor Brand wall clock

(Source: K.S. Plastic Works, 2022)

4.2 Price

Mr. Gui Song Xe Diao, the founder of K.S. Plastic Works company, had a vision that he wanted every house in Thailand to hang an Anchor Brand wall clock on the wall just like the picture of their son or daughter's graduation. Therefore, he targets the middle to low-income class by applying a low-price strategy. The company

aims to sell more quantities and receive a lower profit per product than if it sold fewer quantities and received a higher profit per product.

Product design	Price (Baht)	Product design	Price (Baht)
No. 01 (Square)	320	No. 54 (Circle)	260
No. 03 (Square)	250	No. 55 (Circle)	220
No. 04 (Square)	250	No. 61 (Thai) / (Circle)	350
No. 05 (Square)	260	No. 61 (Circle)	320
No. 14 (Square)	260	No. 62 (Circle)	420
No. 25 (Square)	220	No. 64 (Circle)	520

Table 8: The price of each product design (in Baht)

(Source: K.S. Plastic Works, 2022)

According to Mrs. Thanatorn Temtavornkul, four factors that she will consider when setting up the price are raw material, operation cost (including electrical bill), worker wage, and profit. The company prices the product at around 220 to 520 baht, which is on the low to middle price level in the wall clock market. For most of the middle-to-high-end brands, the costs are around 600 to 2,500 baht. The price of the Anchor Brand will be adjusted depending on the price of raw material, which is plastic. The company owner advised that the price needs to be controlled under 500 baht in order to attract the customer. If the price is higher than 500 baht, customers will be looking for a new brand instead of the Anchor Brand.

Nevertheless, the company mainly sells the product to the wholesaler. Therefore, the price will be lower if the customer orders a larger quantity of the product. Also, if the wholesalers have had a long relationship with the brand since Mr. Gui Song Xe Diao, the company will offer a special price to them. For payment methods, the company offers different types of payment, which are cash, bank transfer, debit card, or credit card. If the customer is a long-time customer or orders in a high quantity, they can apply for a special payment period plan that the company offers. For example, Ms. Ploy has a good relationship with the case study company owner. Then, she can separate her total expenses into monthly installments.

4.3 Place

K.S. Plastic Works factory is located in Samut Sakhon province, Thailand. The factory is only used for manufacturing the wall clock and inventory storage for raw materials. The company only has one storefront shop, which is located at Khlong Thom Market. It is one of Thailand's landmarks for traditional shopping experiences. The storefront of Anchor Brand is an hour away from the factory. It is the only place that wholesalers can purchase and pick up the product. From the beginning of the Anchor Brand, Mr. Gui Song Xe Diao has only focused mainly on wholesale. Therefore, the brand has a strong connection with the wholesale shop. Examples of the wholesale shops that sell Anchor Brand wall clocks in their stores are Ve-la shop, CTW Time, Purawin, Nateethong, Ponchai radio, Sakon Nalika Lopburi, Siwong, Keng Watch shop or Future time store. Those stores are located in different part of Thailand.

Also, the company opened a Facebook page called "Anchor Brand นานาฬิกาตราสมอ". The main purpose of this Facebook page is to communicate with customers about the brand and to raise awareness about counterfeit products of that brand. In the past seven years, there have been some retail customer contacts directly through the Facebook pages. So, the owner allowed them to purchase the product in the low quantity demanded. Therefore, the Facebook page is another channel for selling the product.

4.4 Promotion

The current sale promotion strategy that the company mainly uses are consist of 3 strategies which are sales representative of the brand, offline promotion, and online promotion (Facebook).

(1) Sales representative of the brand

At the beginning of the brand, Mr. Gui Song Xe Diao hired a sales team to travel across Thailand and sell Anchor Brand wall clocks to local watch stores that were located in different provinces, but in recent years, the company does not have a large sales team anymore. In fact, they only have 3 people on the sales team.

(2) Offline promotion

For offline promotion, the case study company aims to increase the number of sales by applying the price discount strategy, which can be divided into 2 types. For type one, the price will be decreased by a percentage during Thailand's public holidays such as Chinese New Year, Songkran Day, or the end of the year holiday season. During those holidays, the price per order will be reduced by up to 10 percent. The second type, the price will adjust depending on the number of customer orders. The table below will show an example of a price change due to quantity demand for product designs number 25 and 62.

Product design number:25 (Quantity)	Price per piece (Thai baht)	Product design number:62 (Quantity)	Price per piece (Thai baht)
Less than or equal to 10 pieces per order	220	Less than or equal to 10 pieces per order	420
Less than or equal to 100 pieces per order	195	Less than or equal to 100 pieces per order	395
Less than or equal to 250 pieces per order	155	Less than or equal to 250 pieces per order	355

Table 9: The price change due to the quantity increase

(Source: K.S. Plastic Works, 2022)

The figure below represents the number of product sales in the bar graph for product design number 55 between October 2017 and December 2018. It showed that the month that had the highest sales performance was December for both years. It is because the company offers a special discount at the end of each year.

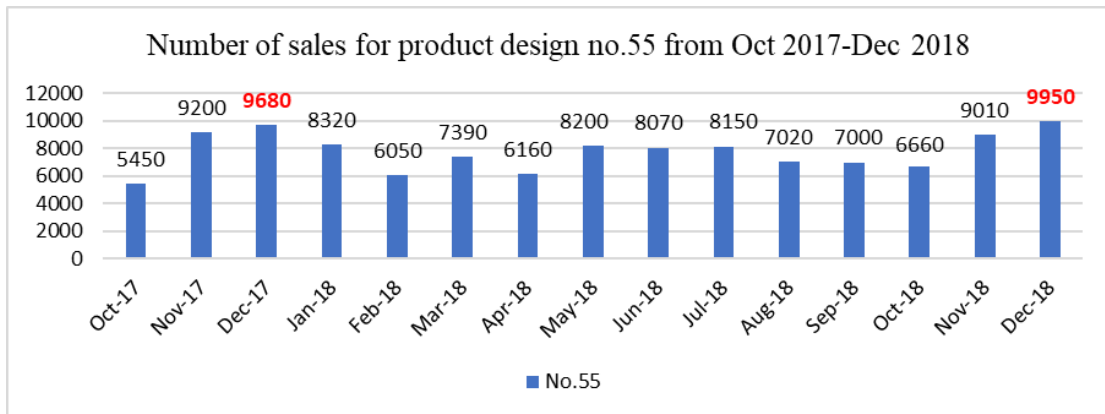


Figure 8: Number of sales for product design no.55 (Oct 2017-Dec 2018)

(Source: K.S. Plastic Works, 2022)

(3) Online promotion

The case study company uses only Facebook as their online promotion and it mainly serves as a communication channel for public relations, counterfeit products, sales promotion, mini activities with the retail customer, and updating the current stock of each product. Also, the Facebook page is used to advertise products and product reviews from customers. The figure below shows an example of Anchor Brand's online activities.



Figure 9: An example of Anchor Brand's online activities.

(Source: Anchor Brand Facebook page, 2020)

5. K.S. Plastic Works company's SWOT analysis

This SWOT analysis is the first one for the case study company. They have never conducted SWOT analysis before since the company was established. According to the objective of this individual research paper, this analysis will help K.S. Plastic Works Company improve their business strategy and also provide both internal and external environment knowledge to the owner in four categories, which are: strengths, weaknesses, opportunities, and threats from the researcher's point of view. Each category will be explained below:

<p><u>Strengths (S, Internal factor)</u></p> <ul style="list-style-type: none"> • Brand Heritage • Great sales network • Low price • High Quality • Great customer service 	<p><u>Weaknesses (W, Internal factor)</u></p> <ul style="list-style-type: none"> • Low profit margin for each product • Weak in social media activity • Grandfather design • Old machine, technology, and tool • No proper plan for production process • Packaging is not attractive • Focus on wholesale rather than retail
<p><u>Opportunities (O, External factor)</u></p> <ul style="list-style-type: none"> • New advertisement technique • New technology of wall clock movement • SME government policy • Online retailing channel • New trend of color 	<p><u>Threats (T, External factor)</u></p> <ul style="list-style-type: none"> • Counterfeit product • A lot of new competitors enter market • Increase in crude oil price • COVID-19 pandemic

5.1 K.S. Plastic Works company's strength

(1) Brand Heritage

As reported by Groves (2017), he explained that brand heritage is a brand that has been around for a long period of time, over decades or even centuries, and history

is a part of a brand's identity. The Anchor Brand has been around for more than 50 years in the Thai clock market. It is one of the first wall clock brands that is fully owned by a Thai owner and is still in production in Thailand to this day. Many customers, both wholesalers and retailers, have strong confidence in a company's brand and trust in the company's product that it will deliver on its promises.

Saint Gabriel's College, Thammasat University's engineering building, Sarawittaya school, Hua Lamphong train station, Suvarnabhumi airport, Bentagro, So Sofitel Bangkok hotel, and Ramathibodi hospital are examples of places that continue to use the Anchor Brand and have confidence in its product. Due to the brand's being in the wall clock market for over five decades. The brand was lucky to be featured in many Thai films and television series such as Suddenly Twenty, Bikeman, and Bangkok Traffic (Love) which increased brand visibility and its legacy to Thailand's society. Figure below show example of Anchor Brand wall clock in a film called "Suddenly Twenty"



Figure 10: Anchor Brand wall clock number 55 in Suddenly Twenty film

(Source: Anchor Brand Facebook page, 2019)

(2) Great sales network

Mr. Gui Song Xe Diao had many sales networks with wholesalers all over Thailand. The owner of the company mentioned that almost every local watch shop in Thailand carries Anchor Brand in their shop, but the only shops that will not carry the brand are the shops that have contracted as authorized dealers for Seiko and Citizen brands.

(3) Low price

As mentioned in the 4ps strategy under the price section, the company applied a low-price strategy as their strength. They offer a special deal to their customers at a low price. Most of their products are priced range around 220 to 500 baht, which is in the low to middle tiers of pricing. Since the company has been in the plastic industry for many years and has strong relationships with a lot of plastic pellet distributors, the owner can negotiate prices with them. Also, the company does not have a long line of decision-making processes due to its small size. Therefore, it is an advantage for the company because the price of plastic pellets will change quickly according to the price of crude oil and economic activity. These two factors contribute to the company's ability to provide affordable prices to customers.

(4) High Quality

The company selects high-grade plastic for manufacturing its products, and the clock movement is customized to meet the standards of the company. Also, the Anchor Brand movement is the first one in Thailand clock market that used the transparent cover case back. According to Armentrout (2021), plastic material takes more than 400 to 500 years to decompose^[13]. This means that if the customer takes good care of the Anchor Brand wall clock, it will never breakdown. Clock movement, on the other hand, will break down before the clock because it has to work continuously for 24 hours every day, causing fatigue within the movement. For this reason, the case study company offers a special function that most of the competitors do not allow their customers to do, which is an easy process for movement replacement. The brand wants the customer to be able to extend their life span by spending less on their wall clock.

The Anchor Brand dial is not printed paper like many competitors in the market but instead has applied indices. It is when the indices are separate from the dial. The brand offers different types of indices, such as Arabic numerals, Breguet Numerals, and Thai number numerals. Those numerals are shaped within the mold during the injection molding machine process. Therefore, it will provide layered

^[13] *How long does it take for plastic to decompose?* Chariot Energy. (2021, April 22). Retrieved from <https://chariotenergy.com/blog/how-long-until-plastic-decomposes/>

designs with each index. Figures below will show the pictures of Anchor Brand transparent movement and replacement movement from the brand.



Figure 11: Competitor movement (left) and Anchor Brand movement (right)



Figure 12: The replacement movement from Anchor Brand

(Source: K.S. Plastic Works, 2022)

(5) Great customer service

The brand offers a one-year warranty for both the wall clock and the movement for customers. They will also receive a free high-quality battery within the box from Panasonic. Furthermore, the brand offers a customization sticker to place it on the clock dial for the customer, and recently, the brand offers same-day delivery for retail customers located in Bangkok. Figure 13 shows the example of sticker customization on the dial for Sarawittaya school.



Figure 13: The sticker customization for Sarawittaya school

(Source: K.S. Plastic Works, 2022)

5.2 K.S. Plastic Works company's weakness

(1) Low profit margin for each product

By applying the low price to almost every product, it causes a low profit margin for the company. This affected the company in so many ways. Firstly, the company needs to re-adjust the price more often due to the change in the cost of production. This causes dissatisfaction for many wholesalers. Second, because the profit-to-cost ratio is small, the company cannot offer a lot of discounts and promotions. Finally, the company is dependent on a high quantity of sales in order to see a lump sum of profit.

(2) Weak in social media activity

Facebook is the only social media platform that the company has used so far. The Anchor brand Facebook page has been open for seven years, but there are not many activities on the page at all. In year 2021, the brand only posted 20 posts within one year, and it was very low compared to its competitors. Those 20 posts can be separated into 4 types, which are brand information, brand awareness, brand online promotion, and product review. The last update on the Anchor Brand Facebook page was on January 17, 2022, and today's date is June 12, 2022. Therefore, the company's lack of social media activity and skills for making interesting posts that will draw customer engagement to the brand.

(3) Grandfather design

During the information research period, the researcher found out that many customers called Anchor Brand an antique wall clock or even a grandfather wall clock. In fact, the owner totally agrees with the given name by the customer, and she knows that the Anchor Brand wall clock has not come up with any new design in the last 30 years.

(4) Old machine, technology, and tool

For a plastic company, machines are similar to the hands and legs of a human body. They are the main reasons that keep the company moving forward in terms of production. Most of the machines in K.S. Plastic Works are older than 29 years old. All of the three-injection molding machines were bought in 1993. Nowadays, they are considered old machines. Those machines are still using manual systems as their operation systems, but the new technology of injection machines has been changed to digital control. During the injection molding machine process, the employee needs to change the mold in order to continue producing another design, which causes one to two hours for experienced workers and three hours for unexperienced workers. However, for a new injection molding machine, it can reduce the time of the mold changing process to less than 30 minutes. Furthermore, when the company deals with an old machine, it faces product defects from the manufacturing process.

According to the owner, every 15,000 parts produced by an injection molding machine will have at least 150 defective parts. Also, some of the molds are as old as the company itself. Therefore, the molds had been through so much production in their lifetime, which caused them to be swollen and lead to product imperfection. Finally, the company's injection molding machine is producing at a slow rate compared to the new version of the machine, but the only thing that the old machine has a higher number than the new one is electric cost. The old machine does not have a power saving mode. So, they drain so much electricity during their operation. The figures below show the mold changing process that the owner of the company let the researcher has hands-on experience with mold changing so the researcher could

understand how long it would take for an unexperienced worker to complete the task and the defected parts from the old machine and tool.



Figure 14: Researcher try to install mold into injection machine



Figure 15: The defect part from using old machine and tool

(5) No proper plan for production process

The company's production strategy is mostly made to order. They do not have the proper forecasting technique to estimate their future sales or the raw materials they need for production. The owner just uses her gut feeling to decide whether she wants to order another raw material or not. Sometimes, this causes a major problem for the production process because it can cause production delays and most of the time, the company needs to pay an expensive price for plastic pellets due to the increase in crude oil prices at that time.

(6) Packaging is not attractive

As mentioned in the 4ps strategy section, the packaging for Anchor Brand is similar to a pizza box with a brown color. Literally, the pizza box looks better than the Anchor Brand box. Therefore, it creates no appeal at all to the customer. Packaging is

like clothes that a guy wears if he wants to look nice. He may want to wear nice clothes. So, it is important for the company to redesign the package. Lastly, the wall clock has only a clear plastic bag wrapped around it, which creates no protection at all during transportation and makes the brand look cheap. The figure below shows the competitor's packaging from Haven Brand. They use beautiful graphic design and color to make their packaging more attractive.



Figure 16: Heaven product packaging

(7) Focus on wholesale rather than retail customer

In 2021, wholesale sales made up 95 percent of all product sales, and retail sales made up only 5 percent. The number of retail sales is a lot less than wholesale. If the case study company begins to place as much emphasis on retail as it does on wholesale, they will be able to gain more market share and work closely with the end consumer. Therefore, they can have a better understanding of what customers want and need.

5.3 K.S. Plastic Works company's opportunity

(1) New digital advertisement (ads) technique

Every year, the number of digital and social networking platform users in Thailand increases. Facebook, Instagram, TikTok, Google, and even Twitter are examples of such platforms. Within the platform, they all offer social media advertising. Some of the advantages of using digital advertising are: setting your own target (location, gender, occupation, and age); low cost (spend as low as 200 baht per day for digital advertising); easy to learn and understand (many techniques are on YouTube), performance analysis (deep insight on advertisement performance), multiple types of social media advertisement (shot-long video, photo, stories,

messenger, and keyword ads); and many ad agencies offer cheap service due to the competitive ads agency market. Therefore, SME businesses should apply digital advertising as one of their main strategies because they can have a deep understanding of their customers and reach target customers at a fast pace.

(2) New technology of wall clock movement

Nowadays, many new movements have come to the clock market, such as quiet sweeping seconds hands, digital movements, hybrids of digital and analog clocks, or power-saving movements. It is a great opportunity for Anchor Brand to source out those movements and try to use them in order to look for a new target, improve brand quality or offer a variety of options to the customer. Also, the new technology movement can help the brand reach a younger generation.

(3) SME government policy

Over the last 20 years, the Thai government has attempted to assist SME business owners by providing financial support, tax reduction or exemption, knowledge about foreign exchange, risk management, data analysis, developing micro-SME to receive product standards, creating new entrepreneurs to run a Smart MSME program, providing digital skills to SME, and different kinds of funding (example: TMF organization).

(4) Online retailing channel

In the past five years, e-commerce has been a big hit in Thailand. There are many platforms that offer a place for businesses to sell their products. For example, Shopee, Lazada, JD central or Line shopping. Also, the number of online shoppers in Thailand has been increasing every year. Many of those platforms offer many tools that help sellers increase sale performance, such as social seller programs, Shopee keyword ads, in-app discount codes, 24 hours customer service for both seller and buyer, free shipping, and a 15-day warranty for customers. Therefore, it is a great opportunity for the case study company to step in and play its role as a seller on those platforms.

(5) New trend of color

There are numerous new color trends in the fashion industry, such as pastels, rose gold, pink gold, French blue, emerald green, emerald ash, and rust color. The case study company should adapt to those colors and seize the chance of a new color trend. While the ten new colors may fail, it only takes one color to succeed and become a great hit in the market, which will increase brand competitiveness.

5.4 K.S. Plastic Works company's threat

(1) Counterfeit product

Counterfeit products are a main problem for the brand. There are so many counterfeits or fake products in the market, such as King Time, Wanidtime, J Time, CWANIDTIME, SUNTIME, and a 100 percent copycat of Anchor Brand. All of those brands cause a decreasing market share for Anchor Brand because they put the price below Anchor Brand, which is around 100 to 250 baht, and the quality is really bad. Therefore, it destroys Anchor Brand's reputation and brand image. Also, they use exactly the same brand logo. Some of them even put a sticker that said "ของแท้100%" in front of their packaging. Finally, those counterfeit products are not just focused on wholesale like the case study company, but in fact, they go full force into both wholesale and retail and e-commerce platforms. The figure below shows the counterfeit product from King Time that are sold in Shopee.



Figure 17: The counterfeit product from King Time

(Source: Shopee Thailand, 2022)

(2) A lot of new competitors

There are a lot of new and old competitors entering the market from China. This is because a wall clock is a homogeneous product. According to the OECD, it is a product that is in the perfect competitive market. Therefore, it is easy to replace and there are no differences between the products. Many Chinese brands entered the market with a competitive price against the Anchor Brand. They also have a lot more options and new designs due to the fact that their cost of production is much lower than the case study company. Many of them provide customers with low quality products in exchange for a cheap price. Despite the fact that a lot of consumers nowadays tend to look at price and design before quality^[14].

(3) Increase in crude oil price

Crude oil is a main ingredient for producing plastic, and the case study company uses plastic as its core material. As a result, changes in the price of crude oil will have a significant impact on the price of plastic in the market, especially if the price of plastic rises significantly. It will increase the company's production costs. So, it will decrease the company's profit, which leads to the need to adjust the price in order to survive. Therefore, the company will lose its price competitiveness in the market.

(4) COVID-19 pandemic

COVID-19 is not just a threat to case study companies; it is a threat to all industries. Many companies had to close or lower employee numbers and salaries, resulting in a decrease in Thai citizens' purchasing power. In addition, a large number of local markets, shopping centers, and border markets have been forced to close due to a lack of customers, a government lockdown, and the closure of the country. Many wholesalers who sell Anchor Brand wall clocks are unable to meet their sales targets. As a result, they did not place any additional orders with the company, which caused the company's sales to decrease.

^[14] Home. Thailand | Financing SMEs and Entrepreneurs 2020: An OECD Scoreboard | OECD iLibrary. (n.d.). Retrieved from <https://www.oecd-ilibrary.org>

6. Suggestions for the K.S. Plastic Works company

(1) Join e-commerce platforms

From the results of SWOT and PEST analyses, the researcher found that one opportunity for the brand is to join e-commerce platforms as another channel to reach both wholesale and retail customers. This will help the case study company to increase their retail sales. Also, the social factor under the PEST analysis showed that Thai customers have changed their shopping lifestyle toward online shopping. There are many e-commerce platforms in Thailand that offer services for sellers, such as Shopee and Lazada. These e-commerce platforms will help Anchor Brand wall clocks reach more customers and increase the number of sales.

Furthermore, many e-commerce platforms in Thailand need to fight each other in order to stay ahead of their competitors. Therefore, they will offer a variety of benefits to both sellers and buyers to increase the number of users on their platform. Examples of customer benefits can be free shipping, discount codes, flash sales, coin cashback, and customer loyalty programs. Those benefits will help sellers increase their sales because customers will be able to receive special deals from the e-commerce platform. On the seller side, those e-commerce platforms offer so many marketing tools to the seller, such as add-on deals, bundle deals, backdoor data analysis, in-app advertisements, brand partnerships, or different campaigns and programs.

The researcher will advise the case study company to open their shop on the Shopee platform first because it is easier to sell on Shopee than any other platform and the main target customers for Shopee are low-priced and low-to-high-income customers. Also, Shopee has more than 43 million mobile applications downloaded, which accounted for 61 percent of Thailand's population and 82 percent of overall internet users. They were number one in daily active users and user engagement in 2020. In 2021, Shopee focused on providing many marketing tools and services to their sellers, such as Shopee Mart, Shopee segment push, membership program, Shopee Mall/Premium, social engagement, online marketing (CPAS, Google, Shopee Ads), Shopee education center and Shopee express. They were also the first to come up with the Shopee social package for sellers. This package will help increase sales

performance for the seller by using the combination of social media advertising and in-app support (Shopee, 2021). The figure below shows the May 2022 Shopee social package from the Watch and Glasses department.

		แพ็คเกจ						
		Organic	XS	S	M	L	XL	XXL
สิ่งที่ร้านค้า ต้องทำ	Boost โฆษณาบน Social Media (บาท)	-	1,000.-	3,000.-	4,500.-	6,000.-	9,000.-	12,000.-
	โพสต์บน Social Media พร้อมแนบ Affiliate Link (จำนวนโพสต์ ต่อ แพคเกจ)	8	4	6	8	8	8	8
	สร้างโค้ดส่วนลดร้านค้า หรือ ชื่อ Shopee Ads (บาท) ตาม Option ที่เลือกในเมนู	-	โปรโมชันราคาพิเศษตามในเมนู					
	เข้าร่วม Shopee features (เลือก 3 ใน 5):							
	• โพสต์บน Shopee feed (ครั้ง ต่อ เดือน)	4	4	4	4	4	4	4
	• สร้าง Follow Prize (ครั้ง ต่อ เดือน)	1	1	1	1	1	1	1
	• สร้าง Flash Sale ร้านค้า (ครั้ง ต่อ เดือน)	4	4	4	4	4	4	4
	• สร้าง Bundle deal (ครั้ง ต่อ เดือน)	1	1	1	1	1	1	1
	• สร้าง Add-on deal (ครั้ง ต่อ เดือน)	1	1	1	1	1	1	1
	Shopee Flash Sale Slot (มูลค่า 6,000 บาท / slot)	-	-	-	-	1	1	2
สิ่งที่ร้านค้า จะได้รับ	โค้ดส่วนลดจาก Shopee / โค้ดส่วนลดร้านค้า / แครดิท Shopee Ads (มูลค่ารวม บาท) - ตาม Option ที่เลือกในเมนู	-	1,000.-	3,000.-	4,500.-	6,000.-	9,000.-	12,000.-
	ค่าคอมมิชชั่นจาก Social Partner (Affiliate program)	✓	✓	✓	✓	✓	✓	✓
	การเข้าร่วมแคมเปญพิเศษ (Shopee Barter Campaign)	✓	✓	✓	✓	✓	✓	✓
	สิทธิ์เข้าร่วมแคมเปญ Shopee Affiliate Campaign	-	-	-	✓	✓	✓	✓
	Shop Decoration Premium <small>สำหรับร้านค้า Exclusive เท่านั้น</small>	-	-	-	-	-	-	✓
	อื่นๆ	-	-	-	-	-	-	หน้า Microsite ในหมวดหมู่

Figure 18: Shopee social package
(Source: Shopee Thailand, 2022)

The Shopee social program will offer different package sizes to sellers. The sizes range from organic to XXL. Each size is classified by the number of advertisements spent and social media posts. Shopee believes that more advertisements and social media posts will lead to increased seller performance. For example, for package XXL, customers are required to boost advertisements on social media for 12,000 baht and post eight social media posts on their Facebook page or Instagram account with their Shopee shop link per month. In exchange, Shopee will provide a free flash sale slot, Shopee code, affiliate commission, Shopee barter campaign, increased in-app visibility and many more.

Therefore, the case study company should take advantage of this program to help them increase their sales performance and gain as much benefit from it as possible. The graph below shows the seller A that joined Shopee social package size XXL from January to March 2021, lowered its package to size L in April, and finally unjoined the package in May 2021. Because the information is confidential, the

researcher could not show the brand name of this seller. So, Seller A will be the name that will be used in this research paper.

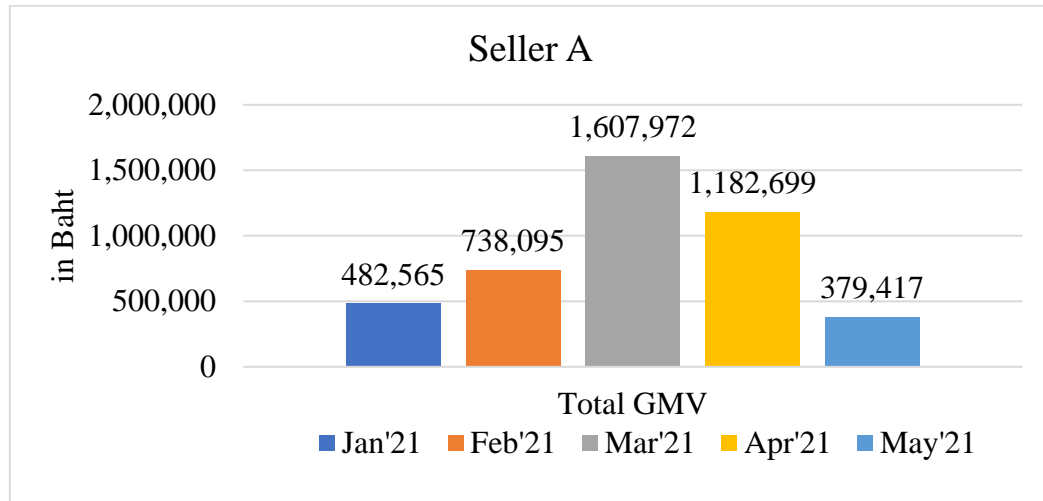


Figure 19: The total gross merchandise value (GMV) from Jan to May 2021

(Source: Shopee Thailand, 2022)

According to the graph above, the seller A's gross merchandise value started to increase in Jan 2021 and reached an all-time high in March 2021, then decreased by 26.45 percent in April 2021, which is mainly due to the seller's lower package size. Finally, in May 2021, the gross merchandise value for seller A decreased to 379,417 baht.

(2) New design and model

By doing SWOT and 4Ps analyses, the researcher found out that the case study company had not come up with any new design or model for more than 30 years. So, it is time for the company to start thinking about the new design or model in order to gain more customer attraction and be different from other brands. The researcher knows that it will take time and money to create a new design and mold for the injection molding machine. Therefore, the researcher advises the case study company to look into a cheaper option that is coming up with a new color. For the past five years, there have been many new color trends in the market and many brands from different industries have started to introduce new colors such as rose gold, calming coral, or velvet violet purple.

According to Collins (2016), rose gold is the new black for gadgets. It is one of the most popular color options for Samsung, Apple, and Beats products. In September 2015, Apple released the iPhone 6S and 6S Plus with a new color, which is rose gold. Also, rose gold has been on the market for a long time. In 2005, Rolex introduced the Everose gold color to the world^[15]. It is a unique rose gold that gives a warm red color to the customer. They started to use Everose gold in many of their products, such as Yacht-Master, GMT, Day-date, or Daytona^[16] (Altieri, 2021). So, the researcher told the owner to consider rose gold and phantom black as their next colors, and she decided to go ahead with both of the colors as the new colors for No. 61 and 62. Therefore, in August 2022, the Anchor brand will introduce two new colors to the market. The figures below show the first look of the rose gold and phantom black colors for product design number 62.



Figure 20: The rose gold color for number 62.

(Source: K.S. Plastic Works, 2022)

^[15] Collins, K. (2016, May 11). *How rose gold became the new black (for gadgets)*. CNET. Retrieved from <https://www.cnet.com/tech/mobile/how-rose-gold-became-the-new-black-for-gadgets/>

^[16] *Rolex everose gold watches ultimate buying guide*. Bob's Watches. (2021, December 9). Retrieved from <https://www.bobswatches.com/rolex-blog/buying-guides/everose-gold-rolex-review.html>



Figure 21: The phantom black color for number 62.

(Source: K.S. Plastic Works, 2022)

(3) Increase social media activities

The case study company only uses their Facebook page as their social media platform. They do not really post anything on their Facebook page. There were many months that the company did not post anything or update any news about their product. Therefore, researchers would suggest that the company be more active on their page by posting more product reviews or news about their counterfeit products that are currently on the market to raise brand awareness. Also, the company should come up with different campaigns and promotions for online channels to increase retail customer engagement. At this moment in time, Facebook was not the only online channel that was widely used and popular in Thailand. There are many more social media platforms, such as Instagram, TikTok, Twitter, and YouTube. According to Statista and Worldometers (2022), the number of social network users in Thailand has been increasing, and the graph below shows the number of social network users, the Thai population, and the percentage of social network users from the total population in Thailand from 2017 to 2020.

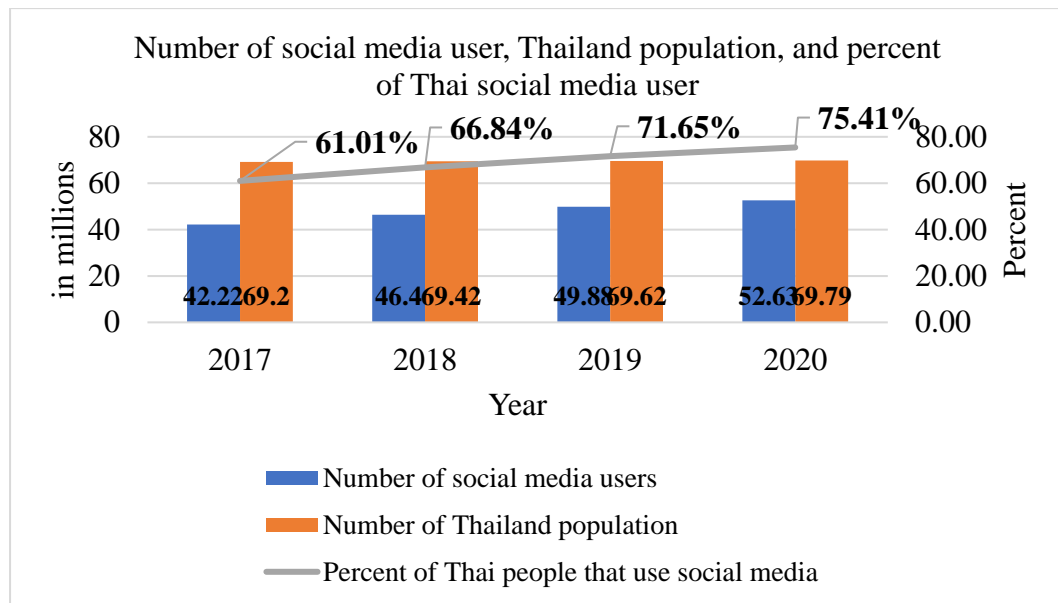


Figure 22: Social media users in Thailand and Thai population (2017-2020)

(Source: Statista, 2021)

The graph shows an increasing trend of social media users in Thailand. Therefore, the case study company needs to take this fact into their consideration and improve their social media activities because it is a great opportunity for them to reach more people and faster than before. It is also the easiest way to have direct communication with the end customer and provide them with information about the company's product^[17].

(4) New advertisement techniques

The company should use different advertising techniques that come with each social media platform to increase their visibility and engagement with their product, such as Facebook advertisement, CPAS advertisement, Google keyword advertisement, and YouTube advertisement. All of these advertising techniques are inexpensive and highly effective in increasing the visibility of the brand and the number of interested customers on the platform. The figure below is an example of a Facebook Page that a researcher promoted on Facebook to help one of the small

^[17] Published by Statista Research Department, & 8, S. (2021, September 8). *Thailand: Number of Social Network Users 2017-2026*. Statista. Retrieved from <https://www.statista.com/statistics/489230/number-of-social-network-users-in-thailand>

businesses in Bangkok to increase customer engagement by targeting a specific audience, age, gender, and area.

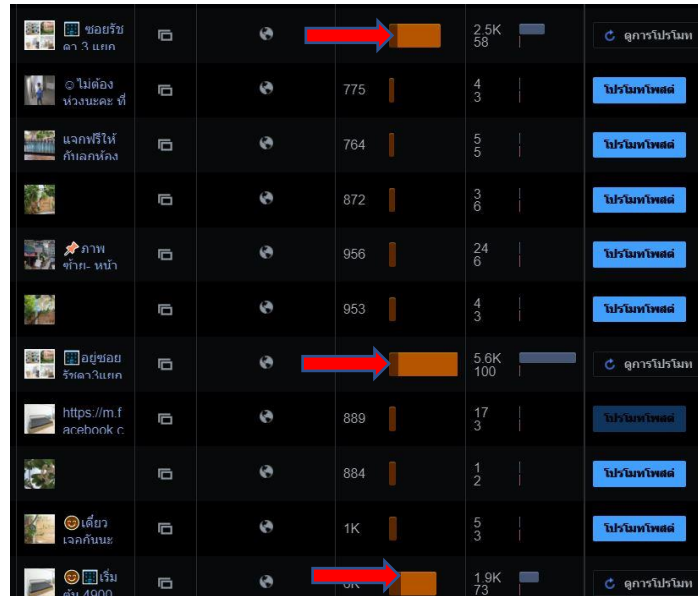


Figure 23: Number of reach and engagement from target audience

The red arrow points to the post that used a Facebook advertisement. It shows that the numbers of both reach, and engagement were much higher than organic posts. Most organic posts had a reach of less than 1,000, but for promoted posts, all of them were above 6,000 people, with an engagement of more than 1,900 people. This picture shows how effective it is for small businesses to use Facebook advertising. As a result of the Facebook advertisement for Living Ratchada, the business can rent out more rooms within the period of the advertisement. Most of the new customers also said that they received the business information from the Facebook feed. Therefore, the company should consider social media advertising for their future strategy.

7. Conclusion

The K.S. Plastic Works company faced a difficult challenge in the past five years due to an increase in the number of competitors in the market and a lack of marketing knowledge, which caused their sales performance to decrease significantly. Therefore, this individual researcher paper is aimed at helping them increase their competitiveness in terms of an increase in the number of sales by providing knowledge about internal and external factors to the company. Then, the researcher suggests ways to improve their sales performance.

1. According to the ministry of Thailand industry, the case study company is considered to be under the SME business category. In 2020, there were more than 3.134 million SME businesses in Thailand, which accounted for 99.54 percent of all businesses. Therefore, SME businesses are the heart of Thailand's economy.
2. Thailand is one of the world's major plastic production bases and has a competitive advantage over ASEAN countries because of the large petrochemical industry in Thailand. Plastic is the only important material for the case study company because it is the main material that they use for their production process.
3. K.S. Plastic Works company is a family-owned business that manufactures wall clocks and is located in Samut Sakhon province, Thailand. The company produces wall clocks for a brand called Anchor Brand "นาฬิกา ตรา ๓ มอ", it is considered to be a small-sized company. The company has 3 injection molding machines, 2 spray painting booths, 8 plastic vacuum metallizing plant machines and 1 industrial vacuum dryer. Also, the company has not come up with any new design or model in the last 30 years.
4. Currently, the case study company faces many competitors in the market, and they do not have knowledge about marketing strategy or any marketing techniques. Therefore, the researcher constructed a marketing analysis by using PEST, 4Ps, and SWOT analysis. After, the researcher received the results from those marketing analyses. He suggested different activities for the company. He believed that marketing could help them reach out to more customers, increase brand awareness, and increase number of sales.
5. "4Ps" analysis helps the reader, the researcher, and the case study company understand more about its internal environment and current marketing strategy. By doing 4Ps analysis, researchers see a lot of opportunities mainly from three factors, which are product, place, and promotion.

6. From the result of PEST analysis, there are four policy factors that the company should pay close attention to, which are SME policy, Free Trade Agreement, increasing wage policy, and COVID-19 government co-payment policy. If the company understands and applies some of the Thai government policies into its plan, it can help improve the company's performance, such as exporting products to neighboring countries by using the Free Trade Agreement or even taking advantage of SME policy. The company can also have a better plan for the future so that it does not receive much effect from the increasing wage policy of the future government. For economic factors, GDP and oil prices are the important factors under economic section. GDP can provide information about the Thai economy that it is getting better or worse. Also, for the oil prices, the higher the price of oil, the greater the cost of raw materials. Therefore, the case study company should monitor these two economic factors closely. Then, socio-culturally, the company should consider "Smile Culture," a new shopping trend, and gift-giving ceremony. Finally, new technology is really important for factories because it can help them increase productivity and reduce costs. Also, data analysis will help them understand more about their customers. Lastly, communication technology is another factor that changes how businesses work and increase their network nationwide.
7. When the SWOT analysis is applied to the case study company, it shows both the researcher and the owner that there are many opportunities based on external factors such as online channels, new design and color trend, social media channels, and new advertising techniques, but it also highlights the company's weaknesses and threats, such as counterfeit products, old machine, a large number of competitors, packaging not attractive, and a change in crude oil price. Finally, the company has four main strengths, which are brand heritage; great sales network; low price; high quality; and great customer service. It is really important for the company to keep improving its strengths and reducing its weaknesses, and also take advantage of the opportunities around them.

8. As a result, the researcher proposed Four main activities that can increase sales while reducing some of the threats. First, the company should join e-commerce platforms to increase the number of retail customers and expand the promotion channels on the online platform. Then, they need to come up with a new design to create more options for the customer and follow the fashion trend. This will help Anchor Brand to be different from competitors for a while. In the competitive market, researcher believe that the company's new product cannot be the only one in the market because there will always be "ME TOO" products in the market. However, case study companies can be the first to show the market that they are the original designers of this wall clock. Therefore, the case study company will introduce two of the newest models using rose gold and phantom black colors in August 2022 because they were listening to the researcher's suggestion. Lastly, increasing social media activities and applying different advertising techniques will help them reach more customers in Thailand and also promote themselves to the market.
9. Finally, the case study company should follow the researcher's suggestion because the researcher believes that by doing these activities, it will improve the company's sales. Also, the cost of all four of the suggested activities is relatively low. Therefore, the case study company should work on them immediately.

REFERENCES



จุฬาลงกรณ์มหาวิทยาลัย
CHULALONGKORN UNIVERSITY

- Abdul Yami, N. F. N. (2021). Company analysis: *The Clorox Company*.
- Alanzi, S. (2018). *Pestle analysis introduction. Managing People in Projects*, Cover Page.
- Al-Herwi, S. J. (2019). What are SMEs? *Lebanese International University. April*.
- Amnatwipavee, S., Plainbangyang, S. Chirinh, P., & Sakuna, J. (2020). Government policy to promote small and medium Enterprises to be Sustainable. *Journal of Administrative and Management Innovation. 8(3), 56-66*
- Bharadwaj, A., Chaudhary, A., Kittikachorn, P., & Rastogi, V. (2017). Five consumer trends to watch in Thailand. *BCG Center for Customer Insight*.
- Bodhichitti, P (2020). อุตสาหกรรมผลิตภัณฑ์พลาสติก ปี 2563, *Plastic industry in Thailand year 2020 – ศูนย์วิจัยธนาคารออมสิน,gsbresearch*.
- Carruthers, H. (2009). *Using PEST analysis to improve business performance*. In practice, 31(1), 37-39.
- Castellanza, Luca. (2015). *Swatch Group - Strategy and Uncertainty in the 21st Century Global Clock Industry*.
- Cravens, D. W. (2000). *Strategic Marketing*. New York: The McGraw Hill Companies Inc
- Groves, M. (2017). *Brand Heritage: Asset or Liability?* University of Minnesota, School of Journalism and Mass Communication.
- Hawkins, D. M. (2010). *Consumer Behavior: Building Marketing Strategy 11th Edition*. New York: McGraw Hill.
- Isoraite, M. (2009). Theoretical aspects of marketing strategy. *Ekonomika ir vadyba: aktualijos ir perspektyvos: mokslo darbai*, (1), 114-125.
- Khanunthong, A (2021). แนวโน้มธุรกิจ/อุตสาหกรรม ปี 2564-2566: อุตสาหกรรมพลาสติก. Business/Industry of plastic year 2021-2023 (n.d.). Krungsri industry research.
- Kotler Philip (1997). *Marketing Management (analysis, planning, implementation, and controlling)*: Ninth International Edition, Prentice Hall, New: Ninth International Edition, Prentice Hall, New York
- Kotler, P., & Keller, K. L. (2015). *Marketing Management 15th Edition*. New Jersey: Pearson Prentice Hall.
- Kotler, Ph., Armstrong, G., Saunders, J., Wrong, V. (2003). *Rinkodaros principai. Kaunas: Poligrafija ir informatika*
- Kraipornsak, P. (2014). *The plastic industry of Thailand*.
- Leong, Teen Wei & Yazdanifard, Assoc. Prof. Dr. Rashad. (2013). *Edible Food Packaging as an Eco-friendly Technology using Green Marketing Strategy*. Global Journal of Commerce & Management Perspective. 2. 12-15.

- Limurai, P (2018). กลยุทธ์ การ เพิ่ม ประสิทธิภาพ การ ทำ กำไร ของ ธุรกิจ ตัวแทน จำหน่าย เม็ด พลาสติก ใน ประเทศไทย กรณี ศึกษา บริษัท เอ็ม จำกัด= *INCREASE OF PROFIT MARGIN STRATEGY FOR PLASTIC RESIN'S DISTRIBUTORS IN THAILAND.*
- Luo, J (2014). *Business Plan for JIP Recycle.* Bangkok University.
- Mahachanok, P. & Pila-Ngarm, P (2021). Feasibility Study of Packaging Shop Branch Expansion of Duangporn Plastic Company Limited, Muang District, Khon Kaen Province. *MBA-KKU Journal*, 14(2), 101-120.
- Mungmee, Nichapat (2018). *Business Plan: Plastic Packaging Factory.* Thammasat University Library.
- Mwanza, B. G., & Mbohwa, C. (2017). Major obstacles to sustainability in the plastic industry. *Procedia manufacturing*, 8, 121-128.
- Namugenyi, C., Nimmagadda, S. L., & Reiners, T. (2019). Design of a SWOT analysis model and its evaluation in diverse digital business ecosystem contexts. *Procedia Computer Science*, 159, 1145-1154.
- Samanta, Asokendu. (2009). A Marketing Analysis of Four Brands of Watches [HMT, Titan, Swatch, TAG Heuer].
- Tungkaew, S (2005). *Business Development Plan for Food Packaging, Case study of Arn Company.* University of Thai Chamber of commerce.
- Wasprasertsuk, A (2016). *MODEL INTO THE CORPORATE GOVERNANCE OF SMALL AND MEDIUM ENTERPRISE (SMES) TO LOG IN THE MARKET FOR ALTERNATIVE INVESTMENT (MAI).* Burapha University.
- Yao, V. (2006). *An Economic Analysis of Counterfeit Goods: The Case of China.* *Journal of the Washington Institute of China Studies*, 1(1), p. 116. Retrieved from

VITA

NAME Kittiphat Temtavornkul

DATE OF BIRTH 6 February 1998

PLACE OF BIRTH Bangkok

**INSTITUTIONS
ATTENDED** Thammasat school of engineering

HOME ADDRESS 981 Living Ratchada apartment, Ratchada soi 3,
Dingdang, Bangkok 10400



จุฬาลงกรณ์มหาวิทยาลัย
CHULALONGKORN UNIVERSITY