



Enhancing the Marketing Strategies for Agri-Shops in Academic Institutions in Thailand

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Pimthong, R. (25%): Formal analysis; Software; Methodology; Investigation; Methodology; Resources; Writing - original draft

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Abstract

This study addresses the marketing needs of agricultural product shops located at academic institutions, using the case of an academic institution in Bangkok, Thailand. It examined the marketing mix factors influencing the purchase of safe agricultural products and develop an effective marketing strategy for Farm Chao Khun agricultural shop for different consumer groups. Data were collected through a structured questionnaire from 400 consumers, including students, faculty members, staff, and outsiders. In-depth interviews and focus group discussions were conducted with store stakeholders. The study revealed distinct consumer preferences for agricultural products among different groups: Staff favoured safe products in the evening, students prioritize affordable and ready-to-eat options, and outsiders show similarities with staff but prefer online purchases. The marketing mix factors influencing consumer decisions include product taste, suitable prices, and online publicity. The SWOT analysis highlights strengths in the institute's reputation, weaknesses in management and limited product variety, opportunities in the health-conscious market, and threats from COVID-19. The recommended marketing strategy involves expanding the product range, enhancing the online presence, improving product quality, and implementing a delivery system during the pandemic.

Introduction

Farmers often face difficulties in identifying and reaching appropriate market channels, which limits their ability to sell their products at fair prices and expand their customer base (Formoso, 2021). Additionally, consumers' increasing concern for food safety and preference for clean and environmentally friendly food further emphasizes the need for accessible sources of safe agricultural products (Chaoniruthisai et al., 2018).

The existing research has mainly focused on general agricultural product sales and organic products in different market settings. For instance, a study conducted by (Direksri & Suwanmaneepong, 2021) examined the factors influencing consumers' intention to purchase organic products. The research revealed that food safety and health were identified as the top priorities among sampled consumers when considering organic products. This finding highlights the importance of emphasizing these aspects in marketing strategies for organic products. In another study by Srinieang and Thapa (2018), factors influencing the consumption of organic vegetables were investigated. The research revealed that perceptions of the environmental effects of organic agriculture, health benefits of organic vegetables, organic vegetable prices, accessibility of organic vegetable stores, and household income significantly influenced the consumption of organic vegetables. This finding highlights the importance of raising consumers' awareness about the health and environmental benefits of organic vegetables and promoting their consumption. These findings underscore the need for targeted marketing strategies that address the unique characteristics and consumer preferences of different agricultural products, such as rice and vegetables.

However, there is a research gap concerning agricultural shops within academic institutions, which serve as unique platforms for promoting agricultural products. These shops have distinct management approaches and customer groups, necessitating tailored marketing strategies to effectively cater to their target markets (Dash et al., 2023). Agricultural stores are more difficult to manage than general stores because they focus on selling fresh produce. In particular, stores that are in institutions have limitations in terms of customer groups, management that must be within the conditions of the institution, and benefit from products produced from teaching. For this reason, the marketing strategy is different from general agricultural product stores. Thus, there is a need to specifically investigate and propose strategies for enhancing the marketing efforts of agricultural product shops within academic institutions to bridge this gap and facilitate the sustainable growth of the agricultural sector.

Hence, this study was conducted to bridge the research gap and contribute to the existing literature on marketing strategies for agricultural product shops within academic institutions. By examining the specific case of Farm Chao Khun at Bangkok, Thailand, a prominent agricultural product shop operated by the School of Agricultural Technology, King Mongkut's Institute of Technology Ladkrabang (KMITL). The shop's name originates from the Thai name of KMITL. Its establishment aimed to provide safe and high-quality agricultural products to the faculty members, staff, and students of the institution, as well as the surrounding community. The shop serves four primary customer groups: students, faculty members, staff, and outsiders. This research examined the marketing mix factors influencing the purchase of safe agricultural products and develop an effective marketing strategy of Farm Chao Khun agricultural shop for different consumer groups. Farm Chao Khun offers a diverse range of safe agricultural products, including vegetables, salads, tomatoes, ornamental flowers,

sausages, meat, and chicken eggs, and emphasizes product quality and the preferences of health-conscious consumers.

Methodology

This research applied a mixed method approach to gain insights into consumer buying behaviour, and marketing strategies of Farm Chao Khun shop. By combining quantitative and qualitative techniques, the study collected data from consumers representing different customer groups and conducted in-depth interviews and focus group with key informants.

The study involved data collection from a total of 400 consumers who made purchases at the Farm Chao Khun Shop. These consumers were categorized into four groups, namely 273 students, 20 faculty, 31 staff, and 76 outsiders. Additionally, 10 key informants were included in the study, consisting of stakeholders involved in the sale of agricultural products from the School of Agricultural Technology. This group included professors, staff, and consumers who played different roles in the production and sale of various products.

The data collection process (September and November 2021) employed a combination of methods to gather comprehensive and reliable information. Questionnaires were used as a primary data collection tool, allowing participants to provide their opinions and ratings on an agricultural commodity SWOT statement.

Frequencies were used to examine purchasing behaviour variables. The means of marketing mix were categorized into specific ranges on the Likert-type scale, including strongly disagree (SDA) for means between 1.00 and 1.49, disagree (DA) for means between 1.50 and 2.49, moderately agree (MA) for means between 2.50 and 3.49, agree (A) for means between 3.50 and 4.49, and strongly agree (SA) for means between 4.50 and 5.00. The Likert-type scale, was utilized to measure the participants' agreement levels. The scale ranged from 5, indicating "strongly agree," to 1, indicating "strongly disagree." In addition to the questionnaires, in-depth interviews were conducted with the key informants. These interviews were carried out through online platforms, providing a convenient and efficient means of communication. To interpret the data, mean and standard deviation were calculated. Meanwhile, content analysis was used in SWOT analysis to identify the shops major strengths, weaknesses, opportunities and threats (Cavite, Kerdsriserm, et al., 2021).

Results and Discussion

Consumer buying behavior for safe agricultural products

Farm Chao Khun Shop caters to four customer groups: students, faculty members, staff, and outsiders. Staff and professors exhibited similar purchasing behaviour, with 60% buying safe agricultural products between 6:01 p.m. and 9:00 p.m. Three areas for improvement were identified: offering a wider variety of agricultural products (70.0% requirement), increasing public relations (50% suggestion), and providing mobile agricultural product sales to KMITL faculties (35% suggestion citing price suitability as the main reason). The most popular product is chicken/duck eggs (32.6%), with customers buying less than six times a year (62.50%) and spending an average of 500 baht. Family influence (56.3%) and good quality (62.50%) were key factors for product

selection. Among non-customers, 50% expressed interest in buying sausage or meatloaf, while a lack of knowledge (100%) hindered recent purchases. Important factors for purchasing included brochures (75%), product samples (50%), and lower prices (50%).

Outsiders, staff and professors showed similar preferences for price and quality, favouring online purchases. Students preferred ready-to-eat and affordable products from safe sources between 12:01 p.m. and 3:00 p.m. Improvement suggestions from students included offering a greater variety of agricultural products (83.5%), enhancing public relations (60.1%), and providing mobile sales to KMITL faculties. Key factors influencing student purchases were quality of agricultural products (75.2%), followed by health benefits (35.0%) and subsidy of products from the Faculty of Agricultural Technology, KMITL (51.3%), respectively. The majority (82.8%) reported being able to purchase from Farm Chao Khun in the Faculty of Agricultural Technology. Fast food was the most popular product among students (5.64%), purchased less than three times a year (42%), with an average spending of less than 50 baht (46.9%). Family members heavily influenced student purchasing decisions (93.8%). Quality was the main reason for choosing Farm Chao Khun's products. If given the opportunity, 63.8% of students would choose to buy fast food. However, 38.3% reported not using Farm Chao Khun products due to a lack of delivery service (34%), product samples (31.9%), and affordable promotions (38.3%).

Consumer buying behaviour reveals important insights into the purchasing patterns and preferences of staff and professors. The majority of staff and professors exhibit similar behaviour by purchasing safe agricultural products between 6:01 p.m. and 9:00 p.m. This finding aligns with previous literature that suggests consumers may have specific time preferences for purchasing certain products or engaging in shopping activities (e.g., evening shopping habits) (Jia et al., 2022). Additionally, the identified areas for improvement, such as offering a wider variety of products and improving public relations, are consistent with the literature that emphasizes the importance of product assortment and customer engagement in influencing consumer choices and satisfaction (Kotler & Keller, 2015). Furthermore, the finding that family influence and good quality are key factors influencing product selection corroborates previous research highlighting the role of social and quality factors in consumer decision-making (Dholakia et al., 2004; Zeithaml, 1988).

Marketing Mix Factors Influencing Consumer Groups' Decision to Buy Safe Agricultural Products

Table 2 reveals that the overall mean importance of the marketing mix factors for the highest group is the faculty group is ($\mu = 4.78$), followed by staff group is ($\mu = 4.72$), student group is ($\mu = 4.65$), and outsider group is ($\bar{x}=4.47$), respectively.

Table 2: Marketing mix factors influencing consumer groups' decision to buy safe agricultural products

Consumer Group	Product	Price	Distribution channel	Marketing promotion	Overall importance
Student	4.64	4.20	4.90	4.89	4.65
Faculty	4.70	4.85	4.85	4.75	4.78
Staff	4.74	4.65	4.68	4.81	4.72
Outsider	4.55	4.11	4.64	4.59	4.47

*values are mean scores (μ)

Student group

For the student group, overall, the importance of marketing mix factors was at the highest level with a mean of 4.65. When considering the subsections within each aspect, it was found that convenience in purchasing products was valued with a mean of 4.90. The factors of convenient distribution channels affecting purchasing decisions are consistent with the research of (Hanaysha et al., 2021). The product aspect, specifically the taste of agricultural products, was important to the purchase decision with a mean of 4.64. In terms of price, consumers valued suitable prices for quality agricultural products with a mean of 4.20. Furthermore, in the aspect of marketing promotion, students paid attention to online publicity of agricultural products through platforms like Facebook and Line, with a mean of 4.89.

Faculty group

There was a high emphasis on marketing mix factors with a mean of 4.78 for the faculty group. When examining the subsections within each aspect, the product aspect, particularly the quality of agricultural products, was deemed important to the purchase decision, with a mean of 4.70. In terms of price, consumers focused on prices clearly displayed at the point of sale, with a mean of 4.85. Additionally, convenience in purchasing products was valued with a mean of 4.85. The factors of store location have linkages with purchase decision are consistent with the research of Hanaysha et al., (2021). The marketing promotion was considered important when employees provided accurate agricultural product information, with a mean of 4.75.

Staff group

Overall, the importance of marketing mix factors for the staff group was at a high level with a mean of 4.72. Within the product aspect, consumers attached importance to the taste of agricultural products with a mean of 4.74, suitable prices related to product quality with a mean of 4.65, and the credibility of distribution locations with a mean of 4.68. In terms of marketing promotion consumers focused on online publicity of agricultural products through platforms like Facebook and Line, with a mean of 4.81. The results of this study are consistent with Wijayanti et al., (2024) who found that promotional mix has a positive effect on customer satisfaction and purchase.

Outsider group

As for the outsider group, the overall importance of marketing mix factors was at a high level with a mean of 4.47. Within the product aspect, consumers valued the taste of agricultural products with a mean of 4.55. In terms of price, consumers valued suitable prices for the quantity of agricultural products with a mean of 4.11. Convenience in purchasing products was also deemed important with a mean of 4.64, The factors of convenient distribution channels (online shopping) affecting purchasing decisions are consistent with the research of Wang and Zhang (2020). The marketing promotion through online platforms like Facebook and Line received attention with a mean of 4.59.

The marketing mix factors and their influence on consumer decision-making provide valuable insights into the preferences and priorities of different consumer groups. The results indicate that factors such as distribution channel, marketing promotion, product, and price play a significant role in shaping consumer decisions across all groups. These findings are consistent with previous literature that emphasizes the importance of these marketing mix elements in influencing consumer behaviour and purchase intentions (Kotler & Armstrong, 2010). Moreover, the specific preferences within each consumer

group, such as the emphasis on taste and suitable prices for agricultural products, highlight the importance of catering to the unique needs and preferences of different target segments (Dibb & Simkin, 2013).

SWOT Analysis of the Farm Chao Khun Shop

SWOT analysis results come from in-depth interviews. and group discussion from 10 main informants, consisting of 3 professors who participated in organizing Farm Chao Khun, 4 staff related to the main products, and 3 regular customers. The analysis highlights the key factors that can impact the shop's performance and competitiveness in the market.

Table 3 reveals the strengths such as the strong reputation of the institution and the shop's offering of safe agricultural products backed by research certification, align with the importance of reputation and product quality in the literature (Calvo-Porrall & Lévy-Mangin).

For the weaknesses, it showed that the management is inefficient, leading to inadequate quantities of products available for sale. Moreover, the inconsistency between product quantities and customer demands, particularly for products that are not produced in-house, poses a challenge. Furthermore, the lack of control and prominence of the shop, situated within the Faculty of Agricultural Technology building, limits accessibility for potential customers. Consequently, inadequate publicity, limited product variety, high prices, and a restricted target market contribute to the inability to compete effectively with numerous competitors (Table 3). The weaknesses identified, including inadequate quantities of products, limited control and accessibility, and pricing issues, reflect common challenges faced by retail businesses (Guerola-Navarro et al., 2022).

The opportunities include that consumers are increasingly prioritizing health considerations. Furthermore, there is a growing market segment of health-conscious individuals who value premium products (Cavite, Mankeb, et al., 2021). The online market provides a convenient platform for ordering food products, appealing to consumers of all genders and ages. Additionally, the data collected from the marketing mix questionnaire indicates that consumers assign high importance to agricultural products across four key aspects: product, price, distribution channel, and marketing promotion (Table 3). The opportunities presented by the growing health-conscious market segment and the online platform echo the trends observed in consumer behaviour and the digitalization of the marketplace (Martiskova & Svec, 2020).

The threats were the prevailing COVID-19 situation that led to a decline in the number of students, employees, and staff entering the institution. Additionally, price fluctuations pose a significant challenge to the sale of products (Table 3). The threats posed by the COVID-19 situation and price fluctuations highlight the external factors that can disrupt business operations and profitability (Belitski et al., 2022).

Table 3: SWOT of the Farm Chao Khun Shop

Strengths	Weakness
Reputable institute	Competent officials not fully responsible (lack of Production Department)
Credibility	Inefficient implementation
Product certification research	Insufficient production to meet demand
High product quality	Uneven output
Knowledge and network	Non-outstanding shop
	Inadequate publicity
	Few products to choose from
	Inaccessible places
	High product price for specific group
	Non-self-produced product control
Opportunities	Threats
Value of premium health lovers	The COVID-19 situation resulted fewer students, staff, and visitors entering the institution
Online market value and convenient channels for purchasing	
Government support for research projects on agricultural products	Price fluctuations of the product

Conclusion and Recommendations

This study finds that Farm Chao Khun shop caters to diverse customer preferences, with outsiders, staff, and professors favoring online purchases for price and quality, while students prefer ready-to-eat, affordable products. Key factors influencing student purchases include product quality (75.2%) and health benefits (35.0%). Despite fast food being popular, a significant percentage of students do not use Farm Chao Khun due to a lack of delivery service and promotions. Marketing mix factors are deemed crucial across all customer groups, with strengths like a strong reputation and offering safe products aligning with consumer priorities. However, weaknesses in management efficiency, inadequate product quantities, and limited accessibility pose challenges, and external threats include the impact of COVID-19 and price fluctuations.

The study's findings and recommendations benefit agricultural store managers by informing decisions in marketing, product diversification, pricing, and promotions. Agricultural extension officers can also use this information to enhance the effectiveness of marketing strategies for similar customer groups. The market segmentation analysis aids practitioners in understanding and catering to the distinct requirements of students, faculty, staff, and outsiders.

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