



## MARKETING STRATEGIES OF “YANMAR SAKON NAKHON LIMITED PARTNERSHIP” YANMAR TRACTORS DEALER, SAKON NAKHON

Orawan Meethavornkul<sup>1</sup>

Ruchirat Patanathabutr<sup>2</sup>

<sup>1</sup> *Master student, Master of Business Administration Program, Collage of Graduate Study in Management, Khon Kaen University*

<sup>2</sup> *Assistant Professor, Collage of Graduate Study in Management, Khon Kaen University*

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### Abstract

This independent study aims to investigate the environment of management, demographic information, behaviors, opinions and levels of opinions towards the marketing mix, as well as marketing strategies of “Yanmar Sakon Nakhon Limited Partnership” Yanmar Tractors Dealer, Sakon Nakhon. The sample group includes 200 people from Yanmar Ltd. group and 400 people who do not belong to Yanmar Ltd. group. The tools used in this research included a questionnaire and analysis of environment of management, strengths, weaknesses, opportunities, and threats. The results reveal that the reasons for purchasing are good sales service and good engine performance. In terms of opinions towards the marketing mix, it has been found that the participants “strongly agree” with the marketing promotion, the product, the distributing channel, and the price respectively. The type of target group with different genders share significantly similar opinions towards the marketing mix at the significant statistic of 0.05. The target group with age, occupation, education, annual revenue, and the number of land used for different agricultural purposes raises opinions toward the marketing mix differently with significant statistic of 0.05. The results of this study are used to implement a marketing strategy for Yanmar Sakon Nakhon Limited Partnership, Sakon Nakhon. The strategy consists of 5 projects: “Yanmar Family”, “Fun Coupon”, “Demonstration to Community”, “Taek Nor”, and Yanmar Let’s Go”. The project budget is 695,160 Baht, and as a result, the marketing shares of Yanmar Sakon Nakhon Limited Partnership, Sakon Nakhon will increase by 20% and be a guideline for business owners to improve their marketing potential.

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**Keywords:** marketing strategy, tractor, Yanmar

## Introduction

Yanmar Sakon Nakhon Limited Partnership (YSLP) is a distributor of agricultural machinery under Yanmar trademark in Sakon Nakhon. It sells tractors as primary products, tractor trailer equipment, rice harvesters, diesel engines, and Yanmar spare parts. It also provides maintenance and engine oil change services by skilled technicians who have been trained by Yanmar. The sales areas in Sakon Nakhon cover 11 districts.

Prior to the opening of YSLP, there was no distributor selling Yanmar tractors for 2 years resulting in lack of marketing and continuous maintenance. As a result, the customers lost trust in the products and services. At present, there are several trademarks of tractors distributors in Sakon Nakhon, such as Kubota, Ford, New Holland, and John Deer, resulting in high marketing shares and growing competition in the tractor business. Therefore, marketing improvement is required to meet the customers' needs, suite their behaviors, and develop the marketing potential of Yanmar tractors.

With the reasons mentioned above, the researcher who is the business owner have investigated the managing environment of YSLP to suit the customers' behaviors and needs which will capitalize on the business in the future.

## Objectives

1. To investigate the managing environment of Yanmar Sakon Nakhon Limited Partnership, Sakon Nakhon
2. To investigate the demographic data and purchasing behaviors on tractors of the target group
3. To investigate the opinions and differences of the levels of opinions toward the marketing mix of Yanmar tractors in the target group
4. To develop a marketing strategy of Yanmar Sakon Nakhon Limited Partnership, Sakon Nakhon

## Methodology

This is an applied research work with descriptive social science methods. The research interprets, analyze, and process the data obtained and present the descriptive analysis results [1] by using descriptive statistics to characterize the data distribution, frequency, average of variables, and different values from other variables. In addition, inferential statistics is used to explain the link between data and assumptions which leads to inferences resulting in representative values of the population studied.

1. Scope of study

The concept of the study includes the classification of the target group with types of target group, gender, age, education, occupation, income, and the number of land used for agriculture as the factors. The research tools include questionnaire applied from Consumers' Behavior theory[3], Customer Relation Marketing theory[4], Marketing Mix theory[5], and Opinion and Levels of Opinion theory[6]. An analysis of the quality and reliability of the tools is



conducted to find the IOC[7] and brainstorming theory[8]. The results from the study are then compared to the relevant research works so that the marketing strategy of YSLP is achieved to respond to the behaviors and opinions of the target group.

## 2. Hypothesis

The target group varies in terms of gender, age, occupation, education, income, and the number of land owned for agriculture. The level of opinions toward the marketing mix of YSLP does not differ.

## 3. Scope of study: Population and sample group

The target group includes those who own a tractor which can be classified into 2 groups: 1) 400 people in Yanmar Ltd. group [9] and 2) 603,092 people who do not belong to Yanmar Ltd. group in the sales areas of YSLP [10]. The sample group includes 200 people from Yanmar Ltd. group and 400 people who do not belong to Yanmar Ltd. group.

## 4. Tool and analysis of quality of tool

The tools used in the study are the questionnaires. The research has conducted a quality analysis on the questionnaires to find IOC with reviews and editing by 3 experts on April 2015. Then, the IOC is obtained.

## 5. Data collection

Data from 200 subjects in the Yanmar Ltd. group and from 400 subjects who do not belong to the Yanmar Ltd. group are obtained during April 2015 with a convenient sampling method. Then, the researches verify and analyze the data by using a micro-computer tool, SPSS for Windows Version 19.0 to analyze the statistical data. The statistics used in the study include percentage, arithmetic, standard deviation, T-test, and ANOVA

## 6. Conditions to be considered in the study

Conditions regarding the hypothesis need to be considered to determine if the hypothesis will be accepted or rejected. Significant values will be compared. Provided that the computed significant values are greater than or equal to 0.05, the hypothesis will be accepted. On the other hand, provided that the computed significant values are less than 0.05, the hypothesis will be rejected.

## Results

### 1. Environment of management

In terms of the environment of management in YSLP, it is found that having only one owner in the internal environment makes it flexible to manage. The external environment, according to the analysis of general environment, it is found that political, social, cultural, and technological factors positively affect the shop, while economic and physical factors negatively affect the shop. According to the analysis of industrial competition, it is found that the intensity of the competition, the bargaining power of the suppliers, and the bargaining power of the buyers or customers highly affect the shop, while the threat new competitors and threat from substitute products slightly affect the shop.

Business owner and employees' opinions towards the marketing mix of YSLP, the results are as follows: In terms of product, Yanmar tractors are medium-size and used in field labor with sustainable engine that saves fuel, and Yanmar spare parts are available with quick ordering. In addition, there is after-sales service provided, such as changing the engine oil and maintenance by trained technicians. In case the customers need spare parts that are not available at the shop, the shop will order them immediately for the customers. In terms of price, YSLP sells the tractors based on standard pricing set by Yanmar Company. The price is reasonable to the quality of the product, but the installment is relatively higher than other competing shops. In terms of distribution channel, YSLP is located on the main road, convenient for visiting with a parking space. There are some tractors displayed in front of the shop, and the customers can either have a look at the tractors at the shop or have the salesperson go to the house to give information since there is no branch in certain districts. The distribution channel is via cash, Yanmar credits, and Bank for Agriculture and Agricultural Co-operatives credits. In terms of marketing promotion, YSLP has marketed via local radio and advertisement signs on the road and in the village in the sales area. There are a Facebook page to keep in touch with the customers and rewards for old customers who bring new customers to buy a tractor in order to generate word-of-mouth which increases the number of the customers.

## 2. The demographic data and purchasing behaviors on tractors of the target group

It is found that the target group includes males aged between 40 and 50 years old who are not farmers but agricultural workers, government officers/employees. Their level of education is lower than high school with annual income approximately between 100,000 Baht and 200,000 Baht and between 300,000 Baht and 400,000 Baht. The number of land owned for agriculture is 4.8 hectares and 6.4 - 8 hectares.

In terms of data regarding tractor purchasing behavior, it is found that the decision maker and the people who influence the decision making to buy a tractor is oneself. They window-shopped for tractors once, and the duration of purchasing is January to June. The customers come the shop with their specific reasons which are good service and good engine performance. The target group comes to the shop by themselves and makes payment via the company credits. The popular tractor model is Kubota EF393T tractor. In addition, they use the service due to its convenient location and recommendation from acquaintances.

## 3. The opinions and differences of the levels of opinions toward the marketing mix of Yanmar tractors in the target group

The opinions towards the marketing mix of Yanmar tractors are generally in "strongly agree" level, ranking from the highest to the lowest average as follows: marketing promotion, product, distribution channel, and price respectively.

In terms of product, it is found that the opinions towards the marketing mix are in "strongly agree" level which includes "Yanmar is a well-known brand", "The salespersons are polite and up to the job", "Yanmar engine performance is good", "Yanmar tractors are quality and meet the standards", and "the spare part service is available at the shop". The opinions in "agree" level includes "the shop provide maintenance service at the house", "it is quick", and "the shop provides good after-sales service".



In terms of price, it is found that the opinions towards the marketing mix are in “agree” level: “it is possible to choose whether to pay the installment via BAAC or via Yanmar credits”, “Yanmar tractors’ price is reasonable to the quality”, and “the price and installment rate for Yanmar tractors are appropriate”.

In terms of distribution channel, it is found that the opinions towards the marketing mix is in “strongly agree” level which includes “the shop label is clearly visible and easily noticeable”. For the “agree” level, it includes “the service is provided at any branch”, “there are salespersons going to meet the customer at home”, “there are appropriate and attractive product displays at the shop”, and “the location of the shop is convenient for access”.

In terms of marketing promotion, it is found that the opinions towards the marketing mix are in “strongly agree” level which includes “there are product exhibitions at certain places, such as Agricultural Cooperative Bank, Agricultural Bank, Provincial Agricultural Fair”, “advertisement”, “public relation via local radio”, “discount in down payment is an interesting offer”, “Customers Thanking event is a way to create a bound and to return benefits to the customers”, “spare parts and engine oil discounts”, “test driving”, and “there should be an appropriate giveaway for tractors”. For the “agree” level, it includes “the salespersons provide accurate and useful information regarding the product”.

Differences of Target Group’s Opinions towards Marketing Mix of Yanmar Tractors Classified by Gender, Age, Occupation, Education, Annual income, and the Number of Land Owned for Agriculture. It is found that the target groups with different types of target group and genders have similar opinions towards the marketing mix with significant statistics of 0.05. In addition, it is found that the target group with different age, occupation, education, annual income, number of land owned for agriculture have different opinions towards the marketing mix with significant statistic of 0.05.

#### 4. Marketing Strategies of Yanmar Sakon Nakhon Limited Partnership, Sakon Nakhon

The marketing strategies involve 5 project: 1) “Yanmar Family”, 2) “Fun Coupon”, 3) “Demonstration to Community”, 4) “Taek Nor”, and 5) Yanmar Let’s Go”. The amount of project budget is 695,160 Baht. After the project, it is expected that YSLP will be able to respond to the target group’s behaviors and needs more effectively with 20% increase in its marketing shares and a guideline for the business owner to improve the marketing potential in the future.

**Table 1** Marketing Strategies of Yanmar Sakon Nakhon Limited Partnership.

Project	Period	Budget ( THB )
Yanmar Family	January - February 2016	61,460
Fun Coupon	December 2015	155,500
Demonstration to Community	September – October 2015	3,600
Taek Nor	January 2016	182,800
Yanmar Let’s Go	February 2016	291,800
Summary		695,160

## Conclusion

The study found that the result is in line with the objectives which The opinions towards the marketing mix of Yanmar tractors are generally in “strongly agree” level, ranking from the highest to the lowest average as follows: marketing promotion, product, distribution channel, and price respectively. Marketing Strategies of Yanmar Sakon Nakhon Limited Partnership, Sakon Nakhon involve 5 project: 1) “Yanmar Family”, 2) “Fun Coupon”, 3) “Demonstration to Community”, 4) “Taek Nor”, and 5) Yanmar Let’s Go”. The amount of project budget is 695,160 Baht.

## Discussion

The opinions towards the marketing mix of Yanmar Sakon Nakhon Limited Partnership, Sakon Nakhon are as follows:

In terms of product, it is coherent to the work of Anupansawang (2010) which states that consumers consider the durability, performance, and brand of the tractor. It is also coherent to the work of Visiensat (2013) which states that the factor strongly influencing the decision making for purchasing the medium-size tractor is efficiency in performance.

In terms of price, it is coherent to the work of Anupansawang (2010) which states that consumers consider the worthiness, appropriateness, price, and quality with certain payment conditions. It is also coherent to the work of Visiensat and Simarak (2014) which states that the medium-size tractors owners resort to credit from a distributor or to Agricultural Bank and Agricultural Cooperatives Bank.

In terms of distribution channel, the opinions towards the marketing mix are in “strongly agree” level which includes “the product labels are clearly visible and noticeable”. For the “agree” level, it includes “the service is provided at any branches”, “the salespersons can go to the customers’ house”, “product displays in front of the shop are complete and attractive”, and “the location is convenient for transportation”.

In terms of marketing promotion, the opinions towards the marketing mix are in “strongly agree” level which includes “product exhibitions at certain places”, “advertisement”, “public relations via local radio”, “down payment discount”, “customer thanking event”, “spare part and engine oil discounts”, “test-driving”, and “giveaway”. For the “agree” level, it includes “the salespersons provide accurate information regarding the product”.

## Suggestions

Suggestion to the organization is that there should be a follow-up and a service quality evaluation for the customers continuously.

Suggestion for the further study is that there should be a follow-up and a study on service provision of competitors in order to compare and improve the service in his/her own business in the future.



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