

THE DIRECTON TO INCREASE ANIMAL FEED SALES OF CHAICHAROENPOKPHAND STORE CHUMPHARE DISTRICT, KHON KAEN PROVINCE

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Abstract

The Direction For Animal Feed Sales Increasing of Chaicharoenpokphand Store in Chumphae District, Khon Kaen Province was a qualitative research together with an action research aimed at finding impression and positive experience of entrepreneurs, staffs, and customers receiving services to gain a direction for business operation and increasing sales of animal feed of Chaicharoenpokphand Store. The study employed the theory of Appreciative Inquiry or AI. From positive interviews, there were 61 units of analysis. They can be divided into 16 purposive samples from the interviews with the entrepreneurs and staffs and 45 accidental samples from 15 customers of Chaicharoenpokphand Store, 15 customers from store A, and 15 customers from store B. The data obtained was analyzed by SOAR Analysis, Marketing Mix, 7C' of Communication Theory, and Social Laboratory. The study included the workshop in some projects, so The Direction For Animal Feed Sales Increasing of Chaicharoenpokphand Store was obtained. It can be observed by the comparison of sales of Chaicharoenpokphand Store from January to June in 2015 and 2016. The sales somehow were decreased at (4.15%) due to the crisis of continued drought since last year which disappointed the aim and also the price of live animal sales was not attractive to animal farmers.

Keywords: Sale Increase, Appreciative Inquiry



Introduction

Chaicharoenpokphand Store was a sale agent of “Hi Gro” brand animal feed, animal medication, and animal farming equipments, both retail and wholesale in the area of Chumphae District, Khon Kaen Province. The main product were swine feed, layer feed, broiler feed, herbivore fish feed, and cat fish feed. The main customers of Chaicharoenpokphand Store were independent animal farmers and small scale farms. The sale area of Chaicharoenpokphand Store was not only in Chumphae District but covered the area of the neighboring district to Chumphae District such as Seechomphoo District, Nong Khae District, Phu Keow District, and Konsan District.

The sales of Chaicharoenpokphand Store was growing every year. For instance, the sale in April 2013 was 10,352,739 ThBaht, in 2014 was 16,284,902 ThBaht, and in 2015 was 18,327,806 ThBaht. However, since the expansion of the business in August 2015, it was found that sales in August to December had decreased when compared to the same period in the year 2014. This presented the reduced sale when the store expanded their business but their sales were decreasing from August to December of the passing year. The reason was the fact that Chaicharoenpokphand Store had no clear strategic plan in the latter year half. Due to rapidly growing competition of animal feed stores, the competition in this industry was thus getting higher too. Animal farmers have more choices and animal farming in the area of Chumphae District in 2015 was facing drought, resulting in not very effective agriculture. Animals grew slowly because of insufficient water and they were sick so easily and had high death rate. The price of animal feed increased because the raw material had to be imported from abroad more due to drought. Moreover, the price of live pig was low.

These problems affected not only to animal farming but also to the business of the store too. It was convincing to conduct a study to promote the career of animal farmers. Additionally, it was expected to obtain a direction to increasing sale of Chaicharoenpokphand Store by a method of qualitative research together with action research using Appreciative Inquiry or AI [1] in finding positive data to analyze together with SOAR Analysis theory[2], Marketing Mix, Action Research, 7C's of Communication Theory, and Social Laboratory.

Objectives

1. To study positive experience of entrepreneurs, staffs, and customers receiving services and so to obtain a proper direction for Chaicharoenpokphand Store.
2. To be the direction for business operation and increase sales of animal feed of Chaicharoenpokphand Store.

Scope of the Study

1. 61 units of analysis from the interviews with samples in the area of Chumphae District, Khon Kaen Province. They were divided by 16 purposive samples which were store owner and staffs of Chaicharoenpokphand Store, Animal feed store A, and animal feed store B. 45 accidental samples from 15 customers receiving services at Chaicharoenpokphand Animal Feed Store, 15 customers from animal feed store A, and 15 customers from animal feed store B.

2. The scope of time. This study collected data, analyzed, and reported the results from January to June 2016, 6 months in total.

Methodology

The study was a qualitative study together with an action research with appreciative inquiry (AI) by using whole system 4-D dialogue (4-D model) [3]. The data obtained was analyzed for a model to increase sale. Since the researcher was rather experienced in this type of business, problems and solutions were carefully considered. The researcher used an action research [4] and social laboratory, so the workshop and the study co-existed along with the study process as follows:

1.1 *Discovery* was the process of interviewing to find positive experience from customer receiving services and then the data was analyzed for factors that were convergences and the divergences. The interview question consisted of the followings:

1. Interview questions for entrepreneurs and staffs of the 3 animal feed stores in Chumphae District, Khon Kaen Province.

Question 1: What do you like most about this store?

Question 2: With what incident were you impressed the most?

2. Interview questions for customer receiving services for the three animal feed stores in Chumphae District, Khon Kaen Province.

Question 1: What do you like most about this store?

Question 2: After receiving services, what impressed you the most?

1.2 *Dream* was expectation of what they would like to see in their organizations. The convergences and the divergences were brought to formulate a dream model for organization development according to SOAR analysis theory to analyze the context and brought about opportunity to succeed. Marketing mix analysis was connected to the convergences and the divergences obtained from the interviews with 61 samples to find an appropriate marketing model and effective implementation to Chaicharoenpokphand Store.

1.3 *Design* is the process where the analysis of the convergences and the divergences gained from finding positive experience used to improve to respond to “Dream” was constructed into clear steps to increase sale.

1.4 *Destiny* was the operation to bring “Design” to practice.

Result of the Study

The result of the study on positive experiences from the entrepreneur and staffs of Chaicharoenpokphand Store, animal feed store A, and B revealed convergences and the divergences as follows:

Convergences

work atmosphere and attention towards staffs as if they were family (16 opinions), good quality products and confidence so that the staffs can provided advises to customers confidently (14 opinions), variety of products (4 opinions), appropriate and convenient store



location (4 opinions), commission paid for staffs (3 opinions), collection of customers' data at each purchase (2 opinions), free gifts (1 opinion), quick service without long waiting (1 opinion), visiting to customer's farm (1 opinion), and the store owner had animal farming to be a model (1 opinion).

Divergences

- 1 work atmosphere and attention towards staffs as if they were family
- 2 visiting to customer's farm
- 3 collection of customers' data at each purchase
- 4 free gifts
- 5 the store owner had animal farming to be a model.

The result of the study of positive experiences from the interviews with 45 customers from 3 stores revealed that 15 customers at Chaicharoenpokphand Store, 15 customers receiving service from animal feed store A, and 15 customers at animal feed store B presented convergences and divergences as follows:

Convergences

good quality product and confidence in the product quality from customers (27 opinions), attention to customers and good services of the store owners and staffs (25 opinions), appropriate and convenient store location (17 opinions), the way of talking to give advises to customers (14 opinions), fast service (13 opinions), variety of products (9 opinions), being original local store of the community for long time (7 opinions), free gifts (5 opinions), farmer credit card (4 opinions), store credit for customers (3 opinions), and providing animal husbandry to take care of animal in the community. (2 opinions)

Divergences

- 1 attention to customers and good services of the store owner and staffs
- 2 variety of products
- 3 good quality product and confidence in the quality from customers
- 4 appropriate and convenient store location
- 5 low price

The result from the study of the data from the positive interviews with customers, staffs, and store owners was integrated with the workshop, so the appropriate business operation was obtained. Hence, the researcher was able to formulate 7 strategies to increase sale in the form of project operation.

1. *Project "Monthly Meeting"* was to arrange a monthly meeting to talk about good things and it was found that staffs liked the activity and resulted in good relationship and constructed bond in the organization. Staffs talked more to the customers and presented happiness at work.

2. *Project "Chaicharoenpokphand Loves Community: Tent of Relationship"* The process was to provide canvas tents for the community member to borrow for free. The operation of the strategy revealed that: 1) There were good relationship with animal farmer. This included forming impression to the community since the public relation of the project. 2) There

were farmers who informed about their demand to use the tents for the Buddhist ordainment ceremony in Seechompoo District.

3. Project *“Chaicharoenpokph and Loves Community: Recommendation and Suggestion to Give Knowledge”* revealed the result from its operation that:

1) Farmers participating in the project gained better knowledge and comprehension in feeding their animals and implement the knowledge to practice. They have more confidence in the product as observed that they came back and shared the news that their pig are healthier and gained more weight than feeding by feed of other brands. 2) Farmer applied microorganism successfully and they came back to buy repeatedly. When they applied the product, their chicken ate more and it was very effective when using to improve their fish pond. The sale of the microorganism liquid since January to June was 3,500 ThBaht. 3) There were more purchase orders of animal feed from customers after the visit to farmer's farm and the meeting.

4. Project *“Chaicharoenpokphand: The More Getting to Know, The More Loving You”* The process was a promotion to increase sales by: 1) The store distributed 200 coupon for customers - 1 coupon for customers purchasing of 1 sack of animal feed, 2) The store have increasing sales activity by having a lucky draw activity. There were two parts of prizes. The first part was a monthly lucky draw and the prizes were gold, TV, refrigerator, and cell phone. The second part was the lucky draw at the last month of the promotion activity. It was found that customers were impressed, apparently observed by their reaction and they told their neighbor and friend to buy the product because of the promotion of free gift of the store.

5. Project *“Developing Chaicharoenpokphand Store”* was to arrange store display and collect customer's data. This helped to respond to customers' need better, correctly and quickly. This was able to build good image of the store. It was also found that customers can easily find the store and the parking space. They were impressed when coming to receive services. The database gave information and contact to inform news to customer faster and more convenient.

6. Project *“PigOne for Farmers”* was to bring new product into the competition in the market. After the product was bought and customers came back to buy more and the sale was continually increasing. This strategy was able to attract new customers who demand low price products. PigOne; however, was the new product in the market and was unknown, hence it took time to build up confidence for the product.

7. Project *“Study on egg production of layer hen as sample for small famers”* revealed that the sale of layer chicken were increasing especially among teachers who told their friends to use the chicken in Lunch Fund Project and it was also interested by customers who bought animal feed with the store. This also encouraged more sales of chicken cages, vitamin, and layer feed.

Conclusion

Comparing sales of Chaicharoenpokphand Store from January to June in 2015 and in 2016, reduction of sale was found by 364,120 THBaht (4.15%). After the implement of the



strategies it was found that staffs were impressed and gained better relationship and good bond in the organization. The store had good relationship with animal farmers and with the community. There were supports on knowledge concerned with appropriate animal feed product and animal farming. Customers who received free microorganism were impressed which can be apparently observed from their reaction and they told their neighbor and friends to come buying products at the store because of free gifts. The store was easily found and had convenient parking. Customers were impressed when they came to receive services. This can help attracting new customers who demand low price products and helped to have their purchase repeatedly. It was also interesting for people passing by. Those who wanted to raise layer chicken had continually pre-ordered and customers recommended their friends by words of mouth so the store was widely known.

Recommendation

1) Finding of positive experience from customers must not be irritating and the interview must be done at willing of customers so that the accurate experience to use as the shift of the business could be obtained.

2) To give compliments to customers, it can begin with giving information, explaining information, giving advises, greeting, thanking, or giving complements in appropriate opportunity to impress customers because they would feel good toward the store and eventually became loyal customers.

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