# THE STUDY OF APPLICABLE PATTERNS OF SALAKPHET LOCAL MARKET MANAGEMENT FOR TOURISM IN TRAT PROVINCE, THAILAND

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#### **ABSTRACT**

Establishing local markets for tourism purposes challenged the difficulties without the accurate directions. Therefore, Salakphet community in Trat, Thailand needed to investigate the appropriate patterns to follow the guidelines of local market management. The research aimed to identify the patterns of achieved local market management in Thailand and explore the factors that drove the successful local markets. The qualitative research was conducted by adopting in-depth interviews with market stakeholders, groups of local retailers who were influenced by establishing the local markets and official administrators in the total of 44 participants. Furthermore, non-participant observation of each local market was involved in this study.

Being successful in local market management, the results revealed five crucial factors: management, place, product, price and promotion. The initial factor was Management which the public sector set the central committees and self-operating group collaborating with private sectors, governmental sectors and educational institutions by assigning individual tasks and duties. In relation to places, locating near communities, accessing to transportations, providing sufficient and convenient parking spots, toilets and signs were regarded. Referring to prices by offering low prices, using local materials, operating direct sell to reduce the labour cost and budget and trading with hospitality and special discounts led to increase the values of the prices. Promotions were incorporated as the final related factor of local market management. To promote selling and products, giving information to tourists or customers such as brochures, broadcasts as well as giving information from the retailers directed to supporting pleasurable activities within communities.

However, relating to Thai context of being successful in local market management, the associated factors needed to be considered in views of 1) foregoing background of connection with communities 2) respectable committees and systematic and effective administration with various group cooperation 3) convenient locations and nearby local residential areas 4) remaining local lifestyles 5) offering varieties of products and local material usages 6) valuable prices to purchases the products 7) various local foods and available products to purchase as souvenirs 8) fresh and unique products 9) supplying goods to the markets by local retailers within communities 10) local resident participations 11) presenting the stability of the operating times 12) operating particular days a week 13) providing necessary facilities 14) networking and cooperating with supportive organizations to continually inform news and information. Hence, taking into account of all essential factors led to gain successful managing local markets.

**Keywords**: Tourism, Management, Local market, Community

## INTRODUCTION

A market is not only a place for economic commodity exchange, but it also a part of a community that requires the systemic management to unite the community. Designated Areas for Sustainable Tourism Administration (Public Organization) allocates the managing strategies to operate the Designated Areas for Sustainable Tourism Administration and local communities within the balanced principles in terms of economy, society and environment as well as supportive policies of taking the idea of Value Creation. These principles based on the sustainable tourism of Thainess, lifestyle, local wisdom, Arts and History.

Designated Areas for Sustainable Tourism Administration (Public Organization) have brought the policies to adapt with the designated areas where they were studied the appropriate patterns of Salakphet market management with the supported project of ecotourism and cultural tourism in the designated areas of Chang Island to study the successful patterns to adapt with the Salakphet community. The policies also support the activities that develop qualities of living, welfares, stability of nutrition, balanced living within the potential resources and cultural community, well management, self-reliance to serve the changes in a Thai society and globalization trends as well as leading to reduce poverty.

According to the policies mentioned above, the researchers intend to study the successful patterns of market management to adopt the models and identify the factors towards being successful local markets in Thailand. In addition, the researchers propose to seek the possibility of promote the Salakphet local market and allocate the appropriate patterns for local markets.

Thus, the objectives of this research were to study the successful patterns of local markets in Thailand, study factors of successful Thai local markets.

## RESEARCH METHODOLOGY

The research aimed to study the appropriate patterns for Salakphet local market for Tourism in Trat province, Thailand. The qualitative research has been conducted between

16 September 2012 and 13 February 2014. The research used in-depth interviews with market stakeholders, groups of local retailers who were influenced by establishing the local markets and official administrators in the total of 44 participants from 11 places around Thailand; 2 local markets in Chaing Mai, 2 local markets in Mahongsorn, 3 local markets in NakornPhathom, 1 local market in Chacherngsao, 1 local market in Surat Thani, 1 local market in Sognkla and 1 local market in Nakhon Si Thummarat. Moreover, non-participant observation of each local market was involved in this study.

#### **RESULTS**

According to the objectives of this study, the researchers summarized the results into 2 sections;

Studying the successful local markets to analyse the appropriate patterns of local market management

With the investigations of 11 local markets, each places used different strategies, Marketing Mixed Method for the market management to suit the context and characteristics of the communities. These reasons initiated the emerging interesting local markets in Thailand to attract tourists to visit and purchase the local products.

Being successful in local market management, the results revealed five crucial factors: management, place, product, price and promotion.

# 1) Management

Management was a process which set to operate the local markets such as setting the central committees and self-operating group collaborating with private sectors, governmental sectors and educational institutions by assigning individual tasks and duties. The factors that continually drove the movement were 1) the characteristics of the leaders who drove the market management 2) ethics for administration management 3) Participations 4) Continuality in administration system 5) setting clear rules within the markets.

In general, most of the structures of the local markets set the central committees and selfoperating groups. Each group of committee such as places, finance, collaborating was assigned to drive their individual tasks and duties to drive the local markets. The leaders of driving the market management found to be indicators of the progression or regression.

One outstanding example found in Kad Hor, Chaing Mai where the leader of the market was trustworthy and knowledgeable with using ethical management, focusing the qualities of Haral foods and keeping clean and tidy market areas.

# 2) Place

Place was one of importance factor to facilitate the customers for purchasing products. The

major local markets found to be located near the community areas that were considered as 1) convenient places 2) accessible to transportations 3) sufficient parking lots 4) toilet services 5) signs to point the directions within the markets.

# 3) Product

Local products in the market were produced from raw materials which were available in the local communities. Thus, the products represented the local communities and interested the tourists to purchases the merchandises. The products themselves were sourced from the natural resources of the communities. These processes presented the dissimilarities between other markets and the charms of the local markets that offered the products in relation to the seasons. This means that the local markets have been remained operating alongside with the trading competitions of the convenient shops in the villages.

## 4) Price

Price helped balancing the products and values of the products which attracted the customers

to select the products. One reason that differentiated the local market and other markets was the inexpensive prices of products because the raw materials were available within the communities. Moreover, the traders and customers directly traded without paying for the merchant middlemen. This led to offer the low prices of products and satisfied the tourist customers.

## 5) Promotion

According to the study, promotions of the local markets were comprised of four important

reasons; 1) information for the tourist customers 2) welcoming atmosphere 3) additional activities that supported by communities or other organizations and 4) local lifestyles of the communities which interested the tourists.

Hence, it can be concluded the model of market management as following:

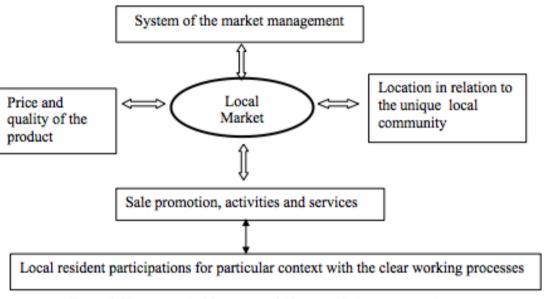


Figure 1: The concept of the successful local market management

Factors of being successful Thai local markets

By analysing data from the 11 markets, the researchers identified the strengths, weaknesses and the successful factors in the market management.

The study found the strengths from the successful local markets as following;

- 1) having long period of time of setting markets 2) offering local products by using local materials
- 3) offering varieties of products 4) using raw materials from natural resources 5) service minds of local traders 6) locating within the local resident areas 7) setting temporary stalls with plain and clean styles 8) inexpensive prices 9 presenting the atmosphere of local culture and lifestyles 10) assigning zoning area 11) co-operating groups of traders 12)

keeping clean during cooking 13) using media for advertising 14) providing toilets and facilities 15) cleaning after closing 16) easy to access to the local markets 17) attractive tourist attractions nearby 18) effective administrative systems by local communities 19) conducting researches and co-operating with educational institutions 20) management system of the cultural and environmental impacts 21) protecting architectures and cultural heritages 22) development plans 23) clubs for conserving traditional and local foods 24) using the market areas for cultural activities 25) setting the rules 26) administrative committees for the quality control.

The weaknesses that were found from the successful local market were 1) insufficient parking lots 2) similarities of the products 3) lack of increasing values of the products 4) conflict of interests 5) inadequate rubbish bins 6) lack of toilets 7) unstable offering products for vending 8) locating in tourist attractions which caused crowded areas particularly during holidays

As revealed by the research results, the factors that drove and maintain achievement in maintaining local markets were 1) having long history and connecting with the communities 2) reliable administrative committees and well managed with participations 3) appropriate locations 4) presenting local lifestyles 5) presenting local materials from local products 6) trading valued products 7) varieties products and local foods 8) fresh and unique products 9) continuous trading 10) lively venders 11) stability of opening and closing time 12) operating particular days a week 13) providing necessary facilities 14) networking and cooperating with supportive organizations to continually inform news and information.

#### CONCLUSIONS AND RECOMMENDATIONS

The study identified the strengths, weaknesses and the factor that drove successful local markets from 11 local markets around Thailand. To be achieved in setting the markets, the local communities needed to take into account of five crucial factors; 1) Management 2) Place 3) Product 4) Price and 5) Promotions. These factors associated with the factors of managing the new marketing Bachmann (2008) which comprise leaders, traders, locations, operating time, freshness of the products, arts and handcrafted products, suitable prices and rules set by the local management and the government.

To set the local market in Salakphet community, the patterns of 11 local markets facilitated Salakphet community to identify the unique pattern for the particular context.

The community has its potential to drive the local market; however, the community needs to cooperate with public and private organizations and local resident participations as well as using the local resources to sustainably drive Salakphet local market.

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