

| | |
|-----------------------|---|
| Research Title | Business Plan for Creating Innovation and Value of Local Functional Food to Support Asean Economics Community (AEC): A Case Studies of Local Raw Material from Chiang Rai, Nong Khai, Phetchaburi, Surat Thani Province |
| Researcher | Assoc. Prof. Sirivan Serirat Asst. Prof. Dr. Jirawat Anuwichanont Asst. Prof. Nongluck Popichit Dr. Witaya Siripanwattana |
| Organization | Suan Dusit University |
| Year | 2018 |

The objective of this research project was to develop the business plan for creating Innovation and value of local functional foods to support Asean Economics Community (AEC): a case study of local raw material from Chiang Rai, Nong Khai, Phetchaburi, Surat Thani province.

This research project comprised 3 research sub-projects which employed the mixed method research including both quantitative and qualitative researches. The quantitative research employed the questionnaire as the tool of data collection and the qualitative research utilized the depth interview and focus group along with observation to collect data from the key informants. To develop the business plan, the research findings of 3 sub-projects was integrated to develop the business plan for creating Innovation and value of local functional foods.

The research findings of these 3 research sub-projects as well as the main project were shown as follows:

Research sub-project 1: The first sub-project was aimed to select the suitable local raw materials for the production of local functional food and to analyze the trends of value creation of local functional raw materials. The selection

criteria included nutritional value, economic value and cultural value. The selected 3 local raw materials of each province were shown as follows: Chiang Rai [Pak-wan Tree (ผักหวานป่า), Chiangrai Nanglae Pineapple (ส้มประดนางแล), Assam Tea (ชาอัสสัม)], Nong Khai [Probarbus jullieni (ปลายี่สก), Mekong giant catfish (ปลาบึก), Vietnamese pangasius, basa fish (ปลาแพะ)], Phetchaburi [Blue swimming crab (ปูม้า), common lime, (มะนาวแป้นรำไพ), Herklotsichthys (ปลาอกแล้)] and Surat Thani province [Hooded oyster (หอยเจาะ), Langsat (กลางสาต), Parkia speciosa (สะตอ)].

Research sub-project 2: The second sub-project was involved with the development of Innovation and value of local functional foods. The raw materials selected from the research sub-project 1 along with the research findings were utilized to develop the cooking manual of local functional foods for the future production of 20 menus for commercial purpose.

Research sub-project 3: This sub-project was designed to conduct market testing and business analysis of local functional food products from local raw materials. The testing of food samples of 20 menus of local functional food products with foreign tourists was implemented. The research findings were shown as follows:

The research findings of hypotheses testing revealed that

1. The attitudes toward good taste and nutritional value influenced foreign tourists' satisfaction towards each menu of local functional food products of Chiangrai, Nong Khai, Petchburi and Surat Thani.

2. Satisfaction towards food taste and the value of healthy food influenced foreign tourists' behavioral tendency towards each menu of local functional food products of Chiangrai, Nong Khai, Petchburi and Surat Thani.

3. The food taste with group acceptance influenced foreign tourists' overall satisfaction, purchase intention, intention to recommend and willingness to pay towards local functional food products of Chiangrai, Nong Khai, Petchburi and Surat Thani.

4. The innovation adoption of food menu influenced foreign tourists' overall satisfaction and intention to recommend towards local functional food products of Chiangrai and Petchburi.

5. The celebrity endorsement influenced foreign tourists' willingness to pay towards local functional food products of Petchburi.

6. The perceived value influenced foreign tourists' overall satisfaction towards local functional food products of Surat Thani.

7. The communication and prior experience influenced foreign tourists' overall purchase intention towards local functional food products of Surat Thani.

8. The communication influenced foreign tourists' overall intention to recommend towards local functional food products of Surat Thani.

9. The communication and celebrity endorsement influenced foreign tourists' overall willingness to pay towards local functional food products of Surat Thani.

Based on the findings of quantitative and qualitative researches, the marketing strategies were developed as follows:

1. The objectives of marketing strategy are aimed to build favorable attitudes towards local functional food products and the adoption of innovation of local functional food products.

2. Target marketing strategy will focus on western customers as the primary target group and Japanese, Chinese and other nationality customers as the secondary target groups.

3. Product strategy will emphasize product positioning in terms of the value of healthy food (low calorie and good taste), packaging strategy, branding and label to communicate the value of local functional food products.

4. Integrated marketing communication strategy is aimed to communicate the value of healthy food (low calorie and good taste), enhance the favorable attitude towards good taste and the value of healthy food. Moreover, the innovation adoption of food taste, perceived value, traditional and new communication, celebrity endorsement and authentic experience seeking are also conveyed to induce purchase behavior, intention to recommend and willingness to pay.

5. Price strategy is based on the judgment of product cost and perceived value of customers. The price strategy can be set by means of mark up on cost, mark up on selling price and quantity discount.

6. Distribution channel strategy through wholesaler, retailer (restaurant and souvenir shop), tour business and guide, emphasizes the location which is most accessible to tourists.

Main project: The research findings from 3 research sub-projects were integrated to develop the business plan for creating Innovation and value of local functional foods to support Asean Economics Community (AEC). The details of business plan consisted of the following topics: (1) executive summary (2) the trend analysis of value of local functional raw materials (3) external and internal environmental analysis and SWOT analysis (4) management plan consisted of the definition of vision, mission, business objectives, key success factors and organizational plan (5) Innovation of culinary plan/cooking development plan (6) Innovation plan toward building value added of local functional foods (7) Marketing Innovation plan and Integrated Marketing Communication (IMC) (8) Financial plan