

# FACTORS OF SUCCESS OF BAG EXPORT ENTREPRENEURS IN THAILAND

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## ABSTRACT

This research has the objective: 1) to study the level of entrepreneur potential variables, digital marketing strategy of the bag exporting enterprises in Thailand. The researcher survey 110 enterprises and 5 people who are senior executives of luggage export establishments in Thailand. The sampling will be entrepreneurial at of 550 people. The results found that Entrepreneur Potential (ENPOT) was at a high level with an average of 4.26. When considering each side found that Vision Export Bags (VISIN), Export Skilled (EXPSK), Export Bags Know-how (EXKNO) were all High Level with an average between 4.19 - 4.32. Digital Marketing Strategy (DGTMK) was high with an average of 4.38. When considering each side found that Modern Marketing Communications Utilization (MDNMK), Social Media Orientation (MDORT), Content Marketing Potential (CONTC), Influencer Focused Online Marketing (INFLU), Online Reputation Management (ONRPT) were high to very high with an average between 4.23 - 4.62. Management innovation (MGINO) was high with an average of 4.37. When considering each side found that Product aspect (PRDCT), Process aspect (PROCS), Service aspect (SERVI) were at high to very high levels with an average of 4.27 - 4.51. The success of bag export entrepreneurs in Thailand (SCBEE) was high with an average of 4.35. When considering each side found that Higher Profitability (HIPRF), Customer and Market Favorability (POPU), High Competitive Potential (CMPT) were high to very high with an average between 4.26 – 4.53.

**Keywords:** Export, Thailand, Innovation, Entrepreneur

## INTRODUCTION

Under the situation of the spread of the COVID-19 virus all over the world, the exporters in each country must adjust their business operations according to the desired goals and create export efficiency. Accordingly, expected by customers and the market which products exported to some countries face import problems. They are found to be a condition of the epidemic causing the business to increase the cost of exporting. Moreover, the government and related parties therefore launch a project to support export credit in each country. It makes entrepreneurs have more liquid working capital (Mordor Intelligence, 2021).

Luggage market segments by product type (luggage business bags, sports bags, and other product categories). Distribution Channels consist of offline and online retail in North America, Europe, Asia Pacific, South America, Middle East, and Africa. Overall, the luggage market is expected to grow during the period 2021 – 2026 due to the pandemic. In the COVID-19 virus and its mutation causing most of the population around the world to stay at home due to travel restrictions and lockdowns. The luggage and backpack industry has been hit hard by the pandemic, and most potential customers are limiting their spending on luggage. They directly affect the revenue from the sale of leading bags in the luggage market.

However, lifestyle changes have impacted the growing travel and tourism industry. And the customer's inclination toward high-end luggage is likely to have a positive impact on the market growth over the forecast period in the future. The increasing convenience of online shopping has led to a major shift in consumer preferences when it comes to shopping for luggage and other luggage through e-commerce platforms such as Amazon and eBay. The bag segment is gaining a lot of attention in the market. Due to increased global business travel and economic development in developing markets. In price-sensitive markets such as some emerging economies across Asia-Pacific and Latin America. The availability of cheaper substitutes and counterfeits compared to brand name products hinders the growth of the luggage market (Mordor Intelligence, 2021).

In Thailand, the economy is developed with an emphasis on exports. Its exports account for about 65 percent of GDP, with its main export partners being China (12%), Japan (10%), the United States (10%) and the European Union (9.5%), with others being Malaysia, Australia and Singapore. (Department of Export Promotion, 2021)

The export of bags by entrepreneurs in the past has encountered problems both in market competition and the impact of the spread of the COVID-19 virus, resulting in a decrease in export efficiency. In addition, the market competition in the modern era is becoming more intense causing problems for export entrepreneurs in business operations. and lack of market competitiveness

Failure to study and correct or find a suitable export model may damage the export business that is unable to run smoothly. resulting in the overall economy of the country. The researcher is therefore interested in studying the model of success of bag exporters in Thailand for sustainable growth and able to develop the economy of Thailand to be stable forever.

## **RESEARCH OBJECTIVES**

To study the level of entrepreneur potential variables digital marketing strategy and management innovations that influence the success of bag export entrepreneurs in Thailand.

### **Scope of research**

#### **Population scope and sample**

In this research, the population is bag export entrepreneurs in Thailand at 110 enterprises (Department of Business Development, 2022). The researcher defines 5 people as senior executives of luggage export enterprises in Thailand. The sampling are entrepreneurs of 550 people.

Quantitative samples were obtained by determining sample size with estimation from the observation variables in the ratio of 1 to 20. In this research, there were 14 observation variables. The researcher therefore set the sample size at 280 people by selecting a multi-stage sample from exporter entrepreneurs. in Thailand.

Qualitative samples Data were collected by in-depth interviews with 10 bag exporters in Thailand and 10 bag export experts in Thailand, totaling 20 people, by selecting a sample group using a snowball model and analyzing the data by analytical analysis. content

#### **Variable scope**

The variables used in this research that are reviewed the literature and could summarize the variables in this study into 2 categories:

1) Internal variables are digital marketing strategy variables. and management innovations that influence the success of bag export entrepreneurs in Thailand.

2) The external variable is the potential entrepreneurial variable.

#### Content Scope

The content of this research is a study of variables that affect the success of bag exporters in Thailand. It consists of Entrepreneur potential, digital marketing strategy, and management innovations variables that influence the success of bag export entrepreneurs in Thailand.

## LITERATURE REVIEW

Table 1: Literature review from 2018-2022

Variable	Researcher	Results
The success of luggage export entrepreneurs	<u>Haddoud, M.Y., Jones, P. and Newbery, R.</u> (2018)	A study on exports found that entrepreneurs' potential in exporting both knowledge and ability and vision in exporting will make exporting businesses profit higher from customer acceptance and business competitiveness. In addition, entrepreneurs have used digital marketing strategies to create awareness about the quality of products to customers to promote decision-making for customers. Implementing innovation in business management leads to business success.
	Ouyang Qiang, Wang Tian-tian, Deng Ying, Li Zhu-ping & Atif Jahanger (2021)	A study on the success of export business found that the impact on export trade in the long run stems from the efficiency of innovation that promotes export competitiveness Entrepreneurs. They understand a market that can respond to market demands and build export potential, innovative use of export cost management and increase profit margins.
	<u>Coudounaris, D.N.</u> (2021) ; <u>Nabi, M.N., Liu, Z. and Hasan, N.</u> (2022)	They studied the international export process and found that successful export activities. They come from the motivation to export, the time, the form that the company exports. The nature of management of the company and differences in attitudes of exporters will lead to business success. This comes from the potential of entrepreneurs who can use marketing strategies in the new era and apply

Variable	Researcher	Results
<b>Entrepreneurial potential</b>	Sinha M and Sheth J (2018), <u>Kastner, A.N.A.</u> , <u>Blankson, C.</u> and <u>Mahmoud, M.A.</u> (2019)	management innovations in the business to enhance business efficiency and success in exports.  Study on market expansion in emerging markets and business exports, it was found that entrepreneurs with vision and skills in exports can use marketing strategies as a driver of business growth. It affects their competitiveness in the market. In addition, entrepreneurs can develop economic growth and by developing cross-border e-commerce which can create competitiveness in the export business <sup>1</sup>
	Bertarelli S, Lodi C (2019) ; Fang J, Liu C, Gao C (2019)	A study on export business found that entrepreneurs with export skills can use technology to create more efficiency in exporting goods to meet the needs of customers and markets. It affects confidence, recognition and popularity among overseas customers about the company's productivity, environmental taxes and the cost of clean technology. In addition, entrepreneurs can foster eco-innovation in the company. that can create more effectiveness for business
<b>Digital marketing strategy</b>	Constantine Katsikeas, et al. (2019)	Studying the digital market, it was found that the development of digital marketing in order to better serve customers in the new era by using innovation and technology to create convenience in accessing goods and services without limitation of time and place. It is a modern marketing communication that is consistent with consumer behavior. In which business operators will guide social media marketing content that they want to communicate to customers and consumers. Especially those who have influence in the online system. Both celebrities and high-level personalities who can motivate and build customer trust, make customers aware and motivate to buy products with satisfaction in digital marketing channels.
	Dalvia Rodrigues and Luis F. Martinez (2019)	A study of the influence of digital marketing found that digital marketing strategies can reach customer needs in terms of content, communication channels, and use of

Variable	Researcher	Results
		marketing methods. They are consistent and respond to customer needs in all dimensions is a new type of marketing. It creates success for business from customer satisfaction. It's a reliable marketing tool and recognized by customers for the effectiveness of responses using various platforms and marketing channels that affects customer loyalty.
	Guven, H. (2020)	Studying digital marketing strategies in industrial business found that digital marketing strategies are modern marketing that can satisfy customers in all dimensions.
	Dalvia Rodrigues and Luis F. Martinez (2019)	Studying the use of digital marketing strategies in business found that the impact of digital marketing strategies by using technology. It is used in international markets. It relates to the ability to effectively promote exports that affects the technological capabilities of the exporter. The influencing of consumer experience, which in turn increases their purchase intent led to good results for the business.
	Albataineh, A., & Qusef, A. (2020)	Studying business marketing strategies, it was found that digital is the most used communication channel. Electronic commerce is an important tool for businesses to influence consumer purchasing decisions.
	Obad Kwame Adzaku Pen u, Richard Boateng, Longe Olumide Babatope (2022)	Studying digital marketing of international business found that the potential of digital marketing. It is a business tool that can meet customer needs for profit and efficiency. It was also found that the platform remains the best option offered by the company as it makes it easily accessible to the customers.
	Mohd Nasir Hazira, et al. (2021) ;	Studying the use of digital marketing as a business tool found that implementing digital marketing and related tools in business. They make customers meet their needs more able to retain customers for a longer period. It also can build loyalty from customer satisfaction.
<b>Management innovation</b>	Zaichenko, S. (2018)	A study on the use of management innovation in business operations found that strategic knowledge management drives intellectual capital to innovation that can be

Variable	Researcher	Results
		used in business development. Both product production management processes in business and service will make customers satisfied and promote efficiency for the business. In addition, management innovation has the potential to export products. This affects the popularity of products and services that customers receive. Including an efficient export process
	<u>Cabrilo, S., Dahms, S., Burgos Mutuc, E. and Marlin, J. (2020)</u>	A study on the use of innovation in enhancing international business efficiency found that the role adjustment of entrepreneurs to compete in foreign markets by using innovation and technology to produce products. It can create an image and confidence for customers and can reduce the cost of production for export. In addition, innovation also makes the export process more efficient. Overseas customers have confidence in the service of the product and the business affects business confidence.
	<u>Wahyono, W. (2020) ; Mauro Sciarelli, Mohamed Hani Gheith, Mario Tani (2020) ; Dias, G.C.; de Oliveira,U.R.; Lima, G.B.A.; Fernandes, V.A.(2021)</u>	Study on the impact of innovation on competitive advantage found that businesses that use innovation in product production increase product efficiency. This is customer satisfaction that can make customers confident and create a good image for the product and business, making the business recognized by the popularity of customers. In addition, the use of innovation in the product management process, including distribution that will provide customers with convenience and speed. They are the customer's needs, makes customers satisfied with service efficiency.
	<u>Vladimir Ivanovich Bereznoy ; Tatyana Gennadievna Martseva ; Elena Viktorovna Berezhnaya ; Olga Vladimirovna Berezhnaya ; Alexey Vasilyevich Tolmachev (2021) ; Polas, M.R.H., Tabash, M.I., Bhattacharjee, A. and Dávila, G.A. (2021)</u>	Study on applying management innovation to develop business to be more efficient in market competition by improving production efficiency distribution and service process. It is what businesses must be able to do in order to meet customer and market expectations because it affects the market competition. Especially in exports where the market is highly competitive. In addition, entrepreneurs who bring green innovation in the production of products for environmental

Variable	Researcher	Results
		sustainability and reducing pollution are part of what customers want. The data analysis also confirms that environmental awareness is a mediator in the relationship between business success and green innovation. Because clean production is an expression of social and collective responsibility.
	Asta Pundziene, Shahrokh Nikou, Harry Bouwman (2021) ; <u>Borahima, B.</u> , <u>Noermijati, N.</u> , <u>Hadiwidjojo, D.</u> and <u>Rofiq, A.</u> (2021) ; <u>Ali AlShehail, O.</u> , <u>Khan, M.</u> and <u>Ajmal, M.</u> (2021)	A study on the efficiency of businesses in implementing management innovation found that a company's dynamic competence affects openness affecting innovation efficiency and open innovation affects a company's competitiveness. In addition, there are the relationship between innovative orientations in the management of business and the marketability of the business. Both the product processes and services that customers expect and want.
	<u>Pegan, G.</u> , <u>Reardon, J.</u> and <u>Vianelli, D.</u> (2022) ;	A study on the impact of innovation on business operations found that management innovations used by entrepreneurs to develop higher quality products have been accepted by customers abroad. In addition, the use of management innovations in business operations makes the export process more efficient. They can create speed and reduce operating costs and affect the profit of the business. New innovative products have a positive effect on customers, including the use of innovation in service to impress customers in the business, affecting the potential to compete in the market.

## RESEARCH METHODOLOGY

This research has the following objectives: 1) to study the level of entrepreneur potential variables, digital marketing strategy of the bag exporting enterprises in Thailand. The researcher survey 110 enterprises (Department of Business Development, 2022) and 5 people who are senior executives of luggage export establishments in Thailand. The sampling will be entrepreneurial at of 550 people.

## RESULT

Research on Success Factors of Bag Export Entrepreneurs in Thailand, this research is mixed method. For quantitative research survey research with structural equation modeling (SEM) analysis. For qualitative research, in-depth interview techniques were used.

Part 1 Results of the study of general information of the sample

The researcher collected data with a sample of high-level executives of luggage exporting establishments in Thailand. They are in the workplace; the number of 280 people are as follows:

Table 2 Frequency and Percentage of Data of Study Subjects (n=280)

General Information	N (People)	Percentage
<b>Status</b>		
Female	160	57.00
Male	120	43.00
<b>Total</b>	<b>280</b>	<b>100.00</b>
<b>Age</b>		
Lower 25 years	45	16.00
25 – 35 years	81	29.00
36 – 46 years	104	37.00
Over 46 years	50	18.00
<b>Total</b>	<b>280</b>	<b>100.00</b>
<b>Education</b>		
Lower bachelor's degree	53	19.00
Bachelor's degree	146	52.00
Master's degree	81	29.00
<b>Total</b>	<b>280</b>	<b>100.00</b>
<b>Income</b>		
Lower 100,000,000 million baht	193	69.00
Over 100,000,000 million Baht	87	31.00
<b>Total</b>	<b>280</b>	<b>100.00</b>

Table 2 found that most of the samples were female, 160 people, representing 57.00%, aged 36 - 46 years, 104 people, representing 37.00%, with a bachelor's degree, 146 people, representing 52.00%, with no annual income that Over 100,000,000 million baht, 193 people, equivalent to 69.00 percent.

Part 2 Results of the study of entrepreneurial potential variables Digital Marketing Strategies and Management Innovations Influencing the Success of Bag Export Entrepreneurs in Thailand

Table 3 Mean, Standard Deviation and interpretation of potential variable levels, entrepreneurship, digital marketing strategies and management innovations that influence the success of luggage exporters in Thailand (n=280)

Variable	M	S.D.	Result
<b>Entrepreneur Potential (ENPOT)</b>			
Vision Export Bags (VISIN)	4.26	.58	High
Export Skilled (EXPSK)	4.32	.57	High
Export Bags Know-how (EXKNO)	4.19	.65	High
<b>Total Average</b>	<b>4.26</b>	<b>.60</b>	<b>High</b>
<b>Digital Marketing Strategy (DGMTK)</b>			
Modern Marketing Communications Utilization (MDNMK)	4.23	.63	High



<b>Variable</b>	<b>M</b>	<b>S.D.</b>	<b>Result</b>
Social Media Orientation (MDORT)	4.32	.59	High
Content Marketing Potential (CONTC)	4.25	.60	High
Influencer Focused Online Marketing (INFLU)	4.62	.51	Very High
Online Reputation Management (ONRPT)	4.46	.56	High
<b>Total Average</b>	<b>4.38</b>	<b>.58</b>	<b>High</b>
<b>Management innovation (MGINO)</b>			
Product (PRDCT)	4.32	.61	High
Process (PROCS)	4.51	.56	Very High
Service (SERVI)	4.27	.64	High
<b>Total Average</b>	<b>4.37</b>	<b>.60</b>	<b>High</b>
<b>Success of bag export entrepreneurs (SCBEE)</b>			
Higher Profitability (HIPRF)	4.26	.60	High
Customer and Market Favorability (POPU)	4.27	.66	High
Competitive Potential (CMPT)	4.53	.54	Very High
<b>Total Average</b>	<b>4.35</b>	<b>.60</b>	<b>High</b>

Table 3 found that Entrepreneur Potential (ENPOT) was at a high level with an average of 4.26. When considering each side found that Vision Export Bags (VISIN), Export Skilled (EXPSK), Export Bags Know-how (EXKNO) were all High Level with an average between 4.19 - 4.32.

Digital Marketing Strategy (DGTMK) was high with an average of 4.38. When considering each side found that Modern Marketing Communications Utilization (MDNMK), Social Media Orientation (MDORT), Content Marketing Potential (CONTC), Influencer Focused Online Marketing (INFLU), Online Reputation Management (ONRPT) were high to very high with an average between 4.23 - 4.62.

Management innovation (MGINO) was high with an average of 4.37. When considering each side found that Product aspect (PRDCT), Process aspect (PROCS), Service aspect (SERVI) were at high to very high levels with an average of 4.27 - 4.51.

The success of bag export entrepreneurs in Thailand (SCBEE) was high with an average of 4.35. When considering each side found that Higher Profitability (HIPRF), Customer and Market Favorability (POPU), High Competitive Potential (CMPT) were high to very high with an average between 4.26 – 4.53.

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