

A Case Study on Marketing and Business Strategy for Sunsweet
Public Company Limited towards Ready-to-eat Products

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Sunsweet Public Company Limited has been in sweet corn and agricultural products export industry since 1997. Sweet corn export value of Sunsweet is contributed to 6,760.49 million baht or 23.66% of sweet corn export value of Thailand to overseas. This paper mainly focuses on marketing analysis of Sunsweet. It observes the decision in which Sunsweet has made to launch ready-to-eat products in Thailand. SWOT analysis is used to analyze the company's strengths, weaknesses, opportunities, and threats. The results of this analysis, subsequently, explain how the company has come to this business decision. The research then proceeds to define Sunsweet's current marketing mix - product, price, promotion, place, physical evidence, people, and process. The study found that Sunsweet has a strong base in resources and its weaknesses lie mostly in their branding. Aspects that Sunsweet can further explore or consider as opportunities include healthy lifestyle trend, higher profit margin of ready-to-eat products, and having their products sold in more channels. The results from findings also suggest there are several ways that the company can improve their marketing strategies. TOWS matrix - SO strategy and WO strategy is introduced to offer recommendations.



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TABLE OF CONTENTS

	Page
ABSTRACT (THAI).....	iii
ABSTRACT (ENGLISH)	iv
ACKNOWLEDGEMENTS	v
TABLE OF CONTENTS.....	vi
LIST OF TABLES	viii
LIST OF FIGURES	ix
I. INTRODUCTION	1
II. COMPANY HISTORY AND BUSINESS OVERVIEW	2
III. MARKETING ANALYSIS.....	3
Strengths	4
Weaknesses	5
Opportunities	6
Threats	8
Findings	9
IV. MARKETING MIX – 7Ps.....	9
Product.....	10
Price	12
Promotion	13
Place.....	14
Physical Evidence	15
People	16
Process	17
V. CONCLUSION	17
VI. RECOMMENDATION	19
SO Strategy	19
WO Strategy	19
REFERENCES	22

VITA.....25



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LIST OF TABLES

	Page
Figure 1: Sunsweet's Financial Highlight	4



LIST OF FIGURES

	Page
Figure 1: Canned Corn	11
Figure 2: Pouch Corn	11
Figure 3: Frozen Corn	12
Figure 4: Frozen Corn	12



I. INTRODUCTION

One of Thailand's most important agricultural crops is *zea mays saccharata* or sweet corn.

While sweet corn, is not quite considered to be a main ingredient for lunches or dinners for local households in Thailand like in the United States, it is very much interesting to observe this industry at local scale as Thailand is one of the top sweet corn exporters in the world.

Global export market size of sweet corn is to be described in two categories based on the Harmonized System or HS-Code: 07104000 which refers to sweet corn (uncooked or cooked by steaming or boiling in water), frozen and 20058000 which refers to those that are prepared or preserved otherwise than by vinegar or acetic acid. As reported by the International Trade Information Centre (ITC), the value for export market of 07104000 sweet corn is USD 395.56 million, USD 414.72 million, and USD 435.97 million, respectively from 2016 to 2018.

Leading export countries in value are the United States (USD 103.65 million), Hungary (USD 61.48 million), and Belgium (USD 32.95 million). Volume-wise, the numbers were reported at 400,711 tons, 415,393 tons and 406,656 tons respectively with the United States, Hungary, and China as the top three exporters at 79,652 tons, 71,381 tons, and 33,939 tons respectively.

In terms of the world's export market value of 20058000 sweet corn, the value has been increasing from USD 877.36 million in 2016, USD 908.15 million in 2017, and USD 1,030.00 million in 2018. Hungary, Thailand, and France are the top three exporters with value of USD 228.40 million, USD 212.27 million, and USD 171.42 million respectively. The trend is also similar in terms of export volume – 747,441 tons in 2016, 768,165 tons in 2017, and 817,284 tons in 2018. Top three export countries by volume are Thailand at 227,947 tons, Hungary at 203,035 tons, and France at 111,548 tons. Having stated that, Thailand is ranked among top ten world's leading exporters from 2016 to 2018 for 07104000 sweet corn and the world's largest exporter for 20058000 in terms of both value and volume.

This research will be focusing on a business case of Sunsweet Public Company Limited, one of Thailand's leading sweet corn exporters. To provide sweet corn industry background context in Thailand, it is worth mentioning the proportion of export or market share of Sunsweet Public Company Limited to overseas in relation to export value of Thailand to

overseas. From 2017 to 2019, sweet corn export value of Sunsweet Public Company Limited to overseas were 1,364.95, 1,512.03, and 1,599.86 million baht respectively in comparison to 7,478.73, 7,685.31, and 6,760.49 million baht or 18.28%, 19.67%, and 23.66% respectively of export value of Thailand to overseas.

Due to the change of business objective, Sunsweet has expanded their business to not only exportation of sweet corn but also launches of new ready-to-eat products to capture new market segment in Thailand. The purpose of this paper is to analyze how Sunsweet has adapted their marketing strategies to accommodate their product and market expansion.

SWOT analysis is to be conducted to evaluate Sunsweet's strengths, weaknesses, opportunities and threats to understand how the decision to expand was made. Marketing mix is also to be studied on Sunsweet's current marketing strategy and its impact on consumer purchase intention of the brand's products e.g. sweet corn, grilled sweet potatoes and tiger peanuts etc. The result from this study can provide recommendations as to how Sunsweet can optimize their business strategy to increase consumer purchase intention and as a result can gain more profit margin domestically.

This paper is structured as follows: Section One above refers to sweet corn industry overview and research objective. Section Two includes Sunsweet company history and business overview. Section Three describes how business strategy assessment through SWOT analysis. Section Four discusses marketing strategies that Sunsweet has taken on. Section Five provides findings and conclusion. Section Six presents recommendations on marketing mix strategy of Sunsweet.

II. COMPANY HISTORY AND BUSINESS OVERVIEW

Mr. Ongart Kittkhunchai, founder and Chief Executive Officer of Sunsweet Public Company Limited, was one of many locals that leveraged variety of Thailand's agricultural resources and started his business in agricultural industry. Some of his early products include longans, lychees, tomatoes, pineapples, and sweet corns. It wasn't until later date that Mr. Ongart decided to shift his focus to only sweet corns over the others due to the fact that this product

offers the lowest investment cost and not seasonal, which means that it can be grown and harvested all year round.

Following Mr. Ongart Kittikhunchai's vision, Sunsweet Company Limited was then established in Chiang Mai back in 1997. Main business purpose of Sunsweet at that time was to be a distributor and exporter of agricultural products such as onions and fresh vegetables. Later in 2007, Sunsweet Company Limited changed their main business to focus on processed sweet corn production and exportation. Throughout the years, the company has received several certifications and awards e.g Hazard Analysis and Critical Control Points: HACCP in 2009, Prime Minister's Industry Award from Ministry of Industry in 2010, British Retail Consortium Standard (BRC) in 2012, Good Manufacturing Practice (GMP) in 2015 and many more.

As the business was growing stronger than ever, there was a need for new machines and capital to expand the company's capacity to produce. In 2017, The Extraordinary General Meeting of Shareholders of Sunsweet Company Limited made a strategic decision to transform the company into a public company and changed its name to Sunsweet Public Company Limited. The company's 2019 annual report states that "the company use capital from the initial public offering (IPO). Investment in machinery by increasing production capacity from 1 ton up to 3 tons per hour in September 2018 to improve manufacturing performance and productivity on a production line of frozen sweet corn product" (Sunsweet Public Company Limited, 2020).

In terms of the company's business nature, Sunsweet Public Company Limited is responsible for manufacturing and distributing processed sweet corn products. Some of these products include canned sweet corn, pouch sweet corn and frozen sweet corn which are known to its customers under the brand "KC". Moreover, Sunsweet Public Company Limited also produces and exports other processed agricultural products such as white beans in tomato sauce and frozen green soybean. Apart from this, the company has trading business that covers sourcing and selling food and agricultural products such as fresh onion, fresh coconut and canned pineapple which operated under Sunsweet International Company Limited.

III. MARKETING ANALYSIS

This section discusses how Sunsweet has come to a decision to expand their business domestically and observe their current marketing strategies.

SWOT ANALYSIS

Sunsweet has been in sweet corn export business for nearly 30 years since its establishment. Although the total revenue from sales from 2017 to 2019 has been growing on yearly basis – 11.12% and 4.98% respectively as shown on the table below, the company wanted to tap into ready-to-eat market due to the fact that the nature of this product brings more profit margin.

	2017	2018	2019
Operating Result (Unit: Million Baht)			
Total revenue from sales	1,646	1,829	1,920
Total revenue	1,687	1,838	1,940
Cost of Sales	1,332	1,561	1,775
Gross profit	315	268	145

Figure 1: Sunsweet's Financial Highlight

As stated by Böhm (2008), “SWOT analysis pursues an integrated approach including key company and environmental variables. The objective is the confrontation of the company's internal strengths and its weaknesses as well as company-external business opportunities and threats in order to generate possible strategic options” (p. 1). In this instance, this SWOT analysis tool is used to analyze Sunsweet's market situation to drill down how the company made a decision to expand their business and acquiring market shares domestically in recent years.

Strengths

Many strengths of Sunweet are resulted from the fact that this company has been in the business for quite some time. Here, this paper will discuss some of their strengths which are raw materials, machines, capital, and export capability.

Raw materials

Sunsweet has implemented contract farming to the way they source for raw materials. The basis of contract farming agreements is described by Eaton and Shepherd (2005) that it is an agreement between the two parties which the farmer is to provide products in an agreed quantity and quality to the buyers in which the buyer also ensure to provide necessary support to the farmer in terms of production and purchasing (p. 2). With this agreement between the company and farmers, Sunsweet can minimize the risk of not having sufficient supply for production as the farmers are promised a certain price for material delivery which does not depend on market price – no matter market's offered price is high or low, contracted farmers would receive the agreed price. Sunsweet works with approximately 1,000 sweet corn growers. These growers are annually contracted and are obligated to deliver 3-4 crop cycle of corn or 75-day crop (Singh S. , 2006). Therefore, Sunsweet is able to extend their product line and not to concern about lack of raw materials such as sweet corn from the farmers.

In addition to contract farming agreement described above, the fact that climate and soil across many parts of Thailand are suitable for growing crops is also worth mentioning. It is stated that “the major maize production areas of Thailand can be grouped into two broad agro-ecozones: the rainfed uplands and the rice-based irrigated agro-ecozones”, which covers North, Northeast, and Central parts of the country (Eakasingh, Gypmantasiri, Thong-ngam, & Grudloyma, 2004, p. 5). Thailand, especially in the North, also has perfect temperature and agricultural soil to grow other crops such as sweet potatoes and tiger peanuts.

Capital

On 28 December 2017, Sunsweet issued shares for the first time to the public and changed its company status from Sunweet Company Limited to Sunsweet Public Company Limited (SUN). The company reported that capital raised from initial public offering (IPO) will be used in machinery investment to increase production capability and improve manufacturing performance and productivity. Following Mr. Ongart's interview, he assured investors that his shares will not be traded after IPO period. This is to ensure that company's decision has been made to further advance productivity and capacity of the business and not to find a way out to sell his company (Kaohoon, 2017). With these stated reasons, the company would have sufficient capital to support the launch of new product lines.

Machinery and equipment

As a result of fund raising in 2017, Sunsweet is now well equipped with new technology and necessary machinery which is an instrumental factor of business expansion. Some of Sunsweet's machines are *automatic can filling machine* which works to improve accuracy of weight measurement and packaging and newly invested *automatic sterilizer machine*. Benefit of this new machine is that it is able to decrease sterilizing time and energy process. These new machines work both ways to improve product quality and decrease production costs (Sunsweet Public Company Limited, 2020).

Weaknesses

Though Sunsweet possesses several strengths, there are a few weaknesses that worth to be looked at as this would give the company a holistic view of assessing their business situation from an internal perspective.

Weak branding domestically

Many of Sunsweet's processed sweet corn and other agricultural products such as canned sweet corn, pouch corn, frozen sweet corn, white beans in tomato sauce and frozen soybeans, etc. are sold under the brand "KC". Mr. Vira Nopwattanakorn, Director of Accounting and Finance, advised that the brand "KC" is originally abbreviated from surname of the founder and eventually became known as "King of Corn". It was reported that export value of Sunsweet to overseas were 1,364.95, 1,512.03, and 1,599.86 million baht in 2017, 2018, and 2019 respectively. While the brand is well-known among international sweet corn customers and distributors as these abovementioned products are mostly distributed and exported internationally, the brand "KC" itself still does not resonate with local Thai customers.

Another factor that contributes to Sunweet or "KC" to not be so prominent in branding domestically is that the company has little market presence in Thailand. Although Sunsweet has been attending trade fairs around the world, the target customers of these trade shows are bigger scale distributors. In addition, Sunsweet's products are not widely sold in retail stores across the country. The company instead functions themselves as an original equipment manufacturer (OEM) that produce goods for another brand. Revenue from selling products under "KC" brand was only THB 522.22 million baht or 26.29% of total revenue while

Revenue from selling products under customers brand was THB 1,319.29 million baht or 68.02% in 2019. Due to these aspects, the brand “KC” is not yet a household brand in Thailand.

Exchange rate

Trading and exporting in USD currency is also one of the challenges that Sunsweet has faced financially throughout the years. This negative effect of exchange rate on strong THB is apparent in 2017, 2018, and 2019's gross profit. While sales had been increasing year on year from 2017 to 2019 – 1,646, 1,829 and 1,920 million baht, strong THB contributed to a decrease in gross profit each year – 315, 268, and 145 million baht. Consequently, conducting business domestically instead of internationally would reduce and eliminate this issue.

Opportunities

In order to make better business judgment, external factors outside of the company should also be taken into account. Here, there are three major opportunities that Sunsweet should consider.

Healthy lifestyle trend

“Dis-moi ce que tu manges, je te dirai ce que tu es” or “You are what you eat”, a proverbial by Anthelme Brillat-Savarinis back in 1826 is undoubtedly one of the most famous quotes in the world. This implies that what is taken into the body will reflect who you are as a person. With this, healthy lifestyle has been trending more and more globally in recent years. It is evident that this trend has also been well received in Thailand as seen in fitness centers being opened and healthy food being sold across Thailand.

It is claimed that “yellow maize is a rich source of Vitamin A [and] has more riboflavin than wheat and rice and is rich in phosphorus and potash as well” (Chaudhary, Kumar, & Langyan, 2014, p. v). Knowing that maize or corn is abundant in healthy and important nutrients, Sunsweet who is already among top four sweet corn exporters in Thailand should capitalize on this opportunity and produce variety of corn products that can attract and capture people who are interested in this healthy lifestyle trend.

Small number of competitors

Processed sweet corn industry in Thailand is considered to be in an oligopoly market which described by Tisdell and Hartley (2008) that there are only a certain number of sellers of the same commodity in a market (p. 223). Apart from Sunsweet, there are only other three companies namely River Kwai International Food Industry Company Limited, Karn Corn Company Limited, and Majestic Food Industries Company Limited that produce high quality sweet corn products. Due to this factor, Sunsweet has limited competitors and expanding their product line to ready-to-eat products would be a something worth consider exploring.

Product display in physical stores

As mentioned earlier, one of Sunsweet's weaknesses is that it has little brand recognition in domestic market. With that, there is an opportunity for Sunsweet to increase their market presence by displaying and selling their products in an already well-established convenience store chain. It cannot be denied that 7-Eleven is the most popular convenient stores in Thailand.

Looking further into 7-Eleven which is managed under CP ALL, the company celebrated their 11,000th stores in Thailand in 2019. In addition to the large number of physical stores, 7-Eleven also has an innovative and structured logistics and supply chain system. Sunsweet, subsequently, can rely on 7-Eleven and does not require to be involved in setting the system up themselves which would require more resources and complication. Placing their products in 7-Eleven would then increase Sunsweet's KC brand visibility as well as gain profit margin from it.

Profit margin

Despite the fact that Sunsweet has secured a large export volume of sweet corn, the company only gain little profit margin for this type of product. Ready-to-eat products, on a contrary, would gain more profit margin. As stated in an interview by Mr. Ongart, these products offer 35-50% profit margin versus 10-30% of their regular canned sweet corn and frozen sweet corn products.

Threats

In addition to the opportunities analyzed above, external factors that affect the company can also be viewed as threats. In this instance, processed agricultural food industry and retail industry should be observed in a detailed manner.

Selling channels

Thailand has a rich culture when it comes to food and, therefore, has a lot of fresh markets across the country. Agricultural product e.g. corns, peanuts, and sweet potatoes are often sold at these fresh markets. For this reason, it is perceived by local people that these products sold at local markets are fresher and more natural than those sold elsewhere.

On a contrary, some people might find products sold in supermarkets or convenience stores more organic due to several food certifications. Some might even prefer to purchase imported agricultural products such as purple Japanese sweet potatoes they find these products are more premium. Having stated that, selling channels can imply consumer behavior and this should be taken into account when Sunsweet ventures into new product variety since they are mainly the exporter and has less experience in domestic market.

Vertical integration

Since Sunsweet does not have physical stores in Thailand, one of the options that their new products could be displayed and sold is to be placed in existing convenience stores or supermarkets. While this has been discussed earlier as Sunsweet's opportunity, conducting business with these well-established companies is also concerning and considered a threat to the company.

Vertical integration is defined as "the combination of technologically separable and sequentially related economic activities within the confines of a single firm. Vertical integration occurs when one firm merges either with a firm from which it purchases the inputs or with a firm to which it sells its output" (Wu, 1992, p. 5). Taking 7-Eleven as an example of a store that Sunsweet would sell their products at. 7-Eleven is owned by Thailand's largest conglomerate – the Charoen Pokphand Group as known as CP. Grant (2010) stated that "7-Eleven convenience stores combine the advantages of vertical integration in terms of coordination and investment in transaction-specific assets with advantages of market contracts in terms of high-powered incentives, flexibility, and separate ownership of strategically

dissimilar businesses” (p. 305) The fact that they are very well-equipped with supply chain as well as production technology and capability need to be taken to account as they could eventually replicate and push Sunsweet’s products out and replace the shelves with their products of the same type.

Findings

After analyzing Sunsweet’s strengths, weaknesses, opportunities, and threats through SWOT analysis method, there are several points that can be drawn to conclude.

It is apparent that Sunsweet does not have a strong branding under KC brand in local market because there is little to no products retailed in Thailand. Nevertheless, Sunsweet evidently possesses a lot of experience and capability in producing processed agricultural products as they have been in this industry since 1997. Furthermore, Sunsweet would gain more brand exposure under KC with their products being sold locally in Thailand. This also reduces and can eliminate the risks that Sunsweet has to bear when conducting business internationally where they have to rely heavily on fluctuation of foreign exchange rates. Moreover, these ready-to-eat products offer better profit margin as mentioned earlier.

To summarize, proceeding with KC’s brand extension and look for retailing in domestic market is considered to be an appropriate business decision for the company following abovementioned analysis.

IV. MARKETING MIX - 7Ps

Jerome E. McCarthy introduced the widely known mnemonic concept of 4Ps marketing mix – Product, Price, Place, and Promotion back in 1960. According to 50Minutes.com (2015), marketing mix allows marketers to define appropriate marketing activities to reach their sales and penetration targets. Masterson and Pickton (2010) further claimed that the tools of marketing mix need to be used together and it is important that they support each other as the target markets, objective, as well as brand’s image will be disorganized if they are conflicting (p. 396). As the world of business has been constantly evolving throughout the years, 7Ps, an

extended version of 4Ps marketing mix, is presented and commonly used. The additional 3Ps are Physical Evidence, People, and Process.

In this section, Sunsweet's marketing mix is discussed to evaluate how the company is applying marketing techniques and strategies as one holistic plan to drive their business after launching ready-to-eat products. All seven marketing mix strategies – Product, Price, Place, Promotion, Physical Evidence, People, and Process are to be analyzed in more detailed manner.

Product

Product is defined as anything that can be offered to a market for attention, use, or consumption in order to satisfy needs and wants of customers, and most of the time, is used to predict that given market (Souar, Mahi, & Ameer, 2015). Therefore, while developing a service product it is important that the package of benefits in the service offer must have a customer's perspective (Kushwaha & Agrawal, 2015). In marketing world, product can be physical product, experience, or service.

Sunsweet has been selling a variety of processed agricultural products since its establishment in 1997. With addition of newly launched ready-to-eat products, the company's products can now be divided into four main categories which is defined by product characteristic.

- 1) Canned corn – the products come in two types which are canned whole corn kernel and cream style corn. These products are mainly exported to other countries such as Germany, United Kingdom, and Japan. Moreover, Sunsweet also provide white-label service by allowing other companies' branding to this type of product.

Main product characteristic of canned whole corn kernel is that all processes including transportation to Sunsweet factory and production are executed within 24 hours after they have been harvested to ensure that the corns are fresh, and all nutrients are maintained. In terms of branding, Sunsweet is selling it under KC – King of Corn.



Figure 1: Canned Corn

- 2) Pouch corn - this includes ready-to-eat products which are retort pouch whole corn kernel sweet corn, retort pouch corn on the cob and other variety of ready-to-eat products such as sweet corn on the cob, grilled sweet corn with butter, grilled sweet potato, tiger peanuts and waxy corn cut. This type of products is both exported to overseas such as South Korea, and also sold in Thailand.

Due to current lifestyle of consumers nowadays, these ready-to-eat products are customized to fit consumer's lifestyle which has necessary nutrients while it is pre-cooked and can be consumed right away after purchasing. As these are retailed and sold directly to consumers as B2C products, packaging and branding are designed to be more attractive to capture customer's attention when they are shelved along with other products from competitors.



Figure 2: Pouch Corn

- 3) Frozen corn - this comes in several forms such as frozen sweet corn kernels, frozen sweet corn cobs.

Manufacturing process of frozen sweet corn is different from canned sweet corn as it uses freezing process versus heating process with salt or other additives to maintain the product. Based on company's 2019 annual report, this type of frozen sweet corn

product is accounted for 10.13% of the total export of sweet corn products of the company (Sunsweet Public Company Limited, 2020).



Figure 3: Frozen Corn

- 4) Other agricultural processed products – examples are white beans in tomato sauce and frozen green soybean.



Figure 4: Frozen Corn

Price

According to Badi (2015), the amount customers is willing to pay for a product or service is referred to as *Price*. As Price can be amended more easily and quickly than the rest of other marketing mix strategies, it is considered to be the most flexible element.

As stated earlier, Sunsweet has implemented contract farming strategy which allows them to control raw material price. To provide an overview of Sunsweet's price setting strategy, Sunsweet uses is to set the price according to the product costs with additional profit margin. The company re-looks into each product's price on a quarterly basis to ensure that their prices remain competitive by taking into consideration of exchange rates, market condition, and competition.

Following an interview with Mr. Vira Nopwattanakorn who is Sunsweet's Director of Accounting and Finance, there is an opportunity of Sunsweet getting higher profit margin from this product category compared to the exported canned and frozen sweet corn. With that, this part mainly focuses on ready-to-eat processed agricultural products that are sold in Thailand's largest convenience store brand – 7-Eleven. Note here that distribution channel is to be discussed in more detailed under *Place*.

Sunsweet's price setting strategy on these ready-to-eat products such as sweet corn on the cob, grilled sweet corn with butter, grilled sweet potato, tiger peanuts and waxy corn cut has to, in some way, follow 7-Eleven best practices. Mr. Vira Nopwattanakorn advised that the price of their products has to be under THB 30 in order to be well received by 7-Eleven customers. If the price is above this line, it is perceived as a more expensive-end item and will likely not be able to generate high volume of sales. Hence, Sunsweet came to a conclusion to set the price at THB 25 for their products. Despite many benefits of selling the products in 7-Eleven which will be described later in this chapter, one condition that Sunsweet agreed to accept is high percentage of commission. It is said that Sunsweet products are commission at almost 50% of its selling price.

Promotion

Another important tool in the marketing mix is *Promotion*. Singh (2012) states that “sales promotion activities are publicity, public relations, exhibition and demonstrations etc. It is marketing manager who decides the level of marketing expenditure on promotion.

Promotional activities are mainly intended to supplement personal selling, advertising and publicity. Promotion helps the trader and sales force to represent the product the consumers in an effective manner and induce them to buy. Promotion consists of different blends of its components which are used to achieve the company's marketing goals.”

There are many marketing promotions that Sunsweet has done to promote and generate more sales for their products. In a normal world prior to COVID-19 pandemic, the company often participates in modern trade fairs across markets both oversea and domestic. Some of these examples are THAIFEX – World of Food Asia (Bangkok, Thailand), Fine Food Australia (Melbourne and Sydney, Australia), Food Taipei (Taipei, Taiwan), SIAL China (Shanghai,

China), and many more. This promotional strategy aims to promote their main products which include canned sweet corn and frozen sweet corns as well as to capture bigger scale distributors and customers in those markets.

Another promotional strategy that Sunsweet has opted in doing is through marketing and public relations channels. Sunsweet uses marketing and public relations strategy to promote knowledge and build brand awareness on their sweet corn and ready-to-eat products under “KC” brand. This is considered as an upper funnel marketing tactic that, in this case, aims to increase product knowledge for domestic customers. This strategy can be seen on Sunsweet’s social media channels e.g. official Facebook page and company’s website –

www.sunsweetthai.com. In terms of marketing on social media, the company has collaborated with Buakaw Banchamek, former Muay Thai kickboxer and famous public figure in both local and international scene. This approximately 3-minute long video (<https://www.youtube.com/watch?v=hoMGIIprBkI>) introduces Sunsweet’s ready-to-eat products such as tiger peanuts, purple sweet potatoes, sweet potatoes, sweet corn on the cob and multi-grain. The video is promoting these products using healthy lifestyle approach e.g. products are beneficial to consumer’s health.

As some of Sunsweet’s products under “KC” brand are sold in 7-Eleven, the company also participates in promotional campaigns such as discount offering and stamp giveaway by 7-Eleven from time to time. This type of sales promotion is used to draw customer’s attention and increase conversions. Additionally, Sunsweet also made these products exclusively sold in 7-Eleven by positioning it under “Only at 7-Eleven”.

Place

Kuyram (2013) describes that *Place* strategy refers to a location where products and services are to be displayed and made available to the customers, and also focuses on distribution channel and logistics management which products will flow from company to consumers.

Sunsweet’s distribution can be divided in two main categories – international and domestic.

With regard to overseas export, the company mostly relies on food importers and distributors

in those countries to distribute their products to the customers. These products such as canned sweet corn and frozen sweet corn are distributed in a high volume.

In terms of domestic distribution of the above-mentioned products, Sunsweet does have some connection with food exporters. In addition, they also sell these products to modern trade retailer such as Makro. Focusing on the newly launched products which are sweet corn on the cob, grilled sweet corn with butter, grilled sweet potato, and tiger peanuts, Sunsweet would need to carefully consider how and where these products are being sold to customers as this is rather a Business-to-Consumer (B2C) instead of Business-to-Business (B2B) which is quite new to the company. In this instance, Sunsweet decided to partner with Thailand's largest convenience store network - 7-Eleven to distribute these products.

As *Place* is very much about how products are getting to customers, Sunsweet's having their products sold in 7-Eleven under "KC" brand is beneficial in terms of distribution and sales incrementation. Due to the fact that 7-Eleven officially has more than 11,000 branches across the country, channeling products through 7-Eleven increases the opportunity of customers seeing and being exposed to Sunsweet's products. With this, the chance of customers picking and purchasing their products also rises which eventually leads to an increase in sales. Apart from these benefits, 7-Eleven also has one of the most innovative supply chain systems in Thailand. Mr. Vira Nopwattanakorn, Director of Accounting and Finance, mentioned during the interview that Sunsweet enjoys working with 7-Eleven due to several reasons including the fact that 7-Eleven has advanced logistic system and well-structured distribution centers in Thailand. With support of 7-Eleven's logistics, Sunsweet is able to transport over 50,000 produced items per day to be sold in 7-Eleven across Thailand.

In addition to 4Ps described above, it is equally important to analyze the additional 3Ps which are Physical Evidence, People, and Process to gain more insights on Sunsweet structured their competitive strategies.

Physical Evidence

Physical Evidence helps provide an overview of the product that the customer has not bought before. This also gives a customer an idea of what they can expect or get before the service is delivered. (Understanding The 7Ps of The Marketing Mix, n.d.). Since Sunsweet is expanding themselves to modern trade retailing by placing their products in convenience stores, there are a few aspects that can be investigated to analyze its marketing strategy in terms of *Physical Evidence*.

According to Mr. Vira Nopwattanakorn, Sunsweet has invested approximately THB 50 million of its capital in building a mini factory to produce these ready-to-eat products.

Following this stated reason, the company has put a significant amount of time and effort on every process from manufacturing to packaging to ensure that these products are of highest quality, reliable, and ready for customers to purchase. In aspect of its packaging, these products are packaged in vacuum sealed plastic bag in vibrant colors with all required information advised by The Office of The Consumer Protection Board. Required information are product name, registered trademark in Thailand, manufacturing location, product weight, consuming advice and instruction, and manufacture and expiration dates. In addition to these product and manufacturing information, food label is also presented on the packaging. With this important information, consumers can rest assured that the product that they are buying is dependable and certified by an authorized organization.

Sunsweet has an official website - www.sunsweetthai.com where it hosts information such as company overview, product list, financial information, corporate social activity, and contact details. The company also produces content on social media platforms e.g. YouTube, Facebook, Twitter, and LinkedIn. While most of these platforms are utilized to communicate company and public relations news, Sunsweet is most active on Facebook where it promotes their promotions and marketing contents of “KC” brand under www.facebook.com/KCbrandThailand page. As these ready-to-eat products are sold and branded under “KC”, these website and social media pages encourage credibility of “KC” branded products.

Another aspect of *Physical Evidence* that is worth considering is location and placement where the products are sold. These products are distributed and sold in 7-Eleven where they are shelved along with other brand's ready-to-eat products. Since 7-Eleven is already a well-

established convenience store chain which has many standards prior to granting permission for brands to place their products in their stores, consumers would feel assured of the products that are sold here.

People

According to Wolinski and Coates (2015), “this element of 7Ps focuses on the people within a business who come into contact with customers. For a physical goods, these are likely to be the people involved in initial selling process and those who are instrumental in providing any after-sales services.” However, in Sunsweet’s case, to ensure that customers receive the best quality of product bought, it has to start from when the company sources raw materials. As mentioned earlier, Sunsweet shows its strength on sourcing their raw materials, which is sweet corn in this case, from local farmers. The company offers Smart Farming program to their contracted farmers. Here, these farmers and agricultural producers will be trained and given knowledge on best practices in terms of agricultural production and farming. This, in turn, benefits Sunsweet as they are able to control the quality of raw materials from third party suppliers which is considered to be an external people factor.

In addition to giving necessary training to farmers who deliver raw materials, Sunsweet also pays attention to their customers by allowing an opportunity to give feedback as well complaints through customer satisfaction surveys via different channels such as phone calls, emails, and social media platforms. Having stated that, Sunsweet has developed a complaint handling procedure and provided this training to their employees so that they understand how to handle this kind of situation where the customers are not satisfied with the products and services they receive.

Process

Needham, Dransfield, Coles, Harris, and Rawlinson (1999) claims that the effective service is made possible by well-planned process which affects how good the employees can deliver the service (p. 69). Referring to the above-mentioned point on *People*, Sunsweet has made the process easy for their employees in respect of handling complaints by having a procedure in place.

Moreover, *Process* here can be looked at from another business angle which is production and logistic processes for ready-to-eat goods. Sunsweet has established a process in which it is efficient and convenient for their employees. In terms of logistics, the company leverages 7-Eleven's logistics system where 7-Eleven will come and pick up finished products from Sunsweet factory's doorstep. There is no need for Sunsweet to handle this process or be responsible to outsource this to third party supplier. This, subsequently, reduces the complication of supply chain management and allow their employees to only focus on production side of thing where they are trained and have more skills.

V. CONCLUSION

Sunsweet Company Limited is one of Thailand's sweet corn producers and exporters along with other competitors such as River Kwai International Food Industry Company Limited, Karn Corn Company Limited, and Majestic Food Industries Company Limited. The company transformed itself from Sunsweet Company Limited to Sunsweet Public Company Limited in 2017. Following this business decision, capital raised was used to pay back bank's loan as well as invest in machinery to increase production capacity to support the company's export growth.

SWOT analysis is used to analyze Sunsweet's business situation and to assess how the company made a strategic decision to grow more market shares locally by producing and selling ready-to-eat products such as Japanese purple sweet potatoes, sweet potatoes, tiger peanuts, and sweet corn on the cob. After a thorough examine, it is found that the company's strengths are evident in their raw material sources due to the connection that they have with local agricultural producers as well as appropriate soil and climate to produce these agricultural products. As mentioned above, the company now has financial ability to invest in new machinery following its transformation to a public company. While Sunsweet has many internal advantages, there are still a few aspects that are to be considered in terms of its weaknesses. Prominent weakness point of Sunsweet is that KC – King of Corn branding is not a household brand which can be resulted from the fact that the company and its sweet corn products do not have a nation-wide market presence in Thailand. Fluctuated exchange rates also play a part in Sunsweet's income and gross profit. Eliminating these weaknesses could

help the company to be successful in the new business direction. In addition to internal factors i.e. company's strengths and weaknesses, it is also necessary to evaluate external factors such as opportunities and threats. In terms of opportunities, Sunsweet can leverage the healthy lifestyle concept that is currently trending among Thai consumers. Also, there is not many big competitors that are in this processed agricultural products industry. There is also an opportunity for the company to increase their brand recognition by selling their products in domestic market. Regarding threats, fresh and perishable foods are often purchased at local markets due to consumer's perception towards this kind of product. The company shall need to weigh pros and cons of having their products sold in 7-Eleven as it could be the case of vertical integration from a more powerful company i.e. 7-Eleven in this case.

Following the analysis above, the company is made aware of both internal and external factors and has decided to proceed with domestic market expansion through ready-to-eat brand extension. Having stated that, company's current marketing strategy is analyzed to see how Sunsweet is doing in terms of business marketing and to make recommendations in the following section. Here, 7Ps are defined and discussed in a detailed manner. Product of Sunsweet can be divided in four main categories - canned corn, pouch corn, frozen corn, and other agricultural products. As these ready-to-eat products are sold at 7-Eleven, the price is required to be lower than THB 30 to attract customers. Sunsweet and "KC" brand is promoted through various channels such as official website and social media pages. The company collaborates with 7-Eleven to agree on prices and campaign promotions of these products. Furthermore, Sunsweet leverages 7-Eleven logistics and distribution centers to deliver their products to the customers. To reassure their customers of their products, the company put an emphasis on their product branding, packaging, as well as the store location. Though there are not many prominent strategies in terms of process and people of Sunsweet due to the company being in a product-led industry, production and after-sale processes have been structured to support their employees who are responsible in these areas of service.

VI. RECOMMENDATION

Referring to the above SWOT analysis, recommendation can be drawn from two main aspects based on TOWS matrix. This section will discuss how marketing strategy of Sunsweet can be

improved by taking SO strategy (strengths and opportunities) and WO strategy (weaknesses and opportunities) into consideration to offer recommendations.

SO Strategy

As this strategy is based on strengths and opportunities that Sunsweet possesses, SO strategy is considered to be an attacking strategy which will help the company grow and expand their business in the market. Sunsweet has strengths in terms of raw materials and resources. They can secure raw materials from many vendors – through brokers, smart farming, as well as individual farmers. In addition, the company has capital to invest in new machines and technology. As a result, they can leverage their strengths to partner with other healthy stores to capture the opportunities in terms of increasing brand recognition as well as to reach customers who are in the healthy market.

Partnering with 7-Eleven has many benefits such as brand and product exposure, supply chain management, and marketing support. Nevertheless, there are two potential threats that were defined earlier – vertical integration and high commission. “Don’t put all your eggs in one basket” is a saying that very much relates to this situation. As a response to these points, it is suggested that Sunsweet find other local partners apart from 7-Eleven that they can place and sell their products. Since these ready-to-eat products are aimed to capture people who are health and fitness conscious, Sunsweet could look into partnership opportunity with healthy shops. Some of these examples are Baimiang Healthy Shop and Lemon Farm Organic Family Food. This will help the company attract their target customers.

WO Strategy

Weaknesses and opportunities are focused in this strategy. WO strategy helps the company to alleviate their weaknesses through opportunities. As described in SWOT analysis chapter, Sunsweet has prominent weaknesses in aspects of weak branding and little market presence in Thailand. With this, online marketing is the strategy that the company should be adopting to increase branding as well as sale channels to gain profit margin from these ready-to-eat products.

Online marketing

It cannot be denied that social media plays a big part in current business world. Despite the fact that Sunsweet has established itself on a few social media platforms such as Facebook and YouTube where most of their public relation and marketing contents are present, there is still a big opportunity to leverage these platforms. In this section, the main focus is ready-to-eat products as these have been newly launched in Thailand and there are a few adjustments that Sunsweet can consider making.

Influencer marketing

Following the analysis of their *Promotion* strategy, the company has realized the importance of influencer marketing where Buakaw Banchamek, an accoladed fighter, was interviewed and explained the benefits of the products that Sunsweet produces to the audience. With this, the company is recommended to continue doing this kind of influencer marketing. However, as Sunsweet is tagging along on the healthy lifestyle trend, it could also be appropriate should the company explore more options on the influencers that are in this field. Sunsweet should consider the fact that these contents are being communicated to the audience that are on these social media platforms. Hence, selecting an active social media influencer versus a fighter that is famous offline could work well in this instance. Some of the choices include both female and male fitness celebrities e.g. Bebe - Thanchanok Ritnaka and Micky - Nol Allapach who are very much active on social media and, thus, have large fanbase on an online platform.

Social media advertising

In addition to the above-mentioned creative and collaborated content with influencers, it is recommended that Sunsweet allocate their marketing budget to paid media, for example on Facebook and YouTube. Depending on the produced creative content, the purpose of this media advertising can be divided into two main categories. The first purpose of paid media is to create brand awareness. Here, Sunsweet is using this kind of advertising to promote “KC” brand in general. It allows consumers to be exposed to “KC” branding and have initial knowledge on what the brand is about and what are some of the products that the brand is trying to sell to the customers. Once customers are aware of “KC” brand, Sunsweet could potentially define specific target audience an attempt to convert them to be their customers. Therefore, the goal here is to trigger them to go and purchase these products at 7-Eleven.

Online shop

Currently, KC products are exclusively sold only at 7-Eleven. To capture customers from all target groups, the company is recommended to consider selling their products online so that they do not miss an opportunity to sell and increase profit. Official website of Sunsweet (www.sunsweetthai.com) has just been updated seems to be already well-maintained. Having another function to allow customers to purchase the products on the website could be an option. Another alternative is to establish an official LINE or make Facebook another shopping channel.



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