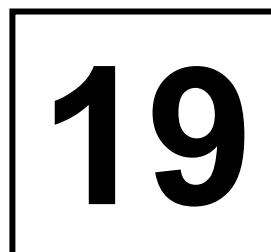


---

THE DEVELOPING AND PROMOTING OF OTOP COTTON FABRIC PRODUCTS FROM  
NIKHOM NAM UN DISTRICT, SAKON NAKHON PROVINCE TO INTERNATIONAL ARENAS



Suttinee Kularbkao\*

---

## ABSTRACT

Cotton fabric products are widely accepted for their special characteristics whereas in the northeastern part of Thailand is well-known as the major source of cotton fabric producers. Nikhom Nam Un district, locates in Sakon Nakhon Province, embraces the cotton fabric weaving as the secondary jobs its people who are mainly work as agriculturists. Many weaving groups are founded in responding to the demand of the fabric. This study aimed to investigate the development of cotton fabric products at this particular district with the attempt to add more values into products to meet the international demands. In-depth interview, conducted with two leading figures of each weaving group, was employed as the study tool. The findings illustrated that most weavers were elders and the weaving was only their temporary job that could generate only small income. These two major insufficiencies led to the cease of the business for some fabric producers. However under these two inadequate conditions, there was a weaving group from Ban Un Kok which had received three-star OTOP awards in 2012 regarding to their fine cotton fabric products and their effective business management. Another point that clearly made Ban Un Kok group stood out from other weaving group was their collaborations with government agencies to market their products via government's trade fairs e.g. OTOP festivals in Bangkok and within Sakon Nakhon province. In order to add more value into the fabric to suit the international need, it is recommended that the producers should frequently pay their attention to their customers' needs, create new products preferably and solely from natural resources, improve the packaging, analyze the cost and benefit regularly and set a reasonable price, increase more distribution channels via online websites, create and inform product history, improve their selling and communication skills using foreign languages and transfer their knowledge and wisdom to younger generations.

**Keywords:** OTOP product, OTOP producer, cotton fabric, hand-woven cotton fabric, local product

## INTRODUCTION

Nowadays, environmentally consciousness becomes one of the major concerns among the consumers especially to ones who want to express their great interest to people and the environments they live in. Many

---

\* Business Management Department, Faculty of Liberal Arts and Management Sciences, Kasesart University

consumers tend to express their social concern and responsibility by help purchase products producing from local entrepreneurs in communities that care for the environment (Ha-Brookshire, J.E. and Norum, P., 2011) and there is no exception for hand-woven cotton product which is considered as one of preferable items for most consumers (Chadwick, N. 2013).

In Thailand, hand-woven cotton textiles from different parts of the Northeast are well-recognized products. Each province has its own unique patterns and weaving style. Cotton products have also widely produced in Sakon Nakhon province and most of these delicately beautiful works are presented through One Tambon One Product Project (OTOP) (Thaitambon, 2015). Nikhom Nam Un, a small district locates in Sakon Nakhon province, comprises of the population of 15,000 (Department of Provincial Administration, 2014) who are full-time working as agriculturists (Ministry of Interior, 2012) and the mentioned hand-made cotton fabrics are the delicate works of housewives during their free time.

Cotton fabric made from Nikhom Nam Un district is flexible, durable and carries distinctive characteristics and it is commonly used for tailoring clothes and used as essential parts when making household products i.e. pillow cases, curtains and Table: linen. However, the production capacity of cotton fabric is limited and the rise of consumers' demands becomes vital problem for the fabric producers (Royal Thai Embassy, 2010). Additionally, the weaving skills and traditional techniques have been transferred from generation to generation but these knowledge capitals are becoming less and less important for young people. Consequently, many state agencies i.e. Community Development Department, Sakon Nakhon Provincial Industry Office and Department of Business Development are founded in order to support and promote the weaving activities and to ensure the survival of the cotton fabric production. Necessary weaving tools, skill training workshops and marketing seminars are provided to villagers who wish to work in this business. In addition, if a product that meets the standard is developed, it will be selected by these government agencies to display in exhibitions domestically; in the province, in OTOP fairs in Bangkok and internationally.

Moreover, according to the ASEAN Economic Community plan (AEC) which aims to strengthen ten countries' economies in 2015, OTOP producers should be ready to introduce their distinctive products to other member states (Thailand: Office of SMEs promotion suggests OTOP should prepare for AEC, 2012). Hence, when the international market is the target and it is importance to develop their products that truly meet international demands, the weavers should at least have some ideas relating to their customers' likes and dislikes and their favorable materials and styles. Therefore, this study aimed to investigate the development of cotton fabric products in Nikhom Nam Un district, Sakon Nakhon, Thailand and to add more value into the products to suit the demands of international customers.

## MATERIALS AND METHODS

This study employed the qualitative research method. The participants consisted of four groups of hand-woven cotton fabric producers namely 1) Ban Un Kok's group, 2) Ban Koksomboon's group, 3) Ban Nonsuwan's group and 4) Ban Nhongpakteim's group. All of them live in Nikhom Nam Un district, Sakon Nakhon, Thailand (Community Development Department, 2015). The study comprises of two phrases as followed.

The first phrase: The study of development of cotton fabric products

Two leading figures from each group, 8 people in total, were selected to conduct the in-depth interviews. The interview topics, provided in data collection tools, included the weaving group management, their marketing mix tactics and the needs of product development.

The second phrase: Data analysis and knowledge transferring

During this phrase, the collected data were analyzed and the results were used for creating appropriate strategies to develop the value-added cotton products that meet more demand of international buyers whereas the product development strategies were transferred to each group of producers and recommendations from the study were discussed.

## RESULTS AND DISCUSSIONS

From this study, three aspects regarding to 1) the production process, 2) targeted customers and 3) the marketing mix should be considered.

### 1. The production process

#### 1.1 Material and process

Cotton plays an important role in this process and the findings showed that cotton shortage seemed to be the main problem because villagers were not interested to grow and harvest from their own cotton and it was more convenience for them to buy cotton from the market, in addition, a constantly increase in cotton's price becomes an issue.

The loom, an apparatus for making cotton fabric which most of weavers have their own, is too expensive to have especially for new members after they joined the group. Yet, each group provided at least a public loom in the Center for new members to use or the leader of the group might assign them to do other jobs i.e. dyeing the fabric.

Dyeing– one of unique processes, each group has its own distinctively style of dyeing fabric, yet they are not totally naturally dyed.

#### 1.2 Leader and producer

More than 90 percent of group members produced their products during their leisure time and most of them were housewives with the age of 60 and over. These occurrences led to the limitation of the production capacity that rarely met customer's demand. Moreover, the younger generations showed no intention of inheriting the weaving skills. Findings also portrayed that effective leaders led to the greater success. The clear example was from Ban Un Kok group which gained more success over other groups in Nakhom Nam Un district regarding to its products and the management system, therefore, leader cannot be separated from this operation. (Pauliene, R., 2012)

#### 1.3 Management

It was clearly illustrated that working in group can produce the product faster as the hand-woven process takes long time to produce each piece of cotton fabric. Working in group is not only creating their reputations and unity as a group but also it is convenience for the weavers to join the government exhibitions or events on behaved of the

group. Ban Un Kok's group is the largest weaving group in Nikhom Nam Un district with about 30 members in the list but only half of them are active weavers. This group had received three-star OTOP's award in 2012 and had better organizing system comparing to other groups and fortunately a son of the group leader intended to develop the products and to maintain the weaving knowledge from his predecessors; nevertheless, we cannot see this kind of occurrence happened in other three groups in the district.

## 2. The targeted customers

The four groups of OTOP producers in Nikhom Nam Un district normally sold their products to the neighbors and to middlemen but sometimes they received a large order from government agencies. They also prepared their products to commercialize locally in the fairs and the OTOP's exhibition in Sakon Nakhon province, however, their production capacity cannot reach the high volume of demands.

## 3. Marketing Mix

### 3.1 Product

Hand-woven cotton fabric product was the strength of the four groups by the quality of the products and their distinctive styles. With their old knowledge capital, it was more valuable than other products. Yet, brands and packaging were not designed and developed.

### 3.2 Price

Unfortunately, the weavers rarely analyzed their production costs so they gained only a marginal profit. Some plain textile sells only 80 Baht per meter and the weaver approximately produce a meter per day. Nevertheless, the delicate item can sell more than 1500 Baht per piece.

### 3.3 Place

The groups usually commercialize their products through the local markets, district's festivals, OTOP exhibitions in Sakon Nakhon province and sometimes received order from state agencies and middlemen.

### 3.4 Promotion

State agencies have been supporting the hand-made fabric producers by provided a chance to display their products in state exhibitions every year. Reducing price is only the strategy using by local entrepreneurs.

## CONCLUSION

From the fact that the majority of the weavers were elderly housewives and the fabric products were created in their leisure time and their capability to produce a large quantity to serve the mass market is rather under the standard. Consequently, with their valuable products and distinctive style, their products should be promoted in niche markets which targets only significant segment (Gültekin, B. et al, 2013). According to the results and discussion, there are key suggestions to develop their local products; (1) the OTOP producers should carefully select their target customers, niche marketing can be applied; nevertheless, producers should regularly study about consumer behavior for both local and international consumers. (2) Adding value to products such as inform customers about the history of origin, raw materials and hand-woven process; therefore, a place brand can be introduced to customers (Zerrillo, P. C.,

& Gregory, M. T., 2007). These information and brand should present both Thai and English on their package to increase their creditability and attractiveness. (3) Improving the quality of hand-woven cottons fabric by using organic cottons and produce the whole natural products. (4) Regularly analyze cost and benefit and always set a reasonable price. (5) Increasing more distribution channels especially online website and social media. (6) Developing personal selling and communication skills and (7) importantly, the OTOP producers should transfer their precious knowledge and wisdom to young generations by provide a skilled training workshop and practice.



Figure 1 A hand weaving loom



Figure 2 Dyeing cotton fabric



Figure 3 Scarf weaving in process



Figure 4 The Ban-UnKok weaving group



Figure 5 Hand-woven cotton fabric product



Figure 6 Distinctive hand-woven cotton fabric product

## REFERENCES

- Chadwick N. "WOMEN SEWING their way out of poverty,". International Trade Forum. (2) : 31–32 : 2013
- Community Development Department OTOP products. [online]. Available from: <http://www.otoptoday.com/en/province/SakonNakhon>. (2015)
- Department of Provincial Administration. Thai's demographic profile 2014. [online]. Available from: [http://stat.dopa.go.th/stat/statnew/upstat\\_age\\_disp.php](http://stat.dopa.go.th/stat/statnew/upstat_age_disp.php). (2014)
- Gültekin B. Juan V., María D., and Espinosa Seguí A. "Location orientation of organic stores in low demand areas: A case study of a niche market,". Information Management and Business Review. 5(1) : 20–27 : 2013
- Ha-Brookshire J.E. and Norum P. "Willingness to pay for socially responsible products: case of cotton apparel,". Journal of Consumer Marketing. 28(5) : 344 – 353 : 2011.
- Michel L., Jasmin B., and Guido B.-F. "Targeting consumers who are willing to pay more for environmentally friendly products", Journal of Consumer Marketing. 18(6) : 503 – 520 : 2001.
- Ministry of interior Province's report. [online]. Available from: [http://www.moi.go.th/MOIWEB/jsp/report/OSM/REPRT\\_0001.jsp](http://www.moi.go.th/MOIWEB/jsp/report/OSM/REPRT_0001.jsp). (2012)
- Pauliene R. "Transforming leadership styles and knowledge sharing in a multicultural context,". Business Management and Education. 10(1) : 91: 2012.
- Royal Thai Embassy. What is OTOP. [online]. Available from: <http://www.thaiembassy.sg/friends-of-thailand/p/what-is-otop>. (2010)
- Thailand: Office of SMEs promotion suggests OTOP should prepare for AEC. (2012, Jan 07). Asia News Monitor, [online]. Available from: <http://search.proquest.com/docview/914351496?accountid=48250>. (2015)

- Thailand: Adding value to OTOP products and making them better known internationally. (2012, Jun 29). Asia News Monitor. [online]. Available from: <http://search.proquest.com/docview/1022607548?accountid=48250>. (2015)
- Thaitambon OTOP products. [online]. Available from: <http://www.thaitambon.com/tambon/sakonnakhon>. (2015)
- Zerrillo P.C., and Gregory M.T. “Developing brands and emerging markets: An empirical application,”. Place Branding and Public Diplomacy. 3(1) : 86–99 : 2007