

Positioning Strategy of Homestay Business: A Case Study 3 communities in Ubon Ratchathani
and Amnat Charoen Provinces

Thumwimon Sukserm , Phimonsinee Udomphan Dusit Jaksil , Wannapa Sutthiprapa
Ubon Ratchathani University, Thailand

Corresponding author, thumwimon@gmail.com

Received September 3, 2020 & Revise December 10, 2020 & Accepted December 25, 2020

Abstract

This study aimed to analyze the positioning strategy of three homestays in Ubon Ratchathani and Amnat Charoen Provinces such as Sa-Som, Pla-Kaow, and Na-Mor-Ma communities that are the best practice of homestay in Thailand. This study is the qualitative study and collected data from 30 key informant people of three communities who significant play role about the homestay. Data is collected by four approaches such as the focus group, the observation, the participant observation, including the depth-interview. Triangulation and the content analysis were applied into this study.

The results revealed that the best practice Thai homestay - Sa-Som, Pla-Kaow, and Na-Mor-Ma communities, the positioning strategy is the combination from three strategies of seven approaches such as the using product characteristics, the positioning strategy based on cultural symbols, and the positioning strategy based on competitors. The three main factors were applied to set the positioning such as the handmade of cotton and silk fabric and reed (the raw material natural resources), cultural story and the natural resources (places).

Keywords : Positioning Strategy; Homestay; Ubon Ratchathani; Amnat Charoen 21

Introduction

The Pracha Rat scheme is the much-touted government initiative calling for public-private partnerships where all sectors of society join hands to strengthen the country and boost the economy at a local level. Regarding this scheme, several projects were created under this, such as The “Nawatwithi” OTOP Community Tourism project and the Creative Industry Village (CIV) The “Nawatwithi” OTOP Community Tourism project is set out to drive the country development following the project initiated by the current government, “Thai Niyom Yangyeun.” It aims to minimize domestic inequality by generating income and building development and economic strength through allowing private sector to work with the government sector in hope to achieve the vision of stability, prosperity and sustainability (Community Development Department, 2019).

scheme.

Another is CIV that is the Thai government by the Ministry of Industry to plan for disbursing a budget of 22 billion baht to promote local villages that follow the Creative Industry Village (CIV) scheme in 2018. They expect that Thai villages must be developed 158 villages in 76 provinces (Ministry of Industry, 2019) and aims to beef up economic flows to villages through local tourism connected to any related industry. Eventually, the Thai government would like to definitely help villagers, small and medium-sized enterprises (SMEs) and farmers increase their household incomes under the Pracha Rat scheme.

Regarding the above projects, a part of several activities is processing such calling 'Thai Homestay. This activity is maintained in the concept that 'anyone can be a host by giving a nice smile, a friendly greeting, amicability, and a warm welcoming to the visitors treating them like friends and making them feel like they are at home' (Department of Tourism, the Ministry of 22 Tourism and Sports, 2019). In order to create the customer satisfaction, the Ministry of Tourism and Sports (2019) stipulated the Thai Homestay Standard evaluation that is to assess and guarantee the standard of Thai homestays, and also to prepare for the Asian Community. The number of Thai homestay Standard is increasing 200 homestay approximately. Three of them above are the Thai Homestay Standard such as;

(1) Sa-Som Homestay community, Na Po Klang subdistrict, Khong Chiam district, Ubon Ratchathani province,

(2) Pla-Kaow Homestay community, Pla-Kaow subdistrict, Mueang district, Amnat Chareon province and

(3) Na-Mor-Ma Homestay community, Na-Mor-Ma subdistrict, Mueang district, Amnat Charoen Each homestay is different from each other that is a good position to convince the visitors and/or tourists in order to touch and learn the different service. Presently, three homestays are still on demand and stay in the homestay business.

In order to be the role model of Thai homestay, this study concentrated on the positioning strategy and sought the different position of three homestays above. province.

Literature Reviews

In marketing strategy, a part of several marketing strategies is market position that refers to the consumer's perception of a brand or product in relation to competing brands or products. Market positioning refers to the process of establishing the image or identity of a brand or product so that consumers perceive it in a certain way (Wilkinson, 2013).

Positioning

Positioning Strategy

The purpose of the positioning strategy is to establish a single thing to be awareness in the mind of the consumer (Woodruff, 2019). Bhasin (2019) explained that there were seven approaches to positioning strategies:

1)Using Product characteristics or Customer Benefits as a positioning strategy: This strategy basically focuses upon the characteristics of the product/service or customer benefits.

2)Pricing as a positioning strategy: In many product or service categories, there are brands that deliberately attempt to offer more in terms of service, features or performance. They charge more, partly to cover higher costs and partly to let the consumers believe that the product is, certainly of higher quality.

3)Positioning strategy based on Use or Application: Basically, this type of positioning-by-use represents a second or third position for the brand, such type of positioning is done deliberately to expand the brand's market. If you are introducing new uses of the product that will automatically expand the brand's market.

4)Positioning strategy based on Product Process: it is to associate the product with its users or a class of users. The expectation is that the model or personality will influence the product's image by reflecting the characteristics and image of the model or personality communicated as a product user.

5)Positioning strategy based on Product Class: it consists of promoting two products that lie in the same product class. By promoting two related products simultaneously, the positioning of both is improved in the market.

6) Positioning strategy based on Cultural Symbols: The essential task is to identify something that is very meaningful to people that other competitors are not using and associate this brand with that symbol.

7)Positioning strategy based on Competitors: an implicit or explicit frame of reference is one or more competitors. In some cases, reference competitors can be the dominant aspect of the positioning strategies of the firm, the firm either uses the same or similar positioning strategies as used by the competitors or the advertiser uses a new strategy taking the competitors' strategy as the base.

Research Methodology

This study is a qualitative research that was collected data from 30 key informant people of three communities who significant play role about the homestay. Data is collected by 24 four approaches such as the focus group, the observation, the participant observation, including the depth-interview. Triangulation refers to the use of multiple methods or data sources in qualitative

research to develop a comprehensive understanding of phenomena (Carter et al., 2014). Content analysis was applied to interpret and code textual material.

Research Results

Brief Backgrounds

(1) Sa-Som Homestay community The Thailand Community (2012) mention that Sa-Som community is located in Na Po Klang subdistrict, Khong Chiam district, Ubon Ratchathani province. It was established by 1950 AD along with the initial community name as Na-Noi village. Later, villagers unanimously accepted a new community name as Sa-Som according to the area attribution that was suitable for living wild animal and a local term calling as 'Sa', than 'Som' meant 'hidden'. The combination term became to be 'Sa-Som'.

This community is arranged the houses for any visitors with the tourism packaging. The host would bring the visitors to learn and wave the identity fabric pattern as call 'Seng Rak or the first sunrise', than visit the attraction places inside and nearby the community such as the waterfall, stone pole etc.

The appropriate season visiting should be the connect season between the rainy season and the winter season. There is a wild flower field where is beautiful and amazing. Friendly, this community is quite warm welcome all honor visitors a whole year.

(2) Pla-Kaow Homestay community The community history is very interesting due to the community age is 150 – 200 years old. Comparison all case studies in this paper, this community is older than others. The community is located at Pla-Kaow subdistrict, Mueang district, Amnat Chareon province. Originally, the parentage migrated from Vientiane, Lao PDR. They sought the area that enable to farm, later they found a new area but it was dangerous. No one dared to settle down in that area but two guys did not fear anything definitely. Then, they brought their families to settle down in this area. Fortunately, a nearby river had many fishes (in Thai name calls Pla-Kaow.) Therefore, they applied the name of fish to be the current community name. The community identity is mor-lom or the traditional performance that is applied the local language to sign along with the local musical instruments such as Khaen or a bamboo mouth organ and Pin or a traditional mandolin or another call traditional guitar. This performance is able to make happiness to visitors. Moreover, the fabric pattern is called 'Lai Sa Bang' that is inspired from the local plant in this area.

The homestay program must contain two things into the package tour absolutely. They convince the visitors to enjoy the show and train them to wave the cotton fabric at the waving center in the community. Presently, the visitors continually travel into the community. It can increase the income household.

(3) Na-Mor-Ma Homestay community

This community is located at Na-Mor-Ma subdistrict, Mueang district, Amnat Charoen province. Originally, villagers were Yasothon province people. They sought the fertilization area in order to improve their quality life. Later, that area was strongly flooded. Therefore, they needed to find a new area to construct and develop the community that was the current community. The story of community name is from believes that in the past, several wild animals destroyed their rice and farms. They attempted to solve this problem but it was impossible because of fornication. Eventually, villagers met the smart sorcerer who was able to clear all problems. This sorcerer rode a horse (in Thai calls ‘Ma’) to vanquish the wild animals. Therefore, they combined all phenomenons to create the community name as ‘Na-Mor-Ma’ finally. The distinguished homestay of this community is a reed mat story that is the community identity. This identity becomes a signature product as a reed mat. The majority of villagers wave a reed mat in order to generate their extra income. Therefore, the tourism packaging includes the waving activity in order to attract visitors to join and learn this activity. In terms of visiting period, the visitors are able to tour in this community a whole year.

Importantly, this community is the Dhavaravati Kingdom and is plenty of sema or marker stones. That is very attractive and very differently. The comparison of positioning strategies among three homestays

1) Using Product characteristics The table below is demonstrated the comparison of positioning strategies among three homestays based on the community identity that perceived by the visitors.

Table 1 Positioning strategies comparison Positioning strategies Sa-Som

<p>2) Pricing as a positioning strategy³⁾ Positioning strategy based on Use or</p>	<p>community × Homestay</p>	<p>community × × Pla-Kaow Homestay</p>	<p>community × × Na-Mor-Ma Homestay</p>
	<p><input type="checkbox"/></p>		

	x		
Application4) Positioning strategy based on Product	x	x	x
Process5) Positioning strategy based on Product6) Positioning strategy based on Cultural	x	x <input type="checkbox"/>	x <input type="checkbox"/>
Class			
No. 2 (20 (July - December) Symbols 7) Positioning strategy based on the above table, the three positioning strategies due to they were the same business. However, inside the positioning	<input type="checkbox"/> result revealed that	<input type="checkbox"/> three	<input type="checkbox"/> communities used the same
Competitors	<input type="checkbox"/>		

Referred strategy were different as following table 2. The reason of differentiation is such marketing strategy on the different orientation. If the business makes the same products or services, the consumer does not need to deliberate for selecting or purchasing. They just pick a nearby product or service.

Table 2 The differentiation of products or services

Positioning strategies Sa-Som Homestay Pla-Kaow Homestay Vol. 4 No. 2 (2020): (July - December 2020) Distinguished fabric Distinguished fabric

1) Using Product characteristics	community pattern as called 'Seng Rak or the	community pattern as called	Community signature products as a reed mat Na-Mor-Ma Homestay
2) Positioning strategy based on Cultural Symbols 3) Positioning strategy based on	The sunny ritual The beautiful scenery of sunrise first sunrise'	'Sa Bang' Mor-lom or the agriculture and	Kingdom and Integrated between agriculture and
	and pure natural	Perform a traditional dinner traditional	Dhavaravati culture
the table 2, the results benefits as a positioning strategy, each product has the different points. Even though Sa-Som Competitors	environment revealed that the	using product Integrated party	archaeology characteristics or

Referred customer and Pla-Kaow homestays has the same product – the cotton and silk fabrics; but they created and designed the different pattern. Those patterns were inspired and designed by the nature each area where is surrounding different environment such as Sa-Som is located at the easternmost point of Thailand and is able to see the first sunrise in Thailand – it means the definition of the fabric pattern name, meanwhile Pla-Kaow homestay has several Sa Bang trees that produce the beautiful shape flower as call 'Dox Sa Bang – flower of Sa Bang tree'. In terms of Na-Mor-Ma homestay is a reedy area that fully grows up in this community. Then, villagers bring it to produce a reed mat. That is a differentiate idea from two previous homestays.

Discussion of Research Results

The positioning strategy based on cultural symbols of three homestays is quite different due to different location and history. For instance, Sa-Som homestay has the ritual that relates to the sun because its location enables to see the first sunrise in Thailand. Pla-Kaow homestay presents the funny life story of the northeastern people as called Mor-lom or the traditional performance. Lastly, Na-Mor-Ma homestay is Dhavaravati Kingdom and culture due to there is many sema or maker stones.

Finally, the positioning strategy based on competitors, three homestays attempted to search them in order to present the differentiae points from each other; otherwise it will be very Vol. 4 No. 2 (2020): (July - December 2020) difficult to attract the visitors. For example, the beautiful scenery of sunrise and pure natural environment of Sa-Som homestay, integrated agriculture and traditional dinner party of Pla Kaow homestay, and integrated between agriculture and archaeology of Na-Mor-Ma homestay. Conclusion and Discussion

Product differentiation is a marketing process that strives to identify and communicate the unique benefits or qualities of a product compared to its competitors. Regarding the three case studies, the strategic approaches we found that the people in the community used the SWOT strategy to find themselves.

The data of SWOT enables people to clearly understand themselves and led them to set their positioning in order to compete in the business. Moreover, this process is able to construct the harmony in the community and become to be a strong community in the future. The results of community performance can consider from the increasing number of visitors and better quality of life. This evidence is observed from happiness life without stress from the economy. In case of income, villages said that the homestay income cannot impact into their life and family because they are able generate income from the main career as farmer. Regarding from this study, we are able to state that three homestays are the best practice of the homestay management, especially the positioning strategy in terms of marketing In short, the best practice Thai homestay - Sa-Som, Pla-Kaow, and Na-Mor-Ma communities, the positioning strategy is the combination from three strategies of seven approaches such as the management. using product characteristics, the positioning strategy based on cultural symbols, and the positioning strategy based on competitors. The three main factors were applied to set the positioning such as the handmade of cotton and silk fabric and reed (the raw material natural resources), cultural story and the natural resources (places). Sa-Som homestay community uses the distinguished fabric pattern as called 'Seng Rak or the first sunrise', the sunny ritual and the beautiful scenery of sunrise, and pure natural Pla-Kaow homestay community applies the distinguished fabric pattern as called 'Sa Bang', Mor-lom or the traditional performance, and the integrated agriculture and traditional dinner Lastly, Na-

Mor-Ma homestay community presents the signature product as a reed mat, the Dhavaravati Kingdom and culture, and the integrated between agriculture and archaeology. environment.

Suggestions

The communities that should be promoted include Sa-Som homestay community uses the distinguished fabric pattern as called 'Seng Rak or the first sunrise', the sunny ritual and the beautiful scenery of sunrise, and pure natural environment. Pla-Kaow homestay community applies the distinguished fabric pattern as called 'Sa Bang', Mor-lom or the traditional performance, and the integrated agriculture and traditional dinner party. Lastly, Na-Mor-Ma homestay community presents the signature product as a reed mat, the Dhavaravati Kingdom and culture, and the integrated between agriculture and archaeology.

Reference

- Bhasin, H. (2019). 'Positioning Strategy' retrieved by May 15, 2019 from <https://www.marketingparty.com>.
- Carter N., Bryant-Lukosius D., Di Censo A., Blythe J., Neville AJ. (2014). 'The use of triangulation in qualitative research', *Oncol Nurs Forum*. 2014 Sep;41(5):545-7.
- Community Development Department. (2019). Project's background OTOP Nawatwithi Connecting local wisdom and local way, retrieved by May 15, 2019 from www.nawatwithi.com.
- Department of Tourism, the Ministry of Tourism and Sports, (2019) <http://www.homestaythai.net> 91.com/positioning-strategies/
- Ministry of Industry. (2019). The Government Policy, retrieved by May 14, 2019 from The Thailand Community. 2012. History of Ban Sa-Som, retrieved by May 15, 2019 from Wilkinson, J. 2013. 'Market Positioning Definition' retrieved by May 15, 2019 from
- Woodruff, J. (2019). 'Examples of Positioning Strategy in Marketing' retrieved by May 15, 2019 Vol. 4 No. 2 (2020): (July - December 2020)From<https://smallbusiness.chron.com/examples-positioning-strategy-marketing-10166.html>

Website

- <http://www.industry.go.th>.
- <https://thaicomcommunitybasedtourismnetwork.wordpress.com/cbtcommunity/esancommunity/zazom/>
- <https://strategiccfo.com/market-positioning/>.