

# THE STUDY OF MARKETING STRATEGIES FOR ORGANIC PRODUCTS CAUSED CONSUMERS PURCHASING DECISION

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## ABSTRACT

Thailand cosmetics market condition in ASEAN Economic Community is a highly competitive from the high-end market to lower market, Thai products could not penetrate the market that much. Since the high-end market of brand-name stocks, the world-famous product, have dominated the market for long time, thus, the middle and lower markets as competitors have advantage over Thailand on the cheaper wage. The aim of this research was to study the marketing strategies of organic products. This research was operated by qualitative research, collecting data from 10 organizations of organic product entrepreneurs with in-depth interview and was analyzed by content analysis. The result indicated that the study of marketing strategies for organic products caused consumers purchasing decision was to use marketing mixes as followed 1) goods/services; 2) prices; 3) sale; and 4) marketing promotion.

**Keyword:** Cosmetic products, marketing, ASEAN Economic Community (AEC)

## INTRODUCTION

Thai and foreign consumers currently turn to care even more on their skin. The popularity of organic or natural extracted products also has accepted, especially as facial cleansers mixed with herbs. Therefore, people now more interest in organic products for a better health (อัคร พิศาลานิช, 2555). Both domestic and foreign organic products have developed its varieties more and more. Previously, it was only agricultural products such as veggies and fruits because people firstly gave a lot of importance to eating and began transformed to create more forms of products and different services into many classes.

The organic products not include only food but also cosmetic and skincare: soup, cream, cleanser, lipstick, and others. Most consumers from foreign country and domestic country start caring their health and realize how much chemicals are ins their body. The cosmetic and skincare products are such a good that people require to learn on quantity of mixture and chemical content for their health. As we know that our skin is able to absorb several staples touched through valuable and toxic parts. These products so effect on poisoning levels since our skin is touched directly by them. It shows that the trendy health caring is not concerned only health but also beauty to be as complement of consumer needs. In present finds that health and beauty business is the most rising business consisted the marketing values over one hundred billion baht in 2016. The market growth of this group occurs by many factors: consumer more considering on their looks, centering on various products, not adhering much to brand-name products and centering on Thai medical products with full of efficiency, modern technology, and reasonable prices.

The business of organic product had potential enough to grow up and was also one of business chances for those entrepreneurs who interest to start investment. In order to organic business in Thailand provided the large market share, yet it consisted few entrepreneurs in such market compared with quantity and population of country. Additionally, organic production

was not sufficient for requirement. Researcher then witnessed that organic products made highly profits and able to create value of product. Entrepreneurs themselves can define its high and appropriate costs. When that products look notable and different from competitor's product sold in the market, consumers, thus, have power to purchase for profits they could acquire from products. Basically, organic products costed highly expensive than general products because its process was more standard. From consumer response to increasingly realize on environment, would cause at the main selling points of products provided by the natural production process, so much meticulous since the process to the last destination as consumers. This presented that products become the demand for consumer targets, for instance, the new generation, families with children, elders or patients, nutritionists, nurses, and foreigners living healthy countries.

### **Objective**

To study the marketing strategies for organic products

## **LITERATURE REVIEWS**

### **Organic product**

Organic product is the truly natural basis with chemical contamination free as insecticide, protective substance, fungus, or even chemical fertilizer and none flavored any synthetic compound which was prohibited by organic standard in every method of production, transformation, and storage. In other word, all plant ingredients in production must be planted through organic process, free chemicals in its fertilizer and soil for cultivation, even water sources should be natural without any chemicals. Thus, producers better have plan preparing soil and water for 3-5 years to not let any contamination of synthetic compound as technology applied or other chemicals conceal surprisingly dangers around us. That's why such thing is called the truly organic product. They, previously, were always blended with natural products, rather misunderstanding from its facts because the natural product was just some part of natural outcome. These organic products currently not include only food but also cosmetic and skincare as soup, cream, cleanser, lipstick, and others. Most of consumers from foreign country and domestic country turn caring their health and realize how much those chemicals are in their body. Both cosmetic and skincare products become a popular group where many people out there start learning its quantity of mixture and chemical content toxicant for their health. As we know that, our skin is able to absorb many staples by touching, including valuable and toxic staples. These products would cause on poisoning levels since we acquire them by directly touching (พรินน์, 2557).

Organic products now are divided into many groups as mixture and material ratios planted with organic process at 75 to 100%, controlling and verifying its standard by an acceptance institute. Hence, this causes the product price higher than general market price; the manufacturing cost is high and limited on quality control.

### **Marketing strategies and mixes**

Kotler, and Armstrong, (2014) said that strategical plans had defined the obligation and objective of enterprise, combining the market roles and activities involved with marketing strategical management running by consumers and marketing mix. The center is firstly consumer target is to create the value for them and build their relation up to make profits. Second is marketing strategy or market logic which enterprises attempt to create values for their consumers and reach that relation of making profits. They would decide which group of consumers would respond to them (market segmentation and market targeting, and how to respond (as place differentiation). Enterprises themselves would state the overall markets and

separate into small parts of market and then choose the most attractive market to go respond as consumer requirements at such market.

What responds the consumer needs include 4 choices: product, price, platform and sale. The 4 kinds of market promotion should be conformed in the same direction to be able to respond the consumer needs harmoniously.

## **METHODOLOGY**

This research was used the qualitative research which its samples were organic product entrepreneurs from 10 organizations by taken a purposive sampling, collecting data by in-depth interview and was analyzed by utilizing the content analysis to prioritize results as its content later.

## **CONCLUSION**

The marketing strategies for organic product caused on consumer purchasing decision is to use the marketing mix, entrepreneur creating as followed: 1) create goods/services to be more intriguing and attractive for consumers, differentiating and improving these products and services; 2) set the appropriate price with goods/services and target and also consider on capital and competition; 3) possibly reach its sale onto target and support spreading those products into market; 4) promote the marketing by advertisement promotion to create the positive thinking for consumers on goods/services, such a significant tool for consumer purchasing decision. Marketing mix, thus, is the key of outside stimulating factor that allows consumers demand to purchase that products.

## **RECOMMENDATION**

Entrepreneurs of organic business must analyze on the context how to bring these products onto market: who is target, which kind of organic product will be sold and where could it be, and how to reach that targets. We also need to collect the reliable products and its resources certified and verified by national and international institutes. Building up a well friendship with suppliers or organic store networks is very helpful for creating business alliance to assist each other as well as reinforce the new trading strategies to provide additional service as delivery. Entrepreneurs then should look for market platforms to respond and reach their consumer needs as much as possible, so that, they can stand on organic product businesses sustainably.

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