

# The Development Strategy of Local Shop to Promote the Economic Strength of the Community

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## Abstract

*This study is a quantitative and qualitative research. The quantitative was quasi-experimental research with one group pretest-posttest design was used to study and analyze the problem of Houana village's people. The samples for trial the development strategy of local shop to promote the economic strength of the community were 60 peoples used as the experimental group. The sample groups were selected by purposive selection. Then results were compared between before and after the trial for 6 months. The mean differences before and after treatment were analyzed by t-test dependent. The developed strategy was evaluated by rating scale and the data were analyzed with the mean and standard deviation. The results revealed that the model of local shop showed that the less income people suffered from lack of source for buying a reasonable prize of good. The suffering of customer from analysis was found target problem that lack of shop selling with reasonable prize. The In-Dept interview was conducted with experimental group of 60 peoples. It was found that as whole of development strategy, they had knowledge and understanding of local shop development with 44 percents. Considering to each aspect, it was found that strategy for local shop establishment with 47 percents, local shop establishment with 90 percents, local shop membership system with 90 percents, local shop management with 16.38 percents, saving with 53 percents, and community product promotion with 63 percents. The development strategies were included from the focus group discussion, therefore the work unit systems were as the followings. 1) The appropriate local shop model 2) Local shop establishment 3) The trial management of local shops 4) Evaluation of local shop management and service. The result of trail development strategy was revealed as the following: 1. Comparison training achievement of participants between before and after, it was found that after training the achievement was higher than before with statistical significance at level of 0.5. 2. Evaluation of the successful results was as the followings. 2.1 Comparison of opinion of community people before and after experiment, it was found that the community strength was more than before with statistical significance at level of 0.5. 2.2 The satisfaction to strategy for development of local shop of 60 members had mean at more level (3.80). 2.3 Result of quality evaluation to strategy for development of local shop at the end of the first month and forth month, it was found that the forth month was higher than the first month with statistical significance at level of 0.5.*

Keywords: *development strategy, local shop, economic strength of the community*

## 1. Introduction

Banrai, Uthaitхани, is a community surrounding by forest that is door to enter to Huai Kha Khaeng Wildlife Sanctuary (Wikipedia, 2012). Even though, civilization would penetrate into Banrai. However, it seems to be here the world is rotate slower than usual 5 years because the district has no convenient shop provide for 24 hours. There is no theater, pub, bar or shopping center but it has only small fresh market that the villagers bring vegetables, fruit, and local consumer products for sell. However, people live with happy. They have slogan as "Banrai Free from Pollution, Sufficiency Life, and

together with Virtue". Even though, it is a small district but it is natural beautiful area with culture, tradition, art, food and ethnic simple way of life (Banrai Local Government Office, 2012, & Office of National Culture Commission, 2011).

At present, district municipality of Ban Rai faces with poor or less income people. This problem is more severe increasingly from past because the situation of municipality development is growth gradually. District municipality of Banrai is a small municipality but the tendency of population growth and density because a part of development aims to the center of business of Baan Rai District and center for tourism promotion to be able to support Uthai Province as important tourism site in this region. The geographical situation of Baan Rai District Municipality is a valley surrounding community in Municipality of 6 communities that are Bann Huona Community, Sanam-Keela Community, Talad Sod Community, Baan Yai Community 1, Baan Yai Community 2, and Baan Bueng. There is total household in municipality with 956 households (Banrai Local Government Office, 2012).

Majority of population was children and elderly because young adults and adults migrate to work in other provinces. Most of main occupation is daily general hire and good production in community is household product. Beside they are government officer, private company, agriculturist, and stand selling. Moreover, some part of people migrates from rural area to municipal area (Banrai Local Government Office, 2012).

Providing sources for buying nearby the living area for less income people in municipal area or semi-city, it will help to decrease the problem of cost living and to be complementary income for household (Tuntiwongvanich, 2009). Additionally, gathering of community is controllable and government is able to fully support for various aspects. It should be in terms of grouping to community development. There is a source of good consumption with not expensiveness and do not take advantage of people (Hongthong, 2005). There is a source for good selling of community that buyers can bargain (Jiamsripong, 2010). At present, from primary interview, it was found people in community and majority of rural has problem of taking advantage of buying for consumption good for essential living and not receiving fairness for selling community product (Kanjianapa, 2010, & Jiamsripong, 2010). Beside lacking of knowledge, experience and bargaining power for buying, it cannot bring local wisdom product to develop in business during passing period, government has policy to distribute income and progress to region to prevent concentration at center and delegate to work unit of government to collaborate to support for effectiveness (Puripakdee, 2010). Implementation of activity to community and occupational group from this policy, Ministry of Commerce implemented to support for group gathering of people for establishing "Community Shop" in remote rural area to be able to buy product (The Office of Business Promotion and Development, 2010). Consumption product in the fair prize and increasing power for business bargain are included. Additionally, the community shop is able to be a learning center under the administration of group people in community and governmental sector to be supporter in budget and academic in terms of administration and accounting (The Office of Small and Medium Enterprises Promotion, 2010).

Therefore, researcher had objectives to implement on research of "The Development Strategy of Local Shop to Promote the Economic Strength of the Community" by implementing for shop establishment for community in city. Particularly, Banrai District Municipality, has different contexts for living. Majority of occupation is daily general hire and no land for agriculture. Moreover, the extended of urban community with high independence, the researcher had studied from documents, literature reviews about promotion of community shop, promotion of creation of community product, group gathering, community participation, and successful and failure community shop to sell consumption product and raw material for community production nearby shelter for less income people (The Office of Business Promotion and Development, 2010).

Additionally, it is a source of community product distribution and characteristics urban community shop with appropriate pattern of implementation for urban community for community living in environment of urban community with suitable and better further (Banrai Local Government Office, 2012, & The Office of Business Promotion and Development, 2010).

## 2. Objective

The research objectives were as followings:

- 1) To design the development strategy for local shop development to promote the economic strength of the community through community people participation.
- 2) To experiment the development strategy for local shop development to promote the economic strength of the community of Houna village.

## 3. Methodology

The research design was implemented in steps by step as followings:

1. The qualitative research was used for creating the development strategy for local shop development to promote the economic strength of the community through community people participation of Houna village. Focus Group discussion and In-Depth Interview were used for data collection. There were 5 steps of strategy development including;
  - a. Identifying and analyzing the problem of suffering of no local selling with reasonable prize.
  - b. Defining and analyzing target problems.
  - c. Defining the target of strategy
  - d. Creating units of system operation
  - e. Providing resources
2. The quantitative research was used for experimenting the strategies for local shop development to promote the economic strength of the community through community people participation of Houna village. There were 60 people of Houna village as sample groups of experiment.

#### 4. Results

This study is a quantitative and qualitative research. The quantitative was quasi-experimental research with one group pretest-posttest design was used to study and analyze the problem of Houna village's people. The samples for trial the development strategy of local shop to promote the economic strength of the community were 60 peoples used as the experimental group. The sample groups were selected by purposive selection. Then results were compared between before and after the trial for 6 months. The mean differences before and after treatment were analyzed by t-test dependent. The developed strategy was evaluated by rating scale and the data were analyzed with the mean and standard deviation.

The results revealed that the model of local shop showed that the less income people suffered from lack of source for buying a reasonable prize of good. The suffering of customer from analysis was found target problem that lack of shop selling with reasonable prize. The In-Dept interview was conducted with experimental group of 60 peoples. It was found that as whole of development strategy, they had knowledge and understanding of local shop development with 44 percents. Considering to each aspect, it was found that strategy for local shop establishment with 47 percents, local shop establishment with 90 percents, local shop membership system with 90 percents, local shop management with 16.38 percents, saving with 53 percents, and community product promotion with 63 percents. The development strategies were included from the focus group discussion, therefore the work unit systems were as the followings.

- 1) The appropriate local shop model
- 2) Local shop establishment
- 3) The trial management of local shops
- 4) Evaluation of local shop management and service

The result of trail development strategy was revealed as the following.

1. Comparison training achievement of development strategy of local shop to promote the economic strength of the community for Houna village people of 60 persons of experimental group between before and after. The finding show in table1.

Table 1 *Comparison training achievement of participants between before and after*

Sample	Scores	<i>N</i>	$\sum D$	$\sum D^2$	<i>t</i>	<i>p</i>
Before	20	60				
After	20	60	419	3295	21.63	0.00

*Significant level at 0.05*

From table 1, it was found that after training the achievement was higher than before with statistical significance at level of 0.5 as show in table 1.

2. Opinion of sample group to development strategy of local shop to promote the economic strength of the community for Houna village

The sample group opinion illustrated that after the development strategy of local shop to promote the economic strength of the community for Houna village was implemented by management of local shop committee and administrator of local shop, the sample had opinion after implementation were higher than before with statistical significance at level of 0.05 as show in table 2.

Table 2 Comparison the Opinion of Village People to the Economic Strength of the Community

Opinions	Implemented	$\bar{X}$	S.D.	t	Sig.
1. Local shop provide credit for less income people	Before	2.98	0.85	7.65*	0.00
	After	4.15	0.80		
2. Number fund sources for investment	Before	3.05	0.72	5.47*	0.00
	After	3.92	0.79		
3. Having work unit for saving and giving interest equal to bank	Before	2.77	0.77	7.90*	0.00
	After	3.97	0.84		
4. Local shop has cheap retail prize.	Before	2.87	0.83	8.49*	0.00
	After	4.10	0.73		
5. Local shop has desirable product.	Before	3.05	0.83	6.70*	0.00
	After	4.12	0.76		
6. Buying product in locality will decrease expense of household for traveling to buy.	Before	2.78	0.83	7.23*	0.00
	After	3.98	0.83		
7. To be able gain complementary income and use skill and ability of product cooperate with local shop	Before	2.92	0.85	7.71*	0.00
	After	3.98	0.83		
8. Lack of shop as source of buying in fair prize and suitable for less income people	Before	3.10	0.82	6.61*	0.00
	After	3.93	0.84		
9. Sources of product selling and exchanging product in locality	Before	3.20	0.78	4.56*	0.00
	After	3.93	0.76		
10. Having complementary income of consignment and decrease the expense from goods exchanges	Before	2.98	0.81	7.25*	0.00
	After	4.08	0.85		
11. Level local fund	Before	3.23	0.72	5.50*	0.00
	After	3.95	0.79		
12. Level of saving promotion in locality	Before	3.13	0.83	5.40*	0.00
	After	3.98	0.85		
13. Level of capital flow in locality	Before	3.05	0.93	6.29*	0.00
	After	4.00	0.74		
14. Having local product for selling	Before	2.92	0.83	8.01*	0.00
	After	4.05	0.85		
15. Having local product to sell in local shop	Before	2.95	0.83	6.34*	0.00
	After	3.95	0.87		
16. Occurrence of local product	Before	3.02	0.75	6.96*	0.00
	After	4.05	0.89		
17. Income Increasing for locality	Before	3.05	0.77	6.53*	0.00
	After	4.00	0.82		
18. Having sources for product consignment	Before	2.88	0.80	7.25*	0.00
	After	3.92	0.85		
19. Having middle man for goods exchange	Before	3.02	0.81	7.18*	0.00
	After	4.10	0.75		
20. Level of satisfaction to service providing of local shop	Before	3.18	0.83	5.86*	0.00
	After	4.12	0.83		
Average of all items	Before	3.01	0.18	32.14*	0.00
	After	4.01	0.19		

3. Quality Evaluation of the development strategy of local shop to promote the economic strength of the community for Houna village, comparing between after the first month practice and after fourth month practice to examine the progress of project along with evaluate the efficiency and effectiveness of work unit systems. The finding revealed that after fourth month practice, efficiency and effectiveness of work unit systems is better than after the first month practice with statistical significance at level of 0.05 as show in table 3.

Table 3 Comparison of Quality of Local Shop Practice after 1 month and after 4 month Practices

Month Evaluation	Score	Evaluator	$\bar{X}$	S.D	t	p
After 1 <sup>st</sup> month	100	5	1.58	0.40	9.03	0.00
After 4 <sup>th</sup> month	100	5	3.97	0.30		

From table 3, it was found that after the first month practice and the fourth month practice, after the fourth month practice, the quality of shop practice was better than the first month practice with statistical significance at level of 0.05. This indicated that shop system had more strong and effected to community strength too.

4. Satisfaction to development strategy of local shop to promote the economic strength of the community. 60 questionnaires were distributed to shop administrator and people representative after the experiment was implemented for four months. The finding revealed that all aspects were at more level as show in table 4.

Table 4 *Satisfaction to Development Strategy of Local Shop to Promote the Economic Strength of the Community*

Satisfaction to Development Strategy	$\bar{X}$	S.D.	Level
1. Local shop as source of buying consumption product and selling the reasonable prize	3.98	0.77	More
2. Happiness and security of life for less income people	3.87	0.77	More
3. Increasing of household income	3.98	0.81	More
4. Decreasing of household expense	3.85	0.80	More
5. Having all goods as needs and demands	4.20	0.78	More
6. Product prize is cheaper than general market	4.05	0.83	More
7. Having the source of goods distribution with via middle man	4.08	0.89	More
8. Having a source to buy goods in reasonable prize and proper for less income people	3.93	0.90	More
9. Shop is proper for buying goods for community with reasonable prize	4.07	0.82	More
10. Community participation for local dependence	4.27	0.73	More
11. Having central market for selling community products	3.90	0.88	More
12. Less income people has credit to buy goods	3.98	0.91	More
13. Local shop is source of goods distribution without via middle man	3.87	0.79	More
14. Local shop has proper pattern for community	4.20	0.84	More
15. Way of practice for shop establishment was proper	3.92	0.79	More
16. Way of experimental implementation for local shop administration was proper	4.13	0.85	More
17. Method of evaluation of local administration and service were proper	3.67	0.77	More
18. Local shop establishment for less income people was possible	4.08	0.81	More
19. Result of implementation and administration of local shop	3.95	0.89	More
20. Satisfaction level of service receiver of local shop as a whole	4.08	0.77	More

## 5. Discussion

Research results revealed that the most importance for local community business development is to educate the local shop owner to understand the threat of globalization and to be able to keep up with the knowledge and understanding the problem and method of problem solving with globalization administration that is pertinent concept proposed by Thiengkamol (2007). Moreover, the local shop owner should collaborate with the other owns as network in order to increase bargain power to buy goods for retail selling that is along with the research of Thiengkamol (2005) revealed that for strengthen community, people community should participate for community development whether for energy conservation or other aspects (Thiengkamol, 2005a). Another essential component of community development is development strategy that formulated and developed by local peoples who really understand and share benefit from the development. For that reason after developing strategy, it should be trail with implementation in the actual condition and examining the satisfaction of local shop administrative committee and local people or local buyer that is go along with the ideas suggested by Hongthong (2005), Jiamsripong (2010) and Puripakdee (2010). Additionally, it should encourage and evaluate the local shop administration frequently that is pertinent to the concepts of The Office of Business Promotion and Development 2010). In order to accomplish the reasonable local shop for poor people or less income person, the local shop should provide the credit for them that are congruent to the recommendation of Kanjanapa (2010) and Kanjanapa (2010). Moreover, the shop should provide the space for local products and hold the promotion campaign for tourism because presently, Banrai community has potential at tourism site due to the natural beauty that surrounded by valley and as door to enter Huai Kha Khaeng Wildlife Sanctuary (Banrai Local Government Office, 2012).

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