

# Management Pattern for Lodging Business in Bang Khonthi Samut Songkram with Sufficient Economy Approach

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**Abstract**—The objectives of this research are to search the management pattern of Bang Khonthi lodging entrepreneurs for sufficient economy ways, to know the threat that affects this sector and design fit arrangement model to sustain their business with Samut Songkram style. What will happen if they do not use this approach? Will they have a financial crisis? The data and information are collected by informal discussions with 8 managers and 400 questionnaires. A mixed methods of both qualitative research and quantitative research are used. Bent Flyvbjerg's phronesis is utilized for this analysis. Our research will prove that sufficient economy can help small business firms to solve their problems. We think that the results of our research will be a financial model to solve many problems of the entrepreneurs and this way will can be a model for other provinces of Thailand.

**Keywords**—Bang Khonthi, Lodging Business, Sufficient Economy.

## I. INTRODUCTION

THAILAND'S social and economic plan relates to tourism promotion policies. The sufficient economy philosophy is accepted to apply for both public sector and private sector. This approach can use for risk protection and for solving problems in households, businesses, communities and the country. The Sufficiency Economy concept was first mentioned in 1974 when His Majesty King Bhumibhol warned enthusiastic aspirants of totally modernizing the Thai economy to consider *sufficiency* as a more appropriate objective [1]. Since the 1950's, His Majesty has been travelling extensively throughout the rural areas in Thailand and had set up study centers in different regions to do research on the potential development of each area relevant to their resource conditions. In addition, a more balanced approach to development with the right emphasis on rural and urban development is more preferable. Specifically, His Majesty the King suggested, since 1974, that *Economic development must be done step by step*.

It should begin with the strengthening of our economic foundation, by assuring that the majority of our population has enough to live on. Once reasonable progress has been achieved, we should then embark on the next steps, by pursuing more advanced levels of economic development.

Here, if one focuses only on rapid economic expansion without making sure that such a plan is appropriate for our people and the condition of our country, it will inevitably result in various imbalances and eventually end up as failure

or crisis as found in other countries [2]. Since then His Majesty the King developed the concept further which can now be summarized as *Sufficiency Economy* is a philosophy that stresses the middle path as the overriding principle for appropriate conduct by the populace at all levels. This applies to conduct at the level of the individual, families, and communities, as well as to the choice of a balanced development strategy for the nation so as to modernize in line with the forces of globalization while shielding against inevitable shocks and excesses that arise. *Sufficiency* means moderation and due consideration in all modes of conduct, as well as the need for sufficient protection from internal and external shocks [3]. To achieve this, the application of knowledge with prudence is essential. In particular, great care is needed in the utilization of untested theories and methodologies for planning and implementation. At the same time, it is essential to strengthen the moral fiber of the nation, so that everyone, particularly political and public officials, technocrats, businessmen and financiers, adheres first and foremost to the principle of honesty and integrity. In addition, a balanced approach combining patience, perseverance, diligence, wisdom and prudence is indispensable to cope appropriately with critical challenges arising from extensive and rapid socioeconomic, environmental, and cultural changes occurring as a result of globalization [4].

Bang Khonthi, the popular district in Samut Songkram, 70 kilometers from Bangkok, has many lodging to serve the travelers whose love natural and local culture. This research aims not only to analyze problems and the threats of hospitality business in this area but also to prove that sufficient economy is the suitable can be a way for them.



Fig. 1 Map of Bang Khonthi Samut Songkram



Fig. 2 Environment in Bang Khonthi



Fig. 3 Morning Culture



Fig. 4 Agriculture Area



Fig. 5 Lodging in Bang Khonthi

TABLE I  
TOURIST STATISTICS IN SAMUT SONGKHAM

Items	2009	2010
Total	384,567	448,561
Thai	371,150	435,991
Foreign	13,507	12,570

Tourism Authority of Thailand, 2011

## II. RESEARCH DESIGN AND DATA

The targets of the empirical analysis came from 3 parts. Firstly was the content which the researcher defined that whatever factors the entrepreneurs in Bang Khonthi used to decide on investment and tourists used to expect for their trips by reviewing the literature. For the next step, the researcher used a qualitative method by using in-depth interviews with 8 managers and confirming the results with a quantitative method by 400 questionnaires from the tourists. Secondly the time frame of this research was from October 2011 to September 2012. Thirdly the total lodgings had 53 firms which were the places to collect the questionnaires.

### Entrepreneurs

1. Character
2. Investment
3. Resources

### Entrepreneurs

1. Increasing Revenue
2. Co-ordination
3. Learning & Development

### Management

### Tourist

1. Amount
2. Expectation to learn

### Tourist

1. Satisfaction

Fig. 6 Conceptual frame work

## III. RESULTS AND DISCUSSION

The results from Table II show the overall data of supply side which was collected by interviewing the key personnel.

After collecting the data, a qualitative method of interviews of 8 randomly selected managers analyzed the information further. The results found that the all firms must improve the image of lodging in this district immediately. Especially they have to service with *the restaurant and lodging standard*. At the same time they should promote their local culture, their heritage wisdom and while displaying responsibility to the environment. The strong relation between firms can reciprocate the benefit to both tourist group and lodging entrepreneurs. The results also revealed that people in this area have a significant identity: freedom rather than partnership.

They did their business with a conservative, friendly style and local cultural promotion, rather than profit orientation according to Cultural and Personality Theories [5] and Cultural Ecology Theory [6].

TABLE II  
CHARACTERISTIC OF THE ENTREPRENEURS

	Respondent number	Percent
Gender		
Male	3	37.50
Female	5	62.50
Age		
31-40	1	12.50
41-50	1	12.50
51-60	4	50.00
> 61	2	25.00
Marital Status		
Single	1	12.50
Married	7	82.50
Children		
1	2	25.00
2	4	50.00
3	2	25.00
Education		
Secondary	2	25.00
Vocational	3	37.50
University	3	37.50
Occupation		
Government officer	1	12.50
Employer	1	12.50
Farmer	1	12.50
Business owner	5	62.50
Income		
10,000-20,000 Baht	1	12.50
20,001-40,000 Baht	1	12.50
40,001-60,000 Baht	1	12.50
>60,001 Baht	5	62.50
Family members		
2	1	12.50
3	1	12.50
4	1	12.50
5	5	62.50
Number of rooms		
4	2	25.00
>9	6	75.00
Accommodation pattern		
Live together	2	25.00
Separate from tourist	6	75.00
Workforce		
Monthly salary	2	25.00
Relative workforce	3	37.50
Daily / sometimes	3	37.50

The results from Table III and Table IV illustrate that the tourists whose traveled to Bang Khonthi wanted to spend a short time of their life under a natural environment and local culture. Most of the information for them came from internet and tourism web sites. The tourist had a high level of satisfaction in all 11 items.

According to these results, the approach to managing by lodging business in Bang Khonthi district, Samut Songkram, applying the concept of sustainable economy, found that once the community has developed up to point where people were given an opportunity to work and get enough income to make a living, the people themselves should emotionally mature, become forward-thinking, and have a responsibility towards

the society. In addition, they must share a common value, a tradition, and an identity, in order to makes them feel as they belong to the community. The people will have an awareness of preserving such manners inherited from prior generations. Moreover, they will organize a network to share ideas, create a funding plan, and solve problems when necessary, all of which help to strengthen the community. Eventually, a unity will be achieved leading to an ideal peacefulness. It can be said that, a strong community is highly capable of dealing with difficulties by itself applying a local knowledge and its network as major resources. Finally, this type of community tends to be self-reliant in most aspects, depending on others only for a compliment.

TABLE III  
RESULT FROM DEMAND SIDE

	Respondent number	Percent
Incentive for this trip		
To see lightning bug	119	29.75
To see local culture	101	25.25
Temple tour	88	22.00
Travel with friends	62	15.50
Other	30	7.50
Tourist expectation		
Natural tourism	228	57.00
Relaxing	115	28.75
Historical tourism	57	14.25
Living pattern		
Separate from the host	374	93.50
Living with the host	26	6.50
Information for this trip		
Internet/web site	162	40.50
Travel magazines	118	29.50
Tour agency	87	21.75
Other	33	8.25
Satisfaction level		
Much	290	72.50
Most	56	14.00
Neutral	24	6.00
Less	18	4.50
Least	12	3.00

TABLE IV  
SATISFACTION BY ITEMS

	$\bar{X}$	SD.
Advertising	3.64	0.73
Convenience to approach	3.63	0.75
Natural environment	3.62	0.91
Pricing	3.50	0.89
Parking	3.64	0.73
Living room	3.50	0.89
Rest room	3.63	0.75
Service mind	3.64	0.73
Food and Beverage	3.58	0.79
Activities service	3.56	0.68
Decoration	3.62	0.91
Over all	3.74	0.83

Nevertheless, the present day materialism has spread so widely that many communities are not able to resist. A strong community can still move forward regardless of the changing globalization. Following the philosophy of sustainable economy; helps to promote a truly strong community which

has to start from the smallest unit—a family—then expanding to a larger network and then to the community.

We have suggestions in two main aspects which are a policy and a suggestion for the entrepreneurs of the resort in Bang Khonthi district, Samut Songkram. A suggestion regarding the policy for Bang Khonthi district including the whole province of Samut Songkram is that there must be a support for an ecotourism which emphasizes arts, culture, and the beauty of the way of life. Also, the nature must be preserved by raising more awareness of tourists towards its importance to all life on earth. The local people should be encouraged to form a network such as *Ruk Bang Khonti group* which lets them share opinions and help one another. Eventually, this will lead to a learning process and an experience accumulation. In order to develop the tourism in this particular area, the policy should not be done hurriedly or by comparing with others. The main goal is to let everybody become involve and thoroughly have them experience the most out of the development. Hence, it can be said that living in accordance with the philosophy of sustainable economy is one approach leading to a real strong community as people are always reminded of a cautious life.



Fig. 7 Ruk Bang Khonti group

Regarding the suggestion for the entrepreneurs of the lodging in Bang Khonthi district, firstly, public relations is not only to attract the tourists, but to make a good image of ecotourism and a well-preserved way of life of people along both sides of the river. This can be done through various forms such as having a brochure that has a map giving a clear direction to the resort, a traveling manual, an entrance to the resort should have a big clear signboard which can be seen from afar, and arrows on the board should show obvious directions. Moreover, at every junctions, there should be a board telling a direction to an accommodation and each one must have a light turned on at night so that the tourist can admire the beauty of fireflies along their way back. The resort needs to be well-coordinated so as to design all signboard in the same direction. Some roads are uneven and need repairing, some have quite narrow entrance making it harder to drive in. The trees along the road also cause difficulties for drivers since they make the road narrower. Also, the lodging owner should not have a lot of dogs. The resort should be clean, orderly, have big trees for a green view, have some small gardens to relax, and have a light along the path to make a

whole area bright enough during the night. In addition, sets of marble tables and chairs should be placed all over the resort, parking must be enough for tourists and easy to make a U-turn. The parking should have a cover or have some trees. The concrete at the parking should be even. For the resort owner, he or she should be friendly to customers. At the same time, he or she should not interrupt while the customers are inside the room. Regarding the food, it must be tasty, clean, in a proper amount, fast, and use local raw material. The resort should ask the customers what menu they want. Also, clean water must be provided in each room as well as outside the building, some special equipment that might be asked for such as an ice can, ice tongs, pliers, wine glasses, and a wine opener. In case of having a large tour group visit, enough restrooms must be provided both in the room as well as outside the building. A small signboard showing the room direction must be along the way. Gentlemen and ladies restrooms must be separated. Water heater must be provided in all restrooms, and the water should flow evenly. In the restroom, towel, soap, shampoo, and toothpaste should be readily placed. Besides, there should be a nice set of furniture in the living room as well as outside the building. The room size is big enough that the customers feel comfortable.

The lodging owner should consider the conservation of natural resources in a particular district as well as the local lifestyle along the river, since both attract many tourists who come to visit throughout the year. Any created activities should be for sake of implanting good thoughts towards the surrounding environment and a regional way of life. Regarding the standard given to the resort which helps it to become more acceptable among tourists, this standard should be occasionally revised and expanded to other resorts. A criterion for noise and speed of a long-tailed boat has to be specified. For an implementation plan, this type of business should be planned systematically both for short and long term, so that the business can steadily proceed. Lastly, for an income statement, it is also necessary to keep track as it might be of use afterwards.

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