

# Social Media as a Distribution Channel for Thailand's Rice Berry Product

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**Abstract**—Nowadays, it is a globalization era which social media plays an important role to the lifestyle as an information source, tools to connect people together and etc. This research is object to find out about the significant level of the social media as a distribution channel to the agriculture product of Thailand. In this research, the agriculture product is the Rice Berry which is the cross-bred unmilled rice producing dark violet grain, is a combination of Hom Nin Rice and Thai Jasmine/ Fragrant Rice 105. Rice Berry has a very high nutrition and nice aroma so the product is in the growth stage of the product cycle. The problem for the Rice Berry product in Thailand is the production and the distribution channel. This study is to confirm that the social media is another option as the distribution channel for the product which is not a mass production product. This will be the role model for the other niche market product to select the distribution channel.

**Keywords**—Distribution, Social Media, Rice Berry, Distribution Channel.

## I. INTRODUCTION AND BACKGROUNDS

**T**HAILAND is the geographical heart of South-East Asia. The infamous golden triangle, located at the nation's northernmost point, is where Thailand's borders meet those of both Laos and Myanmar (Burma). The border with Myanmar continues to the west and then south as far as the Malay Peninsula, much of which is occupied by Thailand. On the east, the border with Laos meanders southeast along the Mekong River until it reaches Cambodia, which is due east of Bangkok, the Thai Capital. In the south is the Gulf of Thailand. Thailand is composed of six main regions which are Northern region, North-East region, Central region, Southern region, East region and West region. Thailand is mainly the agriculture country which means that the main product which was produced from Thailand is the mainly agriculture product and the main income is also from the agriculture products.

Rice berry is developed using conventional cross breeding between two most famous breeds of rice, Thai Jasmine and Jao Hom Nin. The whole grain of Purple Brown Rice is dark purple, enriched with natural nutrients, and a distinct aroma. It

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contains so many nutrients, such as starch, high quality oil, superb antioxidants, vitamins (B1, B2, B3, B6 and E), minerals, pigments and wheat germ. And its special characteristic is a dark purple to almost black color because of the pigments called anthocyanin (consisted of cyaniding, peonidin, procyanidin). The purple pigment is found on the rice grains. When compared to similar pigments found on the red grape, prune and blueberry, rice contains several folds more antioxidant activities.

There are several advantages of anthocyanin, which is the main pigment in the rice berry, which are

- **Health:** It prevents cancer cells in the lungs, nasal passage, stomach and white blood cells. In addition, according to experiments (in vitro), and is able to kill HIV-1 and hold back reverse transcriptase in the virus. It also blocks LDL oxidation that lines blood vessel walls. Both these pigments help prevent aging of cells from free radicals and help reflect a youthful appearance.
- **Skin:** It reduces skin damage from oxidation reaction caused by pollution and sunlight, stops enzyme elastase (this enzyme damages elastin) and helps the skin maintain its firmness.
- **Hair:** It slows down the deterioration of the scalp and hair roots and activates blood circulation, causing stronger thick hair and the maintenance of its natural color. According to in vitro experiments it has activated hair keratinocytes. Rice berry has a very delicious taste, but also helps enhance real beauty and a healthy diet suitable for everybody.

Rice berry was developed by the Center of Excellence on Rice Molecular Breeding and Product Development at Kasetsart University, Thailand, since 1998 and was released for seed production in 2003.

As the rice berry is an upcoming product, the internet and social media is also pay a very important role as the source of information to the consumer also the place where the information was exchanged between each user such as between the consumer and industry suppliers (e.g., hotels, transportation sectors, attractions), intermediaries (e.g., travel agents), controllers (e.g., governments and administrative bodies), as well as many non-profit organizations such as destination marketing organizations. [1]

As the social media is the main source of information for the tourism industry as search engines, online travel booking sites, and websites of the desired destination, the information exchange between online travelers and the so-called "online tourism domain" [2] is occurred. Presumably, social media, which facilitate the interactions between online consumers,

have emerged as an important component of this domain. This section critically reviews the literature on the online tourism domain and social media in tourism, and identifies the limitations of existing literature to provide the rationale for this study.

So the social media is also the very high potential distribution channel for the niche market product like rice berry product from Thailand. The potential barrier is the knowledge and the access in technology of the farmer who produce the rice berry which is quite low.

## II. LITERATURE REVIEW

### A. Supply Chain Management Definition

There are so many definition of supply chain management such as Supply chain management encompasses materials/supply management from the supply of basic raw materials to final product (and possible recycling and re-use). Supply chain management focuses on how firms utilize their suppliers' processes, technology and capability to enhance competitive advantage [3]. It is a management philosophy that extends traditional intra-enterprise activities by bringing trading partners together with the common goal of optimization and efficiency, Network of organizations that are involved, through upstream and downstream linkages, in the different processes and activities that produce value in the form of products and services in the hands of the ultimate consumer and etc [4]. But for the fresh vegetable supply chain definition there still have no specific definition for. This research is based on the supply chain definition not by the fresh vegetable supply chain definition.

### B. Related Research

Reference [5] has concluded that the major problems of the community products are marketing channel and the public relation with their customers, lack of government support, transportation problem and packaging issue. So the researcher has suggest the new distribution channel which is via the post system or open the special kiosk in the department for the community product without the fee

Reference [6] found that logistics and supply chain management has a major effect to the OTOP business and also increase the competitiveness of the products. The better of the supply chain strategy will give the better change for the OTOP manufacturer to increase the sale and income.

References [7] and [8] noted that the significant factor for the customer to purchase the OTOP product is the quality of the product, price of the product and distribution channel aspect. So the manufacturer and the retailer should pay more attention to those aspects in order to increase the distribution channel and expand the market. [9]

## III. RESEARCH METHODOLOGY

This research is the descriptive research and exploration research which objected to find out how potential of the social media as the distribution channel for the rice berry product

from Thailand. The populations for the Social Media as a Distribution Channel for Thailand's Rice Berry Product research are 50 producers of rice berry in middle part of Thailand.

In this research, the fixed-response interview is used. The populations of this research are 50 producers of rice berry in middle part of Thailand. The question in the interview is developed by study the related information of the objective and literature review then created the drafted question in the interview and sent to the 2 veteran researchers for correction. The interview question can be divided into 2 parts which are the general information and the research question.

## IV. CONCEPTUAL FRAMEWORK

This study is aim to study the existed distribution channel and also the social media as the new distribution channel. There are 3 processes which involved in the distribution which are the manufacturing process, distribution process and consuming process. In the previous research of the Ang Thong court doll's distribution there are 3 distribution patterns which are distribute by individual local, distribute by local Co-Op and distribution by the middleman as shown in Fig. 1.

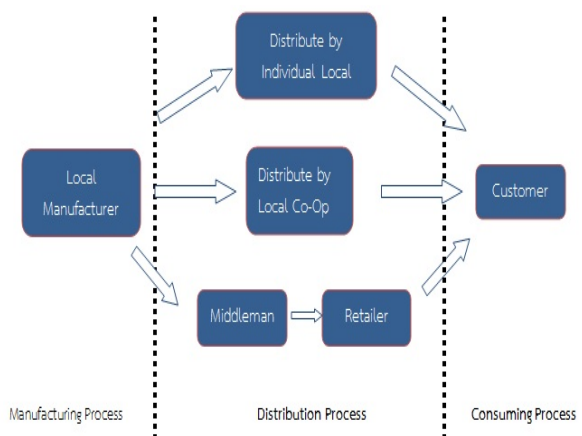


Fig. 1 Conceptual Framework of Distribution Pattern of Ang Thong's Province Court Doll

But for this research, there are 4 distribution patterns including the social media distribution channel which are distribute by direct sale, Co-Op, middleman and social media. So Fig. 2 showed the conceptual framework of this research.

## V. RESULT

### A. Factors in the Choosing Distribution Channel for Rice Berry Product

There are several factors which play the significant decision factor in the choosing distribution channel process for rice berry but in this article only 6 main factors will be discussed which are product handing, transportation, working efficiency, distribution power, public relation and cost.

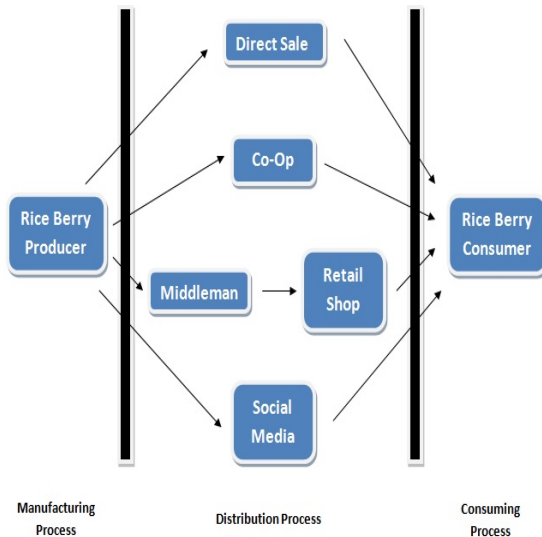


Fig. 2 Conceptual Framework of Social Media as a Distribution Channel for Thailand's Rice Berry Product

### B. Direct Sale Distribution Channel

In the direct sale distribution channel, the most significant decision factor in the choosing distribution channel process for rice berry is the product handling which has the significant level at 4.85. The transportation also has the high significant level at 4.54. The result from the questionnaire show that the moderate significant factors are working efficiency and the cost which has a level at 3.66 and 3.75 respectively. And the factors which received the quite low significant level in the choosing distribution channel process for rice berry by direct sale from the local individual are distribution power and public relation.

### C. CO-OP Distribution Channel

In the CO-OP distribution channel, the most significant decision factor in the choosing distribution channel process for rice berry is the public relation which has the significant level at 4.85. The transportation and the distribution power also have the high significant level at 4.65 and 4.66 respectively. The result from the questionnaire shows that the moderate significant factor is cost which has a level at 3.50. And the factors which received the quite low significant level in the choosing distribution channel process for rice berry by Co-Op distribution channel are product handling and working efficiency.

### D. Middleman Distribution Channel

In the middleman distribution channel, the most significant decision factor in the choosing distribution channel process for rice berry is the distribution power which has the significant level at 4.80. The public relation and the working efficiency also have the high significant level at 4.46 and 4.18 respectively. The result from the questionnaire shows that the moderate significant factor is cost which has a level at 3.30. And the factor which received the quite low significant level in the choosing distribution channel process for rice berry by

middleman distribution channel are product handling and the transportation received a low significant at 2.40.

### E. Social Media Distribution Channel

In the social media distribution channel, the most significant decision factor in the choosing distribution channel process for rice berry is cost of distribution which has the significant level at 4.90. Along with the public relation and working efficiency factors which has the significant level at 4.66 and 4.49 respectively.

The other factors which are product handling, transportation and distribution power also have a moderate significant level at 3.88, 3.98 and 3.90

## VI. CONCLUSION AND RECOMMENDATION

From the result of the research, as the distribution channels can be divided into 4 channels which are direct sale distribution channel, CO-OP Distribution Channel, Middleman Distribution Channel and Social Media Distribution Channel. The result can be concluded and given recommendation as below.

### A. Direct Sale Distribution Channel

In this type of distribution, the producers will give the first priority on the product handling process because this process is the only one that the producers can manage by themselves. But the transportation process is also have a high significant as the court doll is a very fragile product as it was made from marl. If the damage to the goods is occurred, there is impossible to recover the condition of the goods.

And the reason why the public relation is the lowest significant factor is because the capability of the public relation or advertising of the producer are low due to the education level of the producer is normally only in grade 6. So the lacking of technology and knowledge is the main burden to this type of distribution.

### B. CO-OP Distribution Channel

About the distribution by the CO-OP distribution channel, the producers are focused on the distribution power and the public relation the most. But the transportation of the goods are very important as well, due to the goods are still belonging to the producer so if the accident was occurred, the loss will be on the producer and the CO-OP.

The significant which received the lowest significant is the efficiency of the working process. As the producers are the same group of people who lives around so the villagers and the producer will use the common way to work which might create the unprofessional workplace.

### C. Middleman Distribution Channel

In the distribution by the middleman, the most significant factor is the public relationship and the distribution power. As the middleman always has a knowledge and wisdom about the marketing and distribution so the distribution will be more effective to the producer. About the cost of the distribution is one of the last factors that the producer will think about

because as long as the middleman is taken place, the cost will be increased.

In the transportation process, the producer will less concern with this process than in the other distribution. Due to once the goods was passed to the middleman; the producers do not have to responsible to the goods even though the accident occurred.

#### *D. Social Media Distribution Channel*

In the distribution channel by the social media, the most significant factor is the cost of distribution which is very low, as the producers can make a promotion about the product by themselves which is very interesting. But there are some obstacles in applying the social media as the distribution channel which are the lack of technology knowledge and also the access to the computer technology and internet for the producers or farmers in the rural country is very limited. So the social media distribution channel is a very high potential distribution channel for the niche market product like rice berry but there must be an assist or an improvement in the technology facility and education from the government sector.

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