

The SWOT Analysis and Consumer Analysis of Pook Pak Kin Eng Shop on the Shopee Platform

1st Kawpong Polyorat*
Khon Kaen Business School
Khon Kaen University
Khon Kaen, Thailand
kawpong@kku.ac.th

2nd Siwat Anawatchamoncol
P.Siwatkansaket Ltd.
Khon Kaen, Thailand
siwatana1988@gmail.com

3rd Somyot Ongkhuap
Faculty of Humanities
Chiang Mai University
Chiang Mai, Thailand
somyot.o@cmu.ac.th

Abstract—Pook Pak Kin Eng Shop is a store on the Shopee platform. Its products include vegetable seeds, other plant seeds, and fertilizer. As the store wants to increase the number of consumers and sales, it aims to review its business operation and decides what to do next in terms of marketing. Drawing from the framework of strength, weakness, opportunity, and threat (SWOT) and 6W1H analysis of consumer behavior, several findings from the analysis are uncovered. Directions for future marketing decisions are offered based on the research results.

Keywords—digital marketing, SWOT, consumer, business

I. INTRODUCTION

Shopee is an online marketplace for buying and selling a variety of products. Its focus on mobile devices accommodates consumers to conveniently access the platform. Shopee is designed with the combination of features from an online marketplace, a payment system, and logistic supports. As a result, the e-commerce on Shopee is convenient, safe, and uncomplicated and has therefore become a highly popular e-marketplace platform for consumers nowadays [1], [2], [3].

Pook Pak Kin Eng (or Growing Vegetables for Your Own Consumption) Shop has started its presence in Shopee for a few years. Originally, the shop started online selling for vegetable seeds by creating a Facebook page entitled “Pook Pak Kin Eng”. However, as selling through Facebook has some operational inconveniences, the shop moved the main digital selling platform to Shopee (as illustrated in Fig. 1) because Shopee is an e-marketplace platform that can better accommodate online business and save labor costs due to its automatic buying-selling system [4], [5], [6].

Products sold in Pook Pak Kin Eng Shop focus on quality plant seeds with premium grades. The shop selects the best seeds from both domestic and international sources. Popular items include seeds of kitchen vegetables, microgreen salad sprouts, flowers, herbs, spices, and pet food plants. The shop also sells biochemicals to support plant and vegetable growing. The shop provides daily delivery and uses Kerry as the only courier.

Nevertheless, the competition in Shopee is very high because there are many sellers in the same product category. Direct competitors include the preferred shops on the Shopee

platform and there are many of them. Indirect competitors can be classified into 3 categories: (1) those selling vegetable seeds on the Shopee platform but not being preferred stores, (2) those selling vegetable seeds on other online platforms, and (3) those selling vegetable seeds offline with real physical stores.

Moreover, the Shopee system makes it convenient for customers to compare products from several sellers. As a consequence, Pook Pak Kin Eng Shop is uncertain regarding the approaches it should follow in order to make its marketing more successful. The shop considers conducting a SWOT analysis and a consumer behavior analysis so that more new marketing practices to build awareness and persuade customers to buy more products from its Shopee shop can be formulated.



Fig. 1. Pook Pak Kin Eng Shop.

* Correspondent author

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II. THEORETICAL BACKGROUND

A. SWOT (*Strength, Weakness, Opportunity, and Threat*)

According to literature review from [7], [8], and [9], an analytical framework of strength, weakness, opportunity, and threat under the acronym SWOT has been widely used by both business practitioners and academic scholars, especially those in marketing and strategic management areas. Its simplicity and comprehensiveness lead to a popular usage as a tool to assess external and internal environments which can facilitate a further complex decision situation. The SWOT tool is suitable for the analysis of this case study as it helps identify and understand key issues affecting the business of this shop. By concentrating on the critical factors that affect the business, steps towards improving the chance of business success can be accordingly determined.

To conduct an analysis of external environment, an organization identifies the critical opportunities and threats which are external factors outside the organization's control. These are the two factors that either help the organization to achieve its goals or those that prevent the organization from achieving its goals, respectively. In terms of internal analysis, an organization assesses its organizational strengths versus weaknesses which reflect internal factors under the organization's control. In this regard, the underlying organization's resources and capabilities are the major foci. In a case study analysis, the SWOT framework is often utilized to initially profile the focal organization before developing new strategic alternatives.

B. Consumer Behavior Analysis

In Thailand, a consumer behavior analysis is often conducted with the 6W1H framework: who, what, where, why, when, whom, and how [10], [11]. The insights gained from this framework can be used as a foundation to devise appropriate marketing strategies.

Who. Who are the consumers? Who are the main consumers of the organization's product and service? To effectively answer this question, several factors including demographic (e.g. gender, age), geographic (e.g. residence), psychographic (e.g. values and lifestyle), and behavioral (e.g. user status) may be taken into consideration.

What. What are the consumers need and want? What the consumers buy is not simply the physical product, but an organization must look deeper into what benefit the consumers actually expect from the product. In addition, the organization must examine whether its product meets this expectation?

Where. Where do the consumer buy? This is indeed an analysis of channel for product distribution. For example, do they buy online (e.g., from social media or e-marketplace platforms) or do they buy offline (e.g., from a traditional brick-and-mortar store)?

Why. Why do the customers buy? Why do they choose this product? What are the real reasons for the purchase.

While the "what" question can be relatively convenient to answer reasonably well as it often involves something physical or concrete, the "why" question is more challenging for it may involves the psychological or intangible underlying aspect. In this case, the organization may need to dig deeper to find out how its products or services can truly meet the consumer needs or solve their problems.

When. When do the consumers buy the product? In what occasion do they buy and use the products? The organization should try to uncover if there exists any reliable pattern in purchase behaviors such as seasonal demand. This issue is important especially when the organization needs to stock raw material or product inventory.

Whom. Who involves in the consumers' purchasing decision-making? Their family, friends, colleagues, or favorite movie stars may come into play. In addition, in a digital era, online influencers become more important. Furthermore, word-of-mouth in terms of product reviews and testimonials from other consumers may also play a special role in this regard.

How. Finally, under what conditions do the consumers make a purchase decision? The organization should try to examine what drives a consumer to agree to buy its product. For example, certain consumer may buy only during promotional periods.

III. METHOD

To conduct an analysis of this case study, data were collected from two main sources. The primary sources include the direct data collection from interviews with four informants who are the entrepreneurs of Pook Pak Kin Eng shop to gain insights from their management. Data were also collected from direct competitors who are the first five preferred shops on the Shopee platform as well as reviews from consumers. The secondary sources cover data from books, magazines, journal articles, research, and online media such as Facebook. The data collection method includes interview, observation, and documentary research and content analysis is conducted for all data.

IV. RESULT

The two theoretical frameworks (SWOT and 6W1H) are used to analyze the collected data. The results from the SWOT analysis and the 6W1H analysis are displayed in Table I. and Table II., respectively.

A. Analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT)

Strengths

1. The business owner has in-depth product knowledge and experiences, thus being able to provide consumers with detailed information and instruction regarding product usage.

2. The store sells quality products which come from sources carefully selected by the business owner.
3. Both small and big sizes of product are available. Moreover, the price is neither too high nor too low from those of the competitors.
4. It has a decent wide range of product selection so consumers can choose based on their specific interests.

TABLE I. RESULTS OF SWOT ANALYSIS

SWOT Analysis of Pook Pak Kin Eng Shop	
<i>Internal Factors</i>	
<i>Strengths</i>	<ul style="list-style-type: none"> • owner’s product knowledge • product quality • various product sizes • decent product variety
<i>Weaknesses</i>	<ul style="list-style-type: none"> • fewer product variety (vs those of big competitors) • marketing communication • relatively high delivery charge
<i>External Factors</i>	
<i>Opportunities</i>	<ul style="list-style-type: none"> • growth of online channel • trend in health concern
<i>Threats</i>	<ul style="list-style-type: none"> • many competitors • heavy reliance on Shopee platform

Weaknesses

1. Product varieties for some items are less extensive than those of certain big competitors.
2. There is relatively little marketing communication, resulting in comparatively fewer shop followers than expected.
3. As the shop is located upcountry, the delivery rate is more expensive than those located in Bangkok and its vicinity. This pricing policy is set by Shopee and the shop has no choice but adheres to it.

Opportunities

1. Consumer behaviors are changing. The online channels are gaining more popularity. This trend has a positive impact on the shop because the shop mainly uses the online channel for communication and selling.
2. The trends in health concern, health protection and food & weight control increase people’s interest in consuming more vegetables.

Threats

1. There are numerous direct and indirect competitors. There are many shops that competitively sell similar products. As several shops have been established before Pook Pak Kin Eng Shop, those shops have their

existing consumer base, thus making it harder for Pook Pak Kin Eng to penetrate the market and build its own distinct consumer base.

2. If other online platforms become more popular than Shopee, the shop may lose some opportunities.

B. Analysis of Consumer Behavior with the 6W1H Conceptual Framework

1) Who is in the target market? (Who)

a) Farmers

The primary target group is farmers who grow vegetables as their occupation. These farmers consider growing vegetables to be better than other economic crops because it can generate cash more quickly as the harvest cycle is shorter than those of other crops such as rice, corn, manioc, or rubber plant. For farmers who grow vegetables for a commercial purpose, what these farmers consider are (1) what kind of vegetables to grow and (2) how to grow and sell it with good prices and minimal loss risk. These considerations are some of the most important starting points in the decision to grow vegetables in addition to what kind of growing method to choose to get the produce with market standards.

Therefore, to commercially grow vegetables that can be sold with good prices, nowadays modern farmers tend to use marketing-led production. Before starting to grow vegetables, farmers often conduct a market survey to examine what kind of vegetables will have high sale potential. They will also consider during which month or season which vegetables will get good prices. To consider these issues, farmers may start with a simple approach, for example, by walking to a market to ask fresh vegetables merchants regarding the kinds of vegetable that have good sale potential and that are expensive during a particular period of year. Moreover, an online survey can also be conducted to study the prices of each vegetable to determine during which month which vegetables are high priced. These data will then be used for growing planning.

However, vegetable farmers may not rely only on data from the markets. Before buying vegetable seeds, they often consult with the seed vendors to find out which vegetables will have high potential during their intended growing period. If some vegetable seeds are sold extremely well, some farmers may, nevertheless, avoid those vegetables and do not follow other farmers as they are afraid of the oversupply which may result in unfavorable sales and prices. Moreover, several farmers may decide not to grow only one kind of vegetable but will grow at least three to avoid loss from both the fluctuation of vegetable prices and the natural disasters, pandemic, and pests.

After gaining sufficient information for decision-making in terms of what kind of vegetable to grow to cater to the market demand and contacting buyers, farmers will prepare factors of production such as vegetable seeds,

fertilizer, pesticide, and farmland. They will also plan the production, harvest period, and product quantity which should match the agreement with buyers. Farmers may produce 5-10% more than what specified in the agreement in case of produce damage.

b) Consumers who grow vegetables for their own consumption

The secondary target market is working adults who are interested in consuming healthy food and want to grow their own vegetables for household consumption. These people prefer quality products and live in an urban area. Though the urbanites may spend food expense for more than half of their total income, this portion of expense, however, does not guarantee that they will get clean and safe food. As a result, urbanites tend to reexamine how to rely on themselves in terms of food in order to reduce expense, maintain good health, prepare themselves for emergencies, and handle changes which may occur by growing vegetables for their own consumption.

TABLE II. RESULTS OF 6W1H ANALYSIS

6W1H Analysis of Pook Pak Kin Eng Shop	
<i>Who</i>	<ul style="list-style-type: none"> farmers consumers growing vegetables for their own consumption
<i>What</i>	<ul style="list-style-type: none"> new, unexpired, and inexpensive seeds with high quality, high germination rate and speedy delivery. a cash on delivery option (COD).
<i>Why</i>	<ul style="list-style-type: none"> farmers: to grow for commercial purpose to earn income consumers growing vegetables for their own consumption: health and budget saving
<i>Whom</i>	<ul style="list-style-type: none"> family members friends/ colleagues store owners/ selling staff online influencers / review and testimonial
<i>When</i>	<ul style="list-style-type: none"> right time and season for each kind of vegetable order can be made 24/7 sometimes influenced by sale promotions
<i>Where</i>	<ul style="list-style-type: none"> Shopee platform via a mobile phone or a regular computer
<i>How</i>	<ul style="list-style-type: none"> online and offline information search choice evaluation through store/product assessment comparison with other stores. trial purchase or repeated purchase consumer satisfaction

Currently, growing vegetables in a residence is not limited to a house or a townhome. For urbanites living in a condominium, though they have limited space, they still can grow vegetables by themselves. Nowadays, there are many kinds of agricultural equipment in a market that support

gardening in a building. Urbanites can easily take care of their vegetables through computer or mobile applications which control light and water, therefore, reducing time needed for gardening. This is especially suitable for consumers who have hectic life and less free time but still want to grow their own vegetables. These people may start by growing just a little by selecting only their favorite vegetables that they like to consume frequently. They may use 3-4 planting pots and find decent vegetable seeds that can grow fast. By just doing these, the urbanites can have home-grown fresh and safe vegetables.

Growing vegetables for one own consumption provides not only toxic-free but also fresh and healthy vegetables. In addition, family members, as well as their neighbors, will have an activity to enjoy and spend more time together, Finally, their expense will decrease while they can have quality vegetables at inexpensive cost.

2) What do consumers buy? (What)

The target consumers want new, unexpired, and inexpensive seeds with high quality especially in terms of high germination rate and speedy delivery. Several of them also want a cash on delivery option (COD).

3) Why do consumers buy? (Why)

For farmers who grow vegetables as their main occupation, they buy vegetable seeds to grow as commercial agriculture and sell the produce in the market to earn income for their own and their family's life.

For consumers who grow vegetables for their own consumption, as the trends of health protection and organic vegetable consumption are increasingly popular, more people switch to consuming clean food. However, as clean food is rather expensive and difficult to find, growing one's own vegetables can thus solve this consumer's pain point. These consumers can thus be confident that their home-grown vegetables are chemical-free. Besides, the expenses for rather expensive clean food can be reduced.

4) Who takes part in the purchase decision-making? (Whom)

People with influential roles for vegetable farmers include family members who involve with the farming decision. In addition, vegetable merchants in the markets and seed stores who provide data for decision-making also have influences.

In terms of those who grow vegetables for one's own consumption, most of the influences come from the consumers themselves as they want to protect their health to be strong and free from diseases or weaknesses. Another motivation comes from the desire to decrease food expenses.

Overall, direct reference groups who participate in the goods selection include the family members who influence the consumers' lifestyle and way of thinking. Indirect reference groups include store owners and selling staff who provide advice which may influence decision-making

regarding types and quality of the products as well as instructions on how to use the product. Online influencers are becoming popular in terms of review and testimonial.

5) *When do consumers buy? (When)*

The consumers buy when the right time and the right season approach for a particular kind of vegetable. They can order the products from the Shopee application 24 hours a day and seven days a week. Sometimes, the purchase is influenced by sale promotions such as during the special occasion arranged by Shopee to be a special day, for example, as in the case of Day 8 Month 8 or Day 9 Month 9.

6) *Where do consumers buy? (Where)*

They can order the products online through the Shopee application which is an e-marketplace platform where Pook Pak Kin Eng Shop is located. This platform is accessible through both mobile phones and regular computers.

7) *How do consumers buy? (How)*

Consumers search for information from both offline and online sources especially from those stores located on the Shopee application. Subsequently, they evaluate their choices by assessing the qualifications of the store and/or the products. For example, they may rank the importance of several criteria including, for instance, price, quality, product variety, domestic or imported item, germination rate, delivery, and number of seeds. Then they compare Pook Pak Kin Eng Shop with other stores. The resulting behavior could be just a trial purchase or even a repeated purchase. The post-purchase evaluation deals with how satisfied the consumers are with the product and/or the store service.

V. DISCUSSION

Several businesses consider marketing to be very important because it is a critical tool for business success. Businesses attempt to create marketing practices to build their business image and communicate it through various marketing communication tools [12], [13]. They expect the target consumer to be aware of their products and consider them in the decision-making. Effective marketing practices can lead to business profit. In order to devise effective marketing strategies, an analysis of the organization's environment and consumer is undoubtedly necessary [14].

Based on the SWOT analysis of the relevant internal and external factors, it is found that the store's strengths include the owner's product expertise, quality product, various product sizes, and reasonable product variety. Its weaknesses are less product varieties in comparison with those of some major competitors, few marketing communications, and relatively high delivery cost due to its upcountry location. As most of these strengths and weaknesses are relatively tangible and straightforward, the shop may thus consider putting additional efforts in creating some relatively intangible aspects of the shop such as shop image and emotional attachment. Next, the opportunities include high selling potential with online channel and a trend in health concern.

Finally, its threats lie in a high number of direct and indirect competitors and the reliance on this e-marketplace platform. It is obvious that most opportunity and threat aspects lie in the online characteristics as Pook Pak Kin Eng itself is an online store. However, the store should be aware that the online environment may change very fast. As a result, the store must try to keep abreast of the relevant current issues and trends that may affect its business.

In terms of consumer analysis through the 6W1H framework, first, the primary and secondary target consumers (who) are farmers and consumers who grow vegetables for their own consumption, respectively. In this aspect, the title of the shop "Pook Pak Kin Eng" or "Growing Vegetables for Your Own Consumptions" may be misleading as the primary target group is, in fact, farmers. The shop may consider if there is any necessary change regarding the name of the shop and the extent to which the shop rebranding is necessary. Second, "what" the target consumers want are new, unexpired, and inexpensive seeds with high quality and germination rate as well as speedy delivery. Again, as this is mostly tangible and straightforward, the shop may thus consider putting additional efforts in some relatively intangible aspects of what the consumers want from the shop such as convenience and/or happiness. Third, regarding the reason (why) for their purchase, farmers buy vegetable seeds to grow as commercial agriculture and sell the produce in markets to earn income while consumers who grow vegetables for their own consumption buy them for health protection. This information regarding "why" is particularly useful in creating marketing messages that are capable of persuading target consumers.

Next, regarding the fourth aspect of the 6W1H framework, family members, friends, and colleagues participate in the decision-making (whom). In addition, store owners or selling staff, as well as other consumers (through product review) also have an influence. Based on this finding, the role of influencers must be taken into consideration. This is especially pronounced in the online environment where influencers or key opinion leaders may convince their audience to support a specific brand or product by simply posting relevant messages online. Fifth, in terms of "when", consumers buy when the right time and the right season approach for a particular kind of vegetable. They can order the products from the Shopee application 24 hours a day and seven days a week. Sometimes, the purchase is influenced by sale promotions. Per these findings, the shop must prepare their products by stocking right products of each growing season. In addition, in order to operate around the clock, some automatic functions in the Shopee platform may be helpful such as the auto-reply function in Shopee Chat. In terms of "where", consumers order the products online through the Shopee application. Though this is obvious, the shop may consider the extent to which the popularity of the Shopee e-marketplace will continue in the future. Finally, regarding the "how", consumers search for information from various

sources and then evaluate their choices. They may compare Pook Pak Kin Eng Shop with other stores. The resulting behavior could be just a trial purchase or even a repeated purchase. In this sense, each step of consumer's decision-making is important. The shop should try to find a more effective way to influence each step which may need different strategies.

In addition to the implications suggested in the preceding paragraphs, several marketing strategies especially in terms of STP and 4Ps can be devised. For example, the who, what, and why components of 6W1H framework may lead to the STP or segmentation, targeting, and positioning strategies which deal with how an organization divides their consumers into group based on several criteria including demographic (e.g. occupation), geographic (e.g., residence), psychographic (e.g., values and lifestyle), and behavioral (e.g. user status). That is, the organization can choose one (or more) group with the bestselling potential to be the target market. In this regard, the occupation may deem appropriate to use as the first criterion in selecting target groups: professional farmers vs. non-farmers who grow vegetables for their own consumption. Then, other criteria such as psychographic variables may help better shape the consumer profile. The degree to which a consumer is health-conscious and enjoys gardening as a hobby could complement the occupation variable. Furthermore, because the results from the SWOT analysis reveal mostly the tangible aspects of the shop, additional efforts may be allocated in creating intangible aspects of the shop such as shop image and emotional attachment. For this, the organization may attempt to convey the projected image of the product to the target audience. For example, Pook Pak Kin Eng may use consumer occupations as a major criterion and target farmers as the main market. Then the shop may use several marketing tools such as online advertising and online reviews to influence the consumers' perception of the store's image and product which may lead to subsequent purchase decision-making. Some outstanding aspects of the shop including owner's expertise could be used as the main message appeal as revealed in the SWOT analysis.

The 4P or marketing mix strategy refers to the set of marketing tools that an organization may use to offer its product in the market [12]. The four basic elements include product, price, place, and promotion. Based on the SWOT and consumer behavior analyses, in terms of product, the store may consider increasing their product variety. For example, in addition to vegetable seeds, the shop may consider adding more product lines which should be of interest to the similar target group. Gardening equipment and vegetable growing kits could be two possibilities. The stock inventory, however, must be carefully monitored in order to avoid unjustified higher carrying cost. Next, for the pricing to be competitive, certain promotional pricing may be introduced occasionally. For the place or distribution strategy, the free shipping deal may help offset the relatively

high delivery cost. However, thorough cost estimates should be conducted prior to offering this kind of promotion. Finally, more marketing communication such as advertising should be considered to increase consumer awareness of the store. Ad placement in the Shopee platform can help display the products or shop to potential customers on high traffic sections of the Shopee platform which cover the homepage, search results page, or product detail pages of similar or related products. The products and the shop can get higher awareness, potentially resulting in increased sales.

Future research may conduct further investigation in areas that may affect Pook Pak Kin Eng's business performance. For example, each major competitor may be analyzed in detail. In addition, the current and future trends in consumer behaviors need to be periodically updated. Finally, the examination of other online platforms may be another fruitful for future studies.

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