Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

Management of Logistics Systems to Increase the Competitiveness of a Community Enterprise Processing Herbs from Local Wisdom in Buriram Province, Thailand

Jantiraporn Sirinon[1]

Abstract

The objectives of this research are to study: 1) the operating characteristics of the logistics system, 2) the relationship between logistics system management and competitiveness, and 3) development guidelines to increase the competitiveness of a community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province. The population and sample consisted of 30 people. Data were collected using a questionnaire and in-depth interviews, as well as group discussions. Data analysis included statistics such as percentage, mean, standard deviation, Pearson correlation coefficient analysis, and multiple regression analysis. The results of the research revealed that: 1) All aspects of logistics system operations were at the highest level. 2) The relationship between logistics system management and competitiveness was at a moderate level, with customer service and packaging management showing a low level of relationship. And 3) development guidelines to increase competitiveness should focus on producing or developing products to have variety and quality, using local wisdom to create trust, acceptance, and reliability in the long term. It should cover all customer needs and emphasize cost leadership by developing the use of resources in a cost-effective manner and determining production costs based on long experience in business operations to reduce costs and increase efficiency. Rapid response should involve developing production according to orders and delivering products to customers on time using modern technology to speed up production. Testing research hypotheses on raw material procurement, inventory management, transportation, and distribution showed a positive impact while packaging management showed a negative impact on competitiveness of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province. The prediction for the four aspects was at 63.60% (AdjR^2 = 0.636).

Keywords: *Logistics System Management, Competitiveness, Community Enterprises Processing Herb, Local Wisdom.*

Introduction

Currently, Thailand has a slow and low economic growth rate. A significant contributing factor is Thailand's heavy reliance on foreign countries for trade, investment, and technology. Therefore, the fluctuations in the world economy, in particular, the economies of important trading partners such as the United States, Europe, and Japan, have an impact on the economic situation, trade, and investment in Thailand. Furthermore, the direction to increase the country's competitiveness and move from a middle-income to a high-income country cannot rely on traditional methods of mass production with low-cost labor. Instead, it requires upgrading the production of goods and services by emphasizing the use of technology, innovation, and human capital to create value for products and services from origin to destination (National Science and Technology Development Agency, Ministry of Science and Technology, 2017). Promoting community and local products to increase competitiveness is supported by the government to create community acceptance and lead to consumer satisfaction. The groups that create sustainable income for the community include agricultural, processing, and community-based tourism groups. These sectors are continuously supported to develop products and promote the maximum utilization of resources available within the community. This leads to the creation of occupational groups that foster self-reliance (Working Group on Grassroots Economic and Public Development, 2019). To achieve success, it is essential to make the community's products known, establish a distinct identity, and ensure customer satisfaction. This involves developing strategies to reach target customers effectively and employing efficient logistics processes to drive operations toward achieving community goals. It also requires responding to market needs with business strategies that align with the organization's structure. (Pairot Piyawongwattana, 2017). Creating competitiveness is a key policy aimed at raising the potential of the country based on the following concepts: 1) building on the past by considering economic roots, identity, culture, tradition, way of life, and

[1] Faculty of Management Science, Buriram Rajabhat University, Thailand, Email: jantiraporn.sr@bru.ac.th

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

natural resource strengths; 2) adapting to change to pave the way for the future through developing the country's infrastructure; 3) creating new value in the future by increasing community potential and adjusting the business model to respond to market needs (Office of the Secretary of the National Strategy Board, 2018). Logistics management is therefore an important goal that business operators can use as a competitive advantage. Globalization results in increased business competition and greater trade liberalization, prompting the business sector to upgrade operational capabilities in every way possible (Kumar et al., 2013). Business operators primarily focus on production costs and seek ways to reduce costs to compete with other businesses as increasing product prices to maintain the same income is challenging when cost is a variable of concern. In addition to raw materials and labor costs, logistics costs are very significant (Langley & Holcomb, 1992).

The Raka Tai Women's Herbal Processing Community Enterprise in Ban Prue Sub-district, Krasang District, Buriram Province, is led by Mrs. Wattana Karnkrasang, the president and owner of herbal recipe. In 1998, she began preparing two herbal products: massage herbs for smooth skin, used for massaging or scrubbing the face and body, and herbal facial masks for smooth skin, used as facial masks. Afterward, many new herbal products were developed, such as herbal liquid soap from tamarind, horseradish, papaya, wrinkle-removing herbs, turmeric milk, aloe vera lotion, herbal compress, steam bath (Cheewajit), turmeric milk serum, and traditional herbal creams, among others. In the first two years, the products were produced and sold privately, gaining a reputation for quality through word of mouth until they became famous throughout the sub-district and district. This success led to the idea of expanding the business by gathering women in the community to join. The enterprise received support from government agencies in public relations and marketing, leading to wider recognition. Currently, there are a total of 30 members. The group aims to develop and upgrade products to create higher value and commercial appeal, reduce production costs, and increase business efficiency to enhance competitiveness. However, they face problems with shortages of certain types of raw materials needed for production, causing issues with continuous production and product quality. Additionally, there are distribution challenges in making products easily accessible to consumers. These problems are all inherent in logistics management activities.

For the above reasons, the researcher is interested in studying logistics management to increase the competitiveness of a community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province. The aim is to build knowledge and use the research results to develop logistics activities that enhance the competitiveness of herbal products rooted in local wisdom, thereby strengthening the country's grassroots economy in a strong and sustainable manner.

Research Objectives

To study the operating characteristics of the logistics system of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province

To study the relationship between logistics management and competitiveness of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province

To study guidelines for developing logistics management to increase competitiveness of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province

Research Hypothesis

Logistics management affects the competitive advantage of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province.

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

Literature Review

Grant et al. (2006) stated that logistics activities are considered from a management perspective and the nature of operations. These activities include customer service, purchasing and supply, communication and ordering, transportation, location selection, product storage, demand forecasting and planning, inventory management, raw material and packaging management, and reverse logistics. These logistics activities manage the flow of items, including raw materials, parts, and components, from the starting point to the delivery to customers to achieve maximum customer satisfaction. Wanarat (2015) stated that logistics management combines various activities involving planning and managing all activities from upstream to downstream, starting from processing customer orders, procuring raw materials, production, inventory management, transportation, distribution, asset management, and customer service. Cho et al. (2008), Fernandes et al. (2018), and Abdul, Memon and Ali (2020) identified 11 components of logistics capability from the customer's perspective: pre-sales customer service, after-sales customer service, delivery speed, delivery confidence, response to target groups, communication of delivery information, ordering via website, widespread distribution of products, global distribution, specific product distribution, and low-cost distribution. These components have been studied in various contexts. Naphalai Thanawat and Viroj Jadesadalug (2015) found that the logistics management of marigold business operators involves forecasting customer demand, processing customer order, packaging, transportation, and delivery. For marigold traders, it includes warehouse management and product storage, product distribution, transportation, delivery, and customer service. Raad (2023) found that customer service, warehouse management, and distribution activities are positively related to business performance. Sakvanichkul (2018) emphasized logistics planning by creating cost reduction strategy plans, inventory service techniques, and managing the process from production planning, control, movement, and storage in the warehouse to distributing products and delivering them to customers efficiently to meet customer needs and achieve superior business performance compared to competitors. Wijititkulsawat (2018) highlighted the importance of logistics management strategies and organizing logistics activities, which influence the development and management process to ensure high efficiency, effectiveness, and cost-effectiveness in logistics. Pattra Udomkalayarak (2017) found that in order to increase efficiency in cost management, PMP Motor Products Company Limited developed guidelines for implementing a warehouse management system. These guidelines encompass other related systems such as ordering and accounting, enabling the company to enhance operational efficiency, reduce costs, and improve competitive opportunities through better management of storage and personnel. Piyachat Jaruthirasarn (2020) identified guidelines for developing transportation efficiency, including calculating transportation costs, the break-even point, considering transportation infrastructure factors, creating cooperation in the loading and unloading system, building freight stations, and using technology to enhance transportation to meet customer needs. Rungthip Nilpat (2018) found that service quality in terms of building confidence for service recipients, the tangibility of services, efficient and quick customer response, willingness to provide service, and readiness to serve at all times is associated with repeat customer use.

Porter (1980) presented his work on the competitive advantage of businesses in his book "Competitive Strategy," where he outlined principles that help organizations gain benefits, including cost leadership, differentiation, and market focus. Miller and Dess (1996) stated that creating a unique product or service that provides higher value to customers is fundamental to business success. Cost leadership aims to maximize cost efficiency, leading to superior profits. Quick response involves promptly addressing customer needs, whether through introducing new products, improving existing ones, or preventing slower responses that could drive customers to seek alternative products or services from competitors. Heizer and Render (2014) explain the concept of creating value for customers efficiently and sustainably through a strategic model of competitive advantage that includes differentiation, low cost, and good response. Wasutida Nakkasem and Prasopchai Pasunon (2018) found that among service business operators in Bangkok, the highest average level of competitive advantage was in terms of rapid response, followed by cost strategy and differentiation. Nittaya Supaporn (2021) found that small and medium-sized enterprises (SMEs) in Nonthaburi Province demonstrate a high level of competitive advantage in terms of cost leadership, differentiation, quick response, and market focus. Chamsuk, Fongsuwan and Takala (2017) identified the components of competitive advantage, namely 1) Cost: Developing and improving efficient

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

operations with a focus on lower costs to create a competitive advantage; 2) Quality: Producing reliable, high-quality products that meet customer needs; 3) Delivery: Ensuring on-time product delivery in the correct quantity and location, and responding quickly to customers.

Research Methods

Population and sample: For this study, the researcher determined the unit of analysis and carried out purposive sampling to select a specific sample group, namely the Raka Tai Women's Herbal Processing Community Enterprise in Ban Prue Sub-district, Krasang District, Buriram Province, totaling 30 people.

Research instruments: This study employs a mixed-method approach. The researcher used a questionnaire, focus group discussions, and in-depth interviews.

Instruments creation and quality inspection: The questionnaire was developed from a review of academic documents, concepts, theories, and related research. The quality of the instrument was assessed for content validity and reliability. Content validity was checked using the Index of Item Objective Congruence (IOC) technique, with all items having an IOC value greater than 0.50. Reliability was determined using Cronbach's alpha coefficient, with all variables showing reliability values greater than 0.80, indicating high reliability.

Data collection: Qualitative data were collected through in-depth interviews and focus group discussions, while quantitative data were gathered from a questionnaire. The informants included the president, committee members, and group members, totaling 30 people.

Data analysis and statistics: Descriptive statistics used in the research include percentage values for analyzing the general characteristics of respondents, and mean and standard deviation for analyzing the operating characteristics of the logistics system and guidelines for developing logistics system management to increase competitiveness, characterized by a 5-level rating scale (highest, high, moderate, low, lowest). Inferential statistics were used to test research hypotheses through multiple regression analysis and to test the relationship between variables using the Pearson correlation coefficient method.

Research Results

Regarding the characteristics of logistics system operations of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province, the findings are as follows:

Table 1. General Information of the Respondents (n = 30)

General information	Number (person)	Percentage
1. Gender		
Male	0	0.00
Female	30	100.00
2. Age		
20 - 30 years	1	3.30
31 - 40 years	0	0.00
41 - 50 years	5	16.70
51 years or over	24	80.00
3. Education level		
Elementary school or lower	16	53.30
Lower secondary school	0	0.00
Upper secondary school/ Vocational certificate	10	33.30
High vocational certificate/ Associate degree	4	13.30

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

General information	Number (person)	Percentage
Bachelor's degree	0	0.00
4. Status		
Single	1	3.30
Married	24	80.00
Widowed/Divorced	5	16.70
5. Occupation		
Student	1	3.30
Farmer	23	76.70
General employee	3	10.00
Personal business	3	10.00
Government employee/civil servant/state enterprise employee	0	0.00
Private employee/staff	0	0.00
6. Monthly income		
Less than 15,000 baht	30	100.00
15,001 – 25,000 baht	0	0.00
25,001 – 35,000 baht	0	0.00
35,001 baht or over	0	0.00
7. Experience working in the group		
Less than 1 year	0	0.00
1 – 5 years	4	13.30
6 – 10 years	2	6.70
More than 10 years	24	80.00

From Table 1, it was found that all 30 respondents (100%) were female and aged 51 years or older. 53.30% had education levels at primary school or below, and 80.00% were married. Additionally, 76.70% worked in agriculture with a monthly income of less than 15,000 baht. Furthermore, 80.00% had more than 10 years of experience working within the group.

Table 2. Operational Characteristics of The Logistics System of The Community Enterprise Processing Herbs from Local Wisdom in Ban Prue Sub-District, Krasang District, Buriram Province

Logistics management	$\bar{x}$	SD	Opinion level
1. Demand forecasting	4.64	0.28	Highest
2. Processing customer orders	4.55	0.35	Highest
3. Procurement of raw materials	4.41	0.32	Highest
4. Inventory management	4.52	0.39	Highest
5. Warehouse management	4.67	0.33	Highest
6. Packaging management	4.58	0.37	Highest
7. Transportation and distribution	4.57	0.31	Highest
8. Customer service	4.49	0.39	Highest
Total	**4.55**	**0.21**	**Highest**

From Table 2, it was found that the overall operational characteristics of the logistics system of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province had an average value at the highest level ($\bar{x}$ = 4.55, SD = 0.21). When considering each aspect, it was found that warehouse management had the highest average value ($\bar{x}$= 4.67, SD = 0.33), followed by demand forecasting ($\bar{x}$= 4.64, SD = 0.28), packaging management ($\bar{x}$= 4.58, SD = 0.37),

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

transportation and distribution of goods ($\bar{x}$= 4.57, SD = 0.31), processing customer orders ($\bar{x}$= 4.55, SD = 0.35), inventory management ($\bar{x}$= 4.52, SD = 0.39), customer service ($\bar{x}$= 4.49, SD = 0.39), and procurement of raw materials ($\bar{x}$= 4.41, SD = 0.32), respectively.

Regarding the relationship between logistics management and competitiveness of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province, it was found as follows:

Table 3. Analysis of the Relationship Between Logistics System Management And Competitiveness of the Community Enterprise Processing Herbs From Local Wisdom in Ban Prue Sub-District, Krasang District, Buriram Province

Variable	A	B	C	D	E	F	G	H
A	1							
B	0.571**	1						
C	0.423*	0.275	1					
D	0.460*	0.025	0.397*	1				
E	0.346	0.298	0.335	0.566**	1			
F	0.275	0.272	0.394*	0.112	0.267	1		
G	0.508**	0 .537**	0.236	0.238	0.449*	0.329	1	
H	0.497**	0.243	0.011	0.188	0.045	0.081	0.520**	1
Y	0.558**	0.374*	0.621**	0.616**	0.455*	0.088	0.531**	0.278

** Correlation is significant at the 0.01 level (2 -tailed)

* Correlation is significant at the 0.05 level (2 -tailed)

From Table 3, when considering each pair's relationship, it was found that logistics management aspects with the highest correlation coefficients were raw material procurement (C) and competitiveness (Y), with a correlation coefficient of 0.621 (r = 0.621); inventory management (D) and competitiveness (Y), with a correlation coefficient of 0.616 (r = 0.616); demand forecast (A) and competitiveness (Y), with a correlation coefficient of 0.558 (r = 0.558); transportation and distribution (G) and competitiveness (Y), with a correlation coefficient of 0.531 (r = 0.531); warehouse management (E) and competitiveness (Y), with a correlation coefficient of 0.455 (r = 0.455); processing customer orders (B) and competitiveness (Y), with a correlation coefficient of 0.374 (r = 0.374); customer service (H) and competitiveness (Y), with a correlation coefficient of 0.278 (r = 0.278); and packaging management (F) and competitiveness (Y), with a correlation coefficient of 0.088 (r = 0.088).

Management development guidelines for the logistics system aim to enhance the competitiveness of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province.

Table 4. Guidelines for Developing Logistics System Management to Enhance Competitiveness and Make A Difference

Making a difference	$\bar{x}$	SD	Opinion level
1. The group produces quality products that are trusted, reliable in the long term, and accepted by customers.	4.77	0.50	Highest
2. The group promotes the production or development of products that are more differentiated than before.	4.80	0.48	Highest

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

Making a difference	$\bar{x}$	SD	Opinion level
3. The group offers unique products that utilize local wisdom, catering to all customer needs.	4.83	0.38	Highest
4. The group establishes standards and enhances product quality to differentiate them from competitors.	4.50	0.57	Highest
Total	**4.73**	**0.32**	**Highest**

Table 5. Guidelines for Developing a Logistics Management System to Enhance Cost Leadership Competitiveness

Cost leadership	$\bar{x}$	SD	Opinion level
1. The group supports the efficient use of resources to enhance operational efficiency.	4.67	0.48	Highest
2. Drawing from its extensive business experience, the group effectively reduces certain types of costs.	4.37	0.72	Highest
3. The group carefully calculates the production costs to avoid excessive expenses.	4.30	0.75	Highest
4. The group recycles unused or discarded raw materials.	2.03	0.72	Low
Total	**3.84**	**0.34**	**High**

Table 6. Guidelines for Developing a Logistics Management System to Enhance Competitiveness in Rapid Response

Rapid response	$\bar{x}$	SD	Opinion level
1. The group is capable of producing products according to customer orders to respond quickly to customer needs.	4.77	0.50	Highest
2. The group welcomes customer suggestions to improve and develop products swiftly in response to customer needs.	4.40	0.62	Highest
3. The group delivers products to customers promptly as scheduled and with minimal errors.	4.73	0.45	Highest
4. The group employs modern technology to expedite production.	4.63	0.62	Highest
Total	**4.63**	**0.36**	**Highest**

When testing the hypothesis that logistics management affects the competitive advantage of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province, it was found as follows:

Table 7. Regression Analysis of Logistics Management Affecting the Creation Of Competitive Advantage for the Community Enterprise Processing Herbs From Local Wisdom In Ban Prue Subdistrict, Krasang District, Buriram Province.

Independent variable		Organizational performance			
	B	SE	β	t	p-value
Constant	0.414	0.697		0.594	0.559
Logistics management					
1. Demand forecasting (X_1)	0.027	0.193	0.026	0.140	0.890
2. Processing customer orders (X_2)	0.096	0.134	0.117	0.717	0.481
3. Procurement of raw materials (X_3)	0.418	0.126	0.464	3.314	**0.003****

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

Independent variable		Organizational performance			
	B	SE	β	t	p-value
4. Inventory management (X_4)	0.293	0.124	0.397	2.371	**0.027***
5. Warehouse management (X_5)	-0.055	0.139	-0.064	-0.396	0.696
6. Packaging management (X_6)	-0.224	0.100	-0.286	-2.233	**0.037***
7. Transportation and distribution (X_7)	0.348	0.155	0.382	2.247	**0.036***
8. Customer service (X_8)	-0.012	0.115	-0.016	-0.103	0.919
$R^2 = 0.736$, $AdjR^2 = 0.636$					

** Statistically significant at the 0.01 level

* Statistically significant at the 0.05 level

From Table 7, overall logistics management, particularly procurement of raw materials ($\beta = 0.464$, $p < 0.01$), had a positive impact on competitive advantage for the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province. Inventory management ($\beta = 0.397$, $p < 0.05$), transportation and product distribution ($\beta = 0.382$, $p < 0.05$), also contributed positively to this advantage. However, packaging management ($\beta = -0.286$, $p < 0.05$) shows a negative impact on economic advantage. Together, these factors explain 63.60% of the variance (Adjusted $R^2 = 0.636$), formulated in the following equation.

Predictive equations in raw score format

$$\hat{Y} = 0.414 + 0.418\,(X_3) + 0.293\,(X_4) + 0.348\,(X_7) - 0.224\,(X_6)$$

Predictive equations in standard score format

$$\hat{Z} = 0.464\,(X_3) + 0.397\,(X_4) + 0.382\,(X_7) - 0.286\,(X_6)$$

Discussion

From the research results, it was found that the operational characteristics of the logistics system in the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province are at the highest level across all aspects. This includes demand forecasting, processing customer orders, procurement of raw materials, inventory management, warehouse management, packaging management, transportation and distribution, and customer service. These findings underscore the importance of every logistic activity in enhancing competitiveness. This is consistent with Cano et al. (2022), who emphasized that logistics is crucial for sustainable business operations and impacts environmental and societal factors related to the movement and transportation of goods. The findings also align with the research of Rudee Niyomrat (2020), which studied logistics management in the cosmetics manufacturing industry in Samut Songkhram Province. The study highlighted activities such as customer service, factory location planning, raw material procurement, raw material movement, packaging, loading and shipping, reverse logistics, product distribution, and management of distribution channels. Similarly, Naphalai Thanawat and Viroj Jadesadalug (2015) conducted research on business operations and logistics management in the marigold industry. Their findings revealed that logistics management among marigold business operators involves forecasting customer demand, processing customer orders, packaging, transportation and delivery of produce for growers, and warehouse management, product storage, product distribution, transportation, shipping, and customer service for marigold traders.

The relationship between logistics management and the competitiveness of the community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province, was found to be at a moderate level. However, regarding customer service and packaging management, the relationship showed a low relationship. This finding is consistent with Viriya Bunmalert's work (2017),

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

which highlighted that logistics activities, especially transportation and distribution, significantly influence customer satisfaction. Additionally, Helena Forslund's study (2011) on logistics management capability strategies revealed that inventory, transportation, and location strategies positively impact competitive advantage for logistics business operations.

With regard to the guidelines for developing logistics management to enhance the competitiveness of a community enterprise processing herbs from local wisdom in Ban Prue Sub-district, Krasang District, Buriram Province, the research findings indicate that, to make a difference, products should be produced or developed to offer variety and quality. They should be unique by incorporating more local wisdom than before, aiming to build trust and acceptance, and should be reliable in the long term to meet all customer needs. In terms of cost leadership, there should be a focus on developing cost-effective resource utilization and determining production costs based on extensive business experience. This approach aims to reduce costs and improve operational efficiency. Furthermore, rapid response capabilities should be developed to produce products according to customer orders and ensure timely delivery, leveraging modern technology to accelerate production. These strategies align with Miller and Dess (1996) , emphasizing that differentiation is the pursuit of a competitive advantage. Businesses must strive to create products or services uniquely to deliver greater value to customers. This forms the foundation for success in developing distinct and desirable characteristics that foster brand loyalty. Cost leadership involves achieving superior cost efficiency and advantages over competitors, though not necessarily the lowest costs. Executives must maintain key product and service characteristics that customers desire. Low-cost leaders benefit from superior margins by leveraging lower costs to set prices below competitors, thereby attracting price-sensitive buyers. This strategy encourages increased purchase volume, resulting in higher profits. However, reducing product prices across the company and its competitors may maintain market share. Regarding rapid response, it entails promptly addressing customer needs through new products, improvements, or management decisions to prevent customer attrition due to slower responsiveness compared to competitors. This concept is consistent with Heizer and Render (2014), highlighting that rapid response demonstrates the resilience of the organization, ensuring reliable and fast responses. The organization determines responses throughout the product development process and ensures timely delivery, including reliable and efficient scheduling.

Recommendations

Recommendations For Applying Research Results

Community enterprises should employ competitive strategies to differentiate their products through innovative packaging designs and distinctive patterns. They should elevate product standards uniquely by incorporating local wisdom, while also focusing on controlling production costs. They should respond promptly to customer requests for on-time delivery and actively listen to customer suggestions to enhance product development and improvement, fostering business growth. In terms of logistics system management, efforts should be directed towards developing and improving operations for increased efficiency. This includes demand forecasting, processing customer orders, procurement of raw materials, inventory management, warehouse management, packaging management, transportation and distribution, as well as customer service.

Recommendations For Future Research

A study should be conducted to monitor and evaluate the management of the logistics system to assess the operational efficiency of community enterprises. The findings can be used as a guideline for other community enterprises to develop towards sustainable business success. Additionally, the impact of logistics management on the success of community enterprises should be examined to enhance efficiency and competitive potential.

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

Acknowledgments

This research has been successfully completed with generous support from Buriram Rajabhat University and the Thailand Science Research and Innovation, Ministry of Higher Education, Science, Research and Innovation, which provided research funding for fiscal year 2023. Special thanks go to the Faculty of Humanities and Social Sciences for organizing a project to promote and support the international dissemination of research articles, and to the Raka Tai Women's Herbal Processing Community Enterprise in Ban Prue Sub-district, Krasang District, Buriram Province for providing invaluable information to support this research. The researcher sincerely appreciates everyone's kindness with the deepest gratitude.

References

Abdul, A., Memon, J.A. & Ali, S. (2020). Logistics Capability, Logistics Outsourcing And Firm Performance in Manufacturing Companies in Pakistan. The Journal of Asian Finance, Economics and Business, 7(8), 435-444.

Cano , JAet al.(2022). Sustainable Logistics for E-Commerce: A Literature Review and Bibliometric Analysis. Sustainability, 14(19), 12247.

Chamsuk , W., Fongsuwan , W., & Takala, J. (2017). The Effects of R&D and Innovation Capabilities of The Thai Automotive Industry Part's Competitive Advantage: A Sem Approach. Management and Production Engineering Review,8(1), 101-112.

Cho, J. J., Ozment, J., & Sink, H.L. (2008). Logistics Capability, Logistics Outsourcing and Firm Performance in an E-Commerce Market. International Journal of Physical Distribution & Logistics Management, 38(1), 336-359.

Cronbach, L. J. (1984). Essentials of Psychology Testing. New York: Harper.

Fernandes, DW, Moori, RG, & Filho,V . AV (2018). Logistic Service Quality as a Mediator between Logistics Capabilities and Customer Satisfaction. Revista the Gestao, 25(4), 358-372.

Grant, D. B., Lambert, DM, Stock, J.R., & Ellram , L. M. (2006). Fundamentals of Logistics Management: European Edition. Maidenhead UK: McGraw-Hill. Education.

Heizer J., & Render B. (2014). Operation Management: Sustainability and Supply Chain Management. (11th ed.). Boston: Pearson Education.

Kumar, V., Pozza, I. D., & Ganesh, J. (2013). Revisiting the Satisfaction–Loyalty Relationship: Empirical Generalizations and Directions for Future Research. Journal of Retailing, 89(3), 246-262.

Langley, C. J., & Holcomb, M. C. (1992). Creating Logistics Customer Value. Journal of Business Logistics, 13, 1-27.

Miller, A., & Dess, G.G. (1996). Strategic Management. (2nd ed.). McGraw-Hill.

National Science and Technology Development Agency. (2017). Report on the Feasibility Study for the Establishment of a Special Economic Promotion Zone "Eastern Economic Corridor of Innovation." [Online]. Retrieved on 10 February 2022 from https://www.eeci.or.th.

Naphalai Thanawat & Viroj Jadesadalug. (2015). The Operation and Logistics Management of Marigold Entrepreneurs in Nakhon Pathom Province. Journal Veridian E-Journal, Silpakorn University. 9(3), 507-526.

Nittaya Supaporn. (2021). Ability and Competitive Advantage of Small and Medium Enterprises (SMEs) Operators in Nonthaburi Province. Santapon College Academic Journal, 7(2), 43–52.

Office of the Secretary of the National Strategy Board. (2018). National Strategy 2018- 2037. Bangkok: Office of the National Economic and Social Development Board.

Piyachat Jaruthirasarn. (2020). Efficiency Enhancement in Transportation for Trading Business in Thailand. Journal of Management Science Nakhon Pathom Rajabhat University, 7(2), 81-95.

Pairot Piyawongwattana. (2017). Strategic Management, Technology, and Innovation. Bangkok: Chulalongkorn University Press.

Pattara Udomkalayarak. (2017). Increasing Efficiency of Warehouse Management: A Case Study of PMP Motor Products Company Limited: College of Management. Mahidol University.

Porter, Michael E. (1980). Competitive Strategy: Techniques for Analyzing Industrie and Competitions. New York: Free Press.

Raad A. Shareef. (2023). Managing Logistics Activities for Improving BusinessPerformance. Cihan University-Erbil Journal of Humanities and Social Sciences, 7(1), 42-49.

Rudee Niyomrat. (2020). Logistics Management of the Cosmetic Manufacturing Industry in Samut Songkhram Province. Master of Social Sciences Thesis, Srinakharinwirot University (Prasarnmit).

Rungthip Nilpat. (2018). Service Quality and Satisfaction Related to Customer's Repurchase at Paolo Rangsit Hospital Service. Bangkok: Rajamangala University of Technology Thanyaburi.

Sakvanichkul, P. (2018). The Efficiency of Logistics Services for Machine Tools and Metalworking Technology Exhibition [Doctoral dissertation]. Silpakorn University. [in Thai]

Wanarat, S. (2015). Measuring Logistics Service Quality and Satisfaction: Using a Structural Equation Model Approach. [Abstract]. Proceedings of 53rd Kasetsart University Annual Conference: Education, Economics and Business Administration, Humanities and Social Sciences, (February 2015), 586-593.

Wasutida Nakkasem & Prasopchai Pasunon. (2018). Factors Affecting the Competitive Advantage of Service Business Entrepreneurs in Bangkok. Veridian E-Journal, Silpakorn University, 11(1), 2148 – 2167.

Journal of Ecohumanism
2024
Volume: 3, No: 7, pp. 361 – 371
ISSN: 2752-6798 (Print) | ISSN 2752-6801 (Online)
https://ecohumanism.co.uk/joe/ecohumanism
DOI: https://doi.org/10.62754/joe.v3i7.4212

Wijititkulsawat, N. (2018). Logistics Management Strategy 4.0 with Self-Adjustment forThai Entrepreneurs in Industrial Era 4.0. https://tdc.thailis.or.th/tdc/dccheck.php?Int_code=52&RecId=31858&obj_id=200277&showmenu=no&userid =0 [in Thai]

Working Group for Grassroots Economic and People Development. (2019). Pracharat Rak Samakkhi Manual. Bangkok: Economic and Public Development Coordination Office.