

**KEY SUCCESS FACTORS FOR E-COMMERCE ENTREPRENEUR
WHO WANT TO START THEIR BUSINESS IN THAILAND**



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WHO WANT TO START THEIR BUSINESS IN THAILAND**

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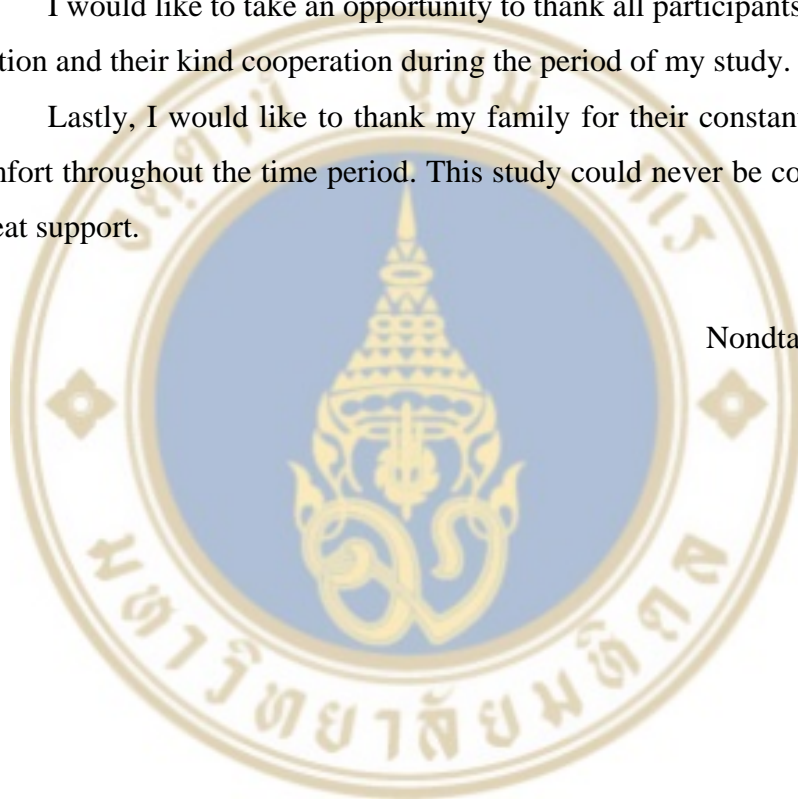
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ABSTRACT

The purpose of this paper are to investiagate the 5 key success factor for e-commerce entrepreneur who want to start their business in Thailand (SMEs size). The writer's goal is to let the reader (especially the one who want to start their own e-commer store) understand the basic requirement and to be prepare for starting their e-commerce company in Thailand.

The findings in this paper are based on qualitative research by collecting data from 2 successful entrepreneurs in e-commerce field. The two entrepreneur sell fitness equipment on online platform which targetingat different type of customer. The writer had conducted a face-to-face interview to find insightful data for this study. The research result coud apply to SMEs size startup in many industries.

The finding of this study reveal the 5 key success factors for e-commerce startup (SMEs size) which are Motivation and Mindset, Market Test, Taking Action, Brand Awareness, and Creating Trust.

KEY WORDS: e-Commerce/ Starting a Business/Online Marketing/ Entrepreneurial/
Online Business

21 pages

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CHAPTER I

INTRODUCTION

“Working from anywhere in the world.” I am writing this paper because I’m inspired by this phrase and I believe many people will do so. You will not have to face any bad traffic in Sathorn road, or squeeze into the crowded people in BTS every early morning. Some people have to wake up since 5 am in the morning in order to be in their office at 8 am. Is this what you want to do in your entire life?

Today’s technology make working from home more realistic as you can be connected to other people from anywhere in the world. This create the emerging trend for online entrepreneur from all over the world. This mean that many people with different talent can create income using the online platform. From woman writing a blog about beauty and cosmetic to a man selling fitness equipment. All of this are done from their home! And of course it require very small investment during the first phase of the business. This type of business is very lean with low investment in fixed asset as you only need one computer notebook!

There are many type of online business which are: e-commerce store, writing a blog, affiliate marketing, review sites, community membership sites, designing and developing websites, and online auction business (Anonymous, 2015). These 7 business types are done on online platform do not have the same business model and characteristic. In this paper, the writer would only focus on the first type of online business which is e-commerce store.

E-commerce is one of the hottest business trend around the world as well as in Thailand which is one of the fastest growing market for e-commerce with 31.2 million online user or 46% of Thailand population in 2013 (Purnell, 2014). The growth is supported by high mobile and smart phone adoption rate and a better communication technology such as 3G and 4G in Thailand. Many big corporate both from abroad and Thailand has entered the market and build their customer base as they hope that these consumer base will create a lot of revenue and give their company a very high company valuation in the future. Firm such as Lazada.co.th and Talad.com has already create a

strong foothold in Thailand with large customer base and strong brand recognition. Lazada Thailand has invest a lot in Thailand both in marketing, employee, and even in renting new office at Emquartier. These are the commitment from Lazada Thailand which show that Thailand has a huge business opportunity now and even more to come in the future as communication technology in Thailand improved.

However, many people see e-commerce in Thailand as a red ocean market that are full of competitors, dominate by big players, and price cutting is the only way to survive. The writer disagree. The writer believe that there's still huge room of opportunity for SMEs to create a strong foothold in this channel and make it a sustainable business model in the future. There are a lot of ways to create value added using online tools and platform. The example would be a great product picture and interesting video review that could add value to the product by allowing customer to fully understand about the product features and its benefits. In fact many of Thai SMEs already established strong brand in online channel by utilizing their webpage, Facebook, Instagram, and LINE as their key channel to sell and promote their products. Some good example of these Thai SMEs are PaniCloset brand with more than 1.5 million fans base and Bag Space brand with more than 200,000 fan base in their Facebook page. What surprise me is that the owner of these brand have the age of under 30 years old! It is amazing that many young entrepreneur has gain their first million baht profit within one year by selling goods and service via online platform.

Doing things online might sound easy when you are a consumer: playing Facebook, chatting with friends via LINE, browse shopping website, and made online payment. But of course it's not easy as it sound when it comes to doing an online business. You should have a technology knowledge like a kid but a business mind like a mature adult. Funny isn't it? That's make it even harder to understand and implement online business. In addition, the behavior of Thai consumer is much different from consumer in developed counties. Consumer in developed countries make online purchase via website but in contrast Thai consumer made online purchase via social media such as Facebook and LINE. The differences create huge business implication in terms of investment, to decide whether to create attractive and user friendly website or to increase customer responsiveness by hiring more staff to chat with customer via Facebook and LINE.

Many people, especially a newly graduate student and office worker who want to retire from their full time job and are looking for a quick win solution in finding money, has tried to start their business online but still has not success. On the other hand as mention earlier, many young entrepreneur has gain their first million Baht profit within the first year in business. This make me wonder how some people can do it really well, while some just give up as the profit they got can't support their living yet. Many of the people the writer know have quitted their corporate job and work as full time e-commerce entrepreneur at home. More time, more flexibility, better work-life balance, and of course double their income compare to their previous job. These people has inspired the writer that he could also be just like them. But of course it's never easy, the writer has started his e-commerce business in November 2015 however it did not show a great return yet. The writer want to know how can he improve his business and gain a great return just like the successful ones. And yes, this is the reason why he's writing this paper. He could understand more about these e-commerce entrepreneur so that he could improve himself and his business in order for him to drive his E-commerce business into another level.

The objective of this is to help the reader to understand how these E-commerce entrepreneur create their successful online business in Thailand from the start until the growth stage. The reader will be able to understand the key success factor that made these people large amount of profit by doing an e-commerce business. The study will be focusing on the key main drivers that the e-commerce entrepreneur think are important to transform their idea into a money making business. The writer will further investigate on the detail of each of the factors. After knowing the important factors then we should be able to understand why these e-commerce entrepreneur think these factors are important. The research question in this paper is: "What are the key success factors for e-commerce entrepreneur who want to start their business in Thailand?"

In the end of this paper, the writer want to be able to conclude the key main factor that the new e-commerce entrepreneur will need in order to create their successful e-commerce business in Thailand. This paper can help e-commerce entrepreneur to save time and focus on the right spot since the first day of their business. The writer hope that the reader could create a quick win to their E-commerce business after they finish reading this paper.

CHAPTER II

LITERATURE REVIEW

2.1 Definition of E-Commerce

Electronic commerce (e-commerce) is a type of business model, or segment of a larger business model, that enables a firm or individual to conduct business over an electronic network, typically the internet (Anonymous, 2016). In a simple term, it's a process of buying and selling products, services, or information using the computer networks including internet (Turban, 2000). The power of a better communication technology such as the internet makes E-commerce reachable for SMEs (Kathuria, 2007). Good example of e-commerce website are Amazon.com (focus on retail customer) and Alibaba.com (focus on wholesales customer).

2.2 Motivation

One of the key factor for entrepreneur to successfully launch their new business is to have a strong motivation (Yang, 2016). Motivation for many entrepreneur to start their business include: being their own boss, authority to make decision, and huge financial rewards. Strong motivation will drive entrepreneur to do whatever is require for the success of their business. Motivation is associate to founder achievement orientation and founder's locus of control (Terrence, 2008). Locus of control mean that entrepreneur believe that the future is under their control and their ability to self-directed in the pursuit of opportunity (Terrence, 2008). Entrepreneur love challenge as it motivate them to work harder and like to do things differently from the norm (Turner, 2015).

On the other hand, entrepreneur might face with self-doubt which is the greatest killer of innovation and entrepreneurship (Ashton, 2004). They are worry about their ability to see the business thoroughly. The ten common self-doubt that entrepreneur doubt about themselves include not being bright enough, not being pushy enough, not being good at numbers, not be able to write, that they will fail, afraid of their rival, afraid

that they are too pessimistic, not sure if they are risk taking type of person, and underestimate the power of themselves (Ashton, 2004). Therefore, it's crucial for entrepreneur to have strong motivation so that they could get rid of these fears and doubt in order to move forward.

2.3 Brand Awareness and Trust

Brand Awareness refer to the creation of visibility and availability to as many prospective buyers and seller as possible (Yang, 2016). Customer need to aware that your brand exist before they learn more about it. It means the entrepreneur, like other big corporate, should emphasize on creating as much awareness to their target customer. Company should projects the image for providing quality product and services (Yang, 2016). The success of Thai e-commerce entrepreneur is associated with e-service reliability (Terrence, 2008). Reliability means that the entrepreneur should be able to provide to customer what they have promised (Terrence, 2008). This include service accurately and consistently on product and service, purchasing process, and billing (Terrence, 2008). In another dimension, it means the entrepreneur should be able to give a prompt reply to customer inquiry which include replying to general product question or answer customer's complaint. This could give customer the assurance that they can trust in the company (Terrence, 2008).

2.4 Taking Action

The founder of e-commerce business will require a great entrepreneurial mindset. It will motivate and drive them just like the entrepreneur in other business industry. The successful entrepreneur will need to take action (Turner, 2015). Action speak louder than beautiful business plan. It's action that will turn your idea into money. Many people who study business tend to overanalyzing situation rather than taking the action (Turner, 2015). Entrepreneur should have the business concept of what they want to do in their mind but not necessarily a detailed strategy. These entrepreneur do not ask for permission (Turner, 2015) when they have the fantastic in their mind. They

prefer to make action first and ask later. Entrepreneur are fearless and risk taking (Turner, 2015). They see potential and are mostly optimists.

2.5 Market Analysis and Market Test

Market and Industry analysis is a must in doing a business as entrepreneur will need to understand the problems and opportunities in their marketplace. There are various source of information such as secondary research, customer survey, supply chain analysis, and get the samples of competitor's product (Lawrence, 2004). Entrepreneur should analyze the market size and growth (Lawrence, 2004) to get the understanding of who is going to buy their product or services, and are they big enough to get satisfied revenue. Entrepreneur should also determine the trends that are driving the market, the factor that are making the change in this trend, and the impact on each group of customer (Lawrence, 2004). With this understanding, entrepreneur can be able to select their target market for their business. Entrepreneur should conduct customer research to see if the customer recognize that they need your product or service, the feature that they want, how much would are they willing to pay, do they understand the concept, and their buying intention (Lawrence, 2004),

One of the greatest benefit of doing business on online platform is that everything can be measured by numbers. People who are doing online business could utilize this benefit to test on key things such as their product, advertisement, price and offering. The rise of digital marketing and data analytic tools today make this phenomenon possible. This can result to the improvement in marketing initiative (Glass, 2014) that Entrepreneur can use for the success of their business. They can measure which advertisement has better performance compare to the other, then they could focus and invest more on one with good result while stop doing the one with bad result (Glass, 2014). Technique such as A/B testing is a great technique to evaluate marketing performance (Glass, 2014). A/B testing is a method of comparing two versions of idea/ concept/ advertisement against each other to determine which one performs better. Entrepreneur can use the test result to make important business decision which are more systematic, lesser decision made by gut feeling, and lower the business risk. Testing has become the key (Glass, 2014).

CHAPTER III

RESEARCH METHODOLOGY

Writer has used primary research, qualitative method, to gain information and understating of the topic being discuss. The writer has conducted a face-to-face interview with two e-commerce entrepreneur who has successfully launch their e-commerce business that could generate high profit during the first phase of their business (during introduction and growth stage of their business).

Qualitative research is a proper methodology to discover insight experience and opinion of interviewees. The in-depth interview technique will be use to collect data for this research as the interview technique enable interviewer to explore the knowledge, opinion, and feeling of interviewees. The information will be richer as the interviewer could dig down more by to get an insight for the interviewees' action that has important business implication. Writer intend to make the interview question an open-ended question so that the interviewees could feel free to share and express their opinion. In addition the interviewer could get more ideas from the interviewees answer and could instantly ask for more information on that topic that could generate richer insight to answer the research question in this paper.

The main objective of the interview is to understand and focus on only 5 success factor that the interviewee think is most crucial to their success during the startup process of their e-commerce business. The interview did not include their future plan to sustain the business in the future. The writer intend to concentrate the writing to only five key factors as the paper could give the focus and dig more into detail on only key thing that the e-commerce entrepreneur think it's very important to their e-commerce startup stage. It's also the limitation of time and scope of study that allow the writer to focus only on 5 key success factor. But in the real world, there are more than these 5 factors that could contribute to the success of staring up an e-commerce business in Thailand.

It's quite hard to find an e-commerce entrepreneur who's willing to give the interview as they are afraid that their secret will be exposed. This is very crucial in the online industry as it's very easy to copy and start the e-commerce business the next day as the business requires relatively low investment. The writer has to spend time to persuade the interviewee and give the promise to them that the information given by the interviewee will be closely monitored by the writer and the writer will not reveal information that could give a threat to the interviewee's business. The name and company of the interviewee will not be allowed to be public for reasons of confidentiality. The research aims to present an educational and constructive.

3.1 Interviewee Selection Criteria

The writer decided to interview two e-commerce entrepreneurs that have a good track record for starting an e-commerce business by using face-to-face interviews. The length of the interview is approximately 30 minutes per interviewee. All of the interviewees have at least a year of experience in e-commerce business. The writer tried to get different ideas and perspectives by choosing the interviewee that sell products to different customer groups so the writer could compare and contrast their differences. The writer will first interview Mr. Muscle as he's selling fitness equipment targeting men. The second interviewee will be named Mr. Slim as he's selling fitness equipment but targeting women.

The criteria for selecting the interviewee are as follows:

1. He/she is the owner of the e-commerce business
2. Their business should have operated for at least 4 months
3. Generate at least 100,000 Baht profit per month
4. Is committed to doing this business (not a part-time job)
5. Age under 30 years old

3.2 Research Question

The research question for this paper is “What are the key success factors for e-commerce entrepreneur who their business in Thailand?” The writer intend to make an open question so that he could explore all the possibilities from the interviewees. He will limited himself to some guiding question as he want to explore as many success factor the e-commerce entrepreneur think is important to start business during the startup period.

Below are the question that the writer has asked the interviewee.

1. Can you tell your personal background?
2. Can you tell story about when start your business?
3. Why do you want to start the business? Why not being an employee?
4. Why do you choose e-commerce business?
5. Don't you afraid to fail? Then why do you do it?
6. Why do think you can become this successful while many have failed?
7. What's your startup strategy?
8. What are the key step did you take during the startup?
9. What's the turning point of your business?
10. Why do you think customer buy from you?

The writer has made the interview at the interviewees' office (Pattanakarn 63 and Pridi Pranomyong) during 6-7 February 2016. For the purpose of confidentiality, the writer will not disclose the real name of the interviewee. Instead the writer will name them Mr. Muscle (who sell men fitness equipment) and Mr. Slim (who sell female fitness equipment).

CHAPTER IV

FINDING AND ANALYSIS

4.1 The Story

Mr. Muscle and Mr. Slim has started their e-commerce business around one year ago (2015). Mr. Muscle has started his e-commerce business while he was working full-time with one of the giant multinational company while helping with family business. In less than 3 month after he started his e-commerce business, Mr. Muscle had decided to quit his full time job as his new e-commerce and his family business was doing too well after he's taking a big part in doing it. On the other hand, Mr. Slim was tired of working as an employee so he decided to try to start his e-commerce business. He left his full-time job to start his own business. They take this risk not because they are sure about the new business but they are hungry for huge financial return and to become their own boss. They have decided to do e-commerce business because they have some background with selling things online and it could show a faster success compare other type of business. *"E-commerce is the hottest business trend, and it's easier to start from zero compare to other type of business, plus it require much lower investment"*, said Mr. Slim. Both of them are solo entrepreneur during the startup time. *"You will need a strong mindset and motivate yourself all the time as you are the only one who carry out this business"*, said Mr. Muscle. Things happen very fast for both entrepreneur when they make it right. Mr. Muscle gain his first 1 million Baht profit when he sell his product for only 4 months!

One of the hardest thing in starting e-commerce business is to find the right product. No one knows what's going to be the hot selling product until someone actually try to sell it. Mr. Slim has tried to sell many unique product such as party sunglass and boxing equipment but has failed. *"You have to try to sell it, if it failed then try another one"*, said Mr. Slim. By testing, it means you have make webpage for that product and try to advertise them, try to sell them, and evaluate if it's profitable enough to make you satisfy or not. Both entrepreneur has done this step over and over again until they get

their million Baht product. Both have faced the feeling of failure when their tested product were not performed as well, but they strongly believe in not giving up and try again. Mr. Muscle has created more than 5 webpages during the first 2 months to find the right product for this company. *“And when you find the right product, it’s about having the guts to heavily invest your time and money to make it work”*, he said. Mr. Muscle has spent up to 20,000 Baht/day to advertise his product in many online channels. Mr. Muscle mention that the decision to heavily invest in advertising is the key step to his success. Many people who want to be success in e-commerce are afraid to lose money so they only go for free thing. But the fact is the paid advertisement is much more effective. Of course the interviewees are afraid of losing money, but they are willing to give it a try as they are satisfied with result of the product testing. The interviewee are more confidence after the success of their first product. They keep doing the same step in finding the new product to increase the sales of their company. Things they did are roughly planned with no solid business plan. They both believe in taking action, especially Mr. Slim that did not graduate from any business school. Mr. Slim think that taking too much time thinking about everything is time consuming as you will never know what’s ahead. They are new to the industry and the only way to get more knowledge is to actually start doing it. However, they become more expert in the industry after the first product which make it easier for them to find more product for their portfolio.

Mr. Slim and Mr. Muscle agreed that it’s quite hard to sell their product during first few week as their webpage has relatively low fan/member. What they did during that time is mainly to find way to create more fans: range from paying money to create Like in Facebook to asking their friends to make a review on their page. They admit at doing this require a lot of time and effort but it will be worth as the more fans they have the easier the entrepreneur can close their sales afterward.

4.2 Analysis

The writer has analyze and organize the topic into discuss points to talk about the key success factors for e-commerce entrepreneur as below.

4.2.1 Motivation and Mindset

The two interviewees has mention in the interview that one of the reason why their business is still operating with profit while many of their competitors has stop their business is because they have strong motivation (Yang, 2016, Turner, 2015), and good mindset. The interviewer stated that many people think e-commerce is easy. They think that they can make a good business within a month. But business is business, and it applies to e-commerce. It requires hard work, tolerance, and discipline. The requirement seem to be easy, but it would not happen without a strong motivation and good mindset. They are the building block for setting up their e-commerce business. Motivation and mindset will come together and it's the internal driver for entrepreneur to do what it takes for their business and not easily giving up. The starting up stage requires a lot of motivation and mindset because you will never get it right from the first time. The interviewee has failed at least once before they can find the right product suitable for online channel.

Strong motivation is one of the key success factor (Yang, 2015). The interviewee mention that they are less motivated working in their previous job as an employee. It's not exciting and you only need to follow orders. On another hand, the salary for doing such work is not that high. The writer sense that the interviewees are motivated by excitement and money. They feel excited when creating new business that they know have the risk of failing. Motivation is essential as during the creation of new venture (Yang, 2015). A good mindset will create a peace of mind that will stop the entrepreneur to over think. It will allow you to let go of these issue you are facing and move forward to your goal (Turner, 2015). A good mindset could refer as positive thinking. To be successful in online business is to fail fast, as it will make you learn and success faster. In addition, there will be a lot of bad things happening during the startup stage range from bad sales, customer complain, and product return. Not to forget that you will be the only one who face this problem not others, so all the pressure is on you. And without strong motivation and mindset, many people will just stop trying and quit after their first failure.

4.2.2 Market Test

The writer have asked the interviewee on how they find the right product for their business. They agree that they are also not sure that their chosen product will

become a hit product. What these entrepreneur did is to make an observation around themselves and see what they think are attractive to them.

Mr. Muscle choose to sell male's fitness equipment because he love fitness. Mr. Slim women fitness equipment because he think it's a great product with huge opportunity. The interviewee do not know the market size or market growth, they even don't care about it. However they know that these product are following the health and beauty trend (Lawrence, 2004). But what make them become so sure that it's the right product not the other? There are many products in the same category, but which one should they choose? The interviewee mention that the only way to know is to test and see the result for each of them until to you get the right one!

The online platform make it possible for entrepreneur to test the assumption that all the entrepreneur need to know (Glass, 2014). This include which product to sell, which advertising to use, and even which target group is better for them to target. It's like conducting the small research that you can do it by yourself. The A/B testing technique can be used to evaluate most of the important initiative (Glass, 2014). A/B testing is a method of comparing two versions of idea/concept/advertisement against each other to determine which one performs better. However, it's to keep in mind that A/B testing mean that you only test one variable at a time while other variable are constant (Glass, 2014). For example during the startup period, Mr. Muscle was hesitated weather to sell dumbbell or abs workout equipment so he create the advertisement for both product and test them in Facebook. When testing which product to sell, the interviewees invest in Facebook's advertisement as it is the fastest and most effective tools for a product test as entrepreneur can know the result within a week or two. Using Facebook ads is easy, the more you pay the more people will see your ads. And to evaluate the result is simple, you just have to calculate simple return to investment and see how much profit you will have for each of the product being sold. The simple formula is $\text{Profit} = \text{Price} - \text{COGS} - \text{Facebook Advertisement spending}$. If the profit is quite attractive compare to the effort that they need to put, then they will continue to test more by putting more investment in Facebook Advertisement to that more people can see the ads until they are confidence that the product will make a good return.

However, the chance the entrepreneur will hear the bad news will be at the same speed. So again it's the motivation and mindset that will bring the entrepreneur back on track.

4.2.3 Action, Action, Action

The interviewees agree that action is the key success factor which is even more important than strategy (Lawrence, 2004). They have some strategy and guideline in their mind before they start doing their business, but it does not cover every aspect of the plan like what the corporate people will do in the job. Nothing is clear from day one, but it will be clearer and clearer once you start your journey.

The writer then ask if they intend to do this or they are reckless about making a plan. It's confirmed by the interviewee that they intend not to plan everything out from the start due to several reasons. First, you will never have enough time to plan everything out in day one. There are too many things for entrepreneur to handle and it consume a lot of time and effort. Second, it's more important to focus on action that create high impact to business first. Overthink for the things that will not be happening soon will not create any sales and would only consume your time. Especially if you are the sole owner of the business and you don't have that much money to invest (Lawrence, 2004). Third, they know that their business is very dynamic and it's impossible for them to plan base on the assumption. Last, they are not sure if their product will be successful from day one and its potential can only be proof when it has been test and the result shows a good return on investment. So it's better to put your time and effort to do the testing for the right product first not a plan. The interviewee did not make any business plan for their current business. Mr. Muscle used business strategy canvas to plan out their business but still not a full business plan. He admit that it's not necessary for his business yet. The interviewee believe that it's essential to have some guideline in their mind and plan ahead. They have plan on their stepping stone of what they should do from day one but most of them are still conceptual until a month before they actually do it that they turn these conceptual thinking into a solid plan.

4.2.4 Brand Awareness

“It does not matter if my business is small, customer will have to aware of what my brand if offering first or else there will be no sales”, said Mr. Muscle. Building high awareness is very essential to the success of the interviewees’ business (Yang, 2015). Creating brand awareness require a lot of investment. You will have to pay for it. E-commerce business has low fixed investment unlike opening an actual store front, but on the other hand nobody will know about your store if owner just leave the virtual store there without doing any initiative to create brand awareness.

There are many ways to create brand awareness in Thailand from ones that require investment to ones that are free including. Example of the paid ones include Facebook Ads which are the advertisement you see in Facebook new feed and Google AdWords which are website that appear on top when you try to search for something. The free advertisement are posting the product in other e-commerce platform (eg.welove shopping.com), web board (eg soccersuck.com), and/or marketspace (eg lazada.co.th). Many people do not want to spend money to create brand awareness so they goes with something that are free such as posting on web board. However, the interviewee think that those free marketing is not as effective compare to the paid ones as it could only reach small amount of customer and the customers might not be the target customer of the company at all. On the other hand, paid advertisement like Facebook ads enable you to aim at a precise target customer and effectively reach them.

The two interviewee spend a lot of money to create the presence of their brand. Mr. Muscle has spend around 480,000 Baht per month in online advertisement! *“If the test result already show a fantastic financial return, then there’s nothing to worry”*, said Mr. Muscle. *“Just keep on investing on the ads”*. The interviewee increase their ads spend after they become more certain about their product. Mr. Muscle said he increase his ads spending 10% every week. *“The more I spend, the more I become richer”*, said Mr. Muscle. It’s one of the entrepreneur success factor as many of their competitors or the new comer do not have the guts to spend this much of money. The writer sense that the strong confidence when the interviewees talk about this. But however such a method is also risky. The interviewees might gain up to 100,000 Baht profit in one day or even a make loss. It’s all come back to having good mindset to tolerate with the bad days and made improvement on the next day.

4.2.5 Create Trust

Trust one of the issue that Thai consumer have when buying good and service online. This is because most of the stores only have virtual store front and no actual physical stores. Consumer afraid that they will not get the product after they made the payment, or the product will not be the same as what is being advertised. This issue is more serious especially for consumer that never have experience buying product or service online before.

It's essential for the e-commerce store to create trust to the consumer (Terrence, 2008). Customer need to feel safe to buy from the store. The interviewee mention that they spend around 2,000-8,000 Baht just to create trust to their Facebook fan page. *"You will not gain sales during the creating trust period, but it's a must"*, they mention. There are many ways to create trust for e-commerce shop. This include large number of fan in Facebook page, large number of website visitors, reviews from consumer, good store rating, and the appearance of the website/fan page. These are to create confidence to the customer that they will get their product after they made the payment, and the owner is serious about doing the business not a fraud. The interviewees took a lot of effort to create trust in the beginning stage of their business. *"I have to follow up all customer, ask them if they like the product, then ask for them to make product review in our Facebook page"*, said Mr. Muscle. Creating trust involve a lot of time, but once it's created then it's much easier for the entrepreneur to sell their product and service.

CHAPTER V

CONCLUSION

The study of this research paper is to understand why some e-commerce entrepreneur has a great success while many had failed when starting their e-commerce business. The research question is “What are the success factor for e-commerce entrepreneur who want to start their business in Thailand”. The writer has conduct a qualitative research using face-to-face interview technique so that he can understand the insight for each of the successful factor that the interviewee has mention. The writer has interview 2 young e-commerce entrepreneur that sell product to different customer group. The selected interviewee are the owner of e-commerce business that have operate for at least 4 months and generate at least 100,000 Baht profit each month. They must be committed to doing this business and their age must be below 30 years old.

The writer has analyze data from the interview and has come up with 5 key success factors that the interviewee view as a must have to the success of their e-commerce business. The five factors are 1) Motivation and Mindset, 2) Market Testing, 3) Action, Action, Action, 4) Brand Awareness, and 5) Create Trust.

Motivation and Mindset are related in term of driving the interviewee forward in their business aspect and also in life. Entrepreneur are being motivate by the fact that they were excited to be their own boss, make their own impactful decision on their own business, and gain a lot of financial return associate with the risk they take (Yang, 2015). A good mindset will create a peace of mind and allow entrepreneur to let go of the bad things that happen to their business. This can also be call positive thinking. Both motivation and good mindset will help maintain high level of confidence that entrepreneur have.

The second factor is market test. Market survey and market test is not the new tools for entrepreneur to explore and validate the opportunity (Lawrence, 2004). However its role is more important and is easier to do on online platform for e-commerce business. Test technique such as A/B testing could be used to evaluate important things

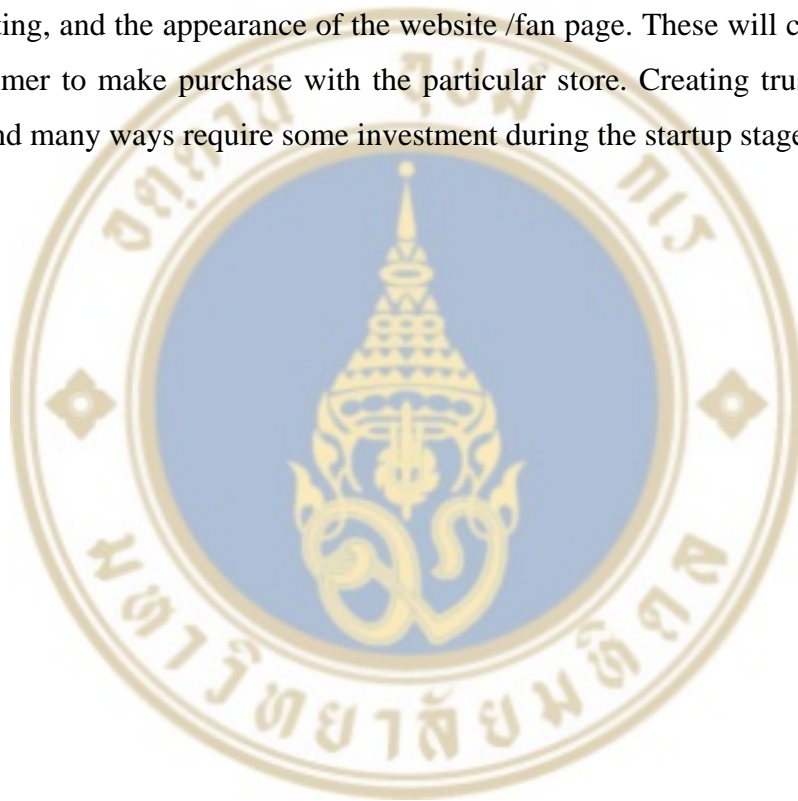
that are impactful to the business (Glass, 2014). Entrepreneur could use data from the test to make important business decision like what product to sell, which advertisement is more appealing, and or which customer group to target. Hence, entrepreneur could eliminate the use of their guts feeling and more systematic decision (Glass, 2014). The most important decision that entrepreneur could make by using A/B testing is to select which product or service to sell in their e-commerce business. Entrepreneur could select the product that they think has good potential and test it in various way such as using Facebook advertisement. Entrepreneur could decide to sell the particular product systematically by calculating the profit for each product after deduct advertisement spending. This technique allowed entrepreneur to have more confidence about their product, and hence they could heavily invest more in the product. They could put more money on advertisement if the financial return is attractive for them.

The third factor is Action, Action, Action. The repetition of the word three times means to emphasize on its important in the eyes on the interviewees. It's the entrepreneur action that drive their business to the right direction. They think that action is far more important than the strategy (Turner, 2015). The two interviewees did not have the solid plan from day one, but they have the guideline of what they want to do and key stepping stone for each phase of their business. They believe that it would waste time to try to think of the solid plan from day one as all of them would be mainly from assumptions. There is no enough time to plan for everything like what employee did when working in the corporate life. In addition, interviewee could save more time and do more value-added activities to generate sales for their business such as finding the right product by using A/B testing technique.

Fourth factor is brand awareness. It doesn't not matter if you are running a small business, brand awareness is essential to the success as it generate customer leads and sales (Yang, 2015). Brand awareness become much more important when it comes to e-commerce business as there's no physical store front for customer to see and become aware of the store. Therefore the only way to let customer know and aware of the store is by using both free and paid tools such as posting in web board or Facebook advertisement. Interviewees think that the most effective tools to reach large number of people for Thai market is Facebook advertisement as it enable the interviewee to aim at a precise

target customer and effectively reach them. For e-commerce business, the more customer can be reach the more sales can be generate.

The last factor is Creating Trust (Terrence, 2008). Due to the fact that most e-commerce do not have physical store front, most consumer are scare that they will not get the product or the product quality is not as promised. Customer can decide not to buy from a particular e-commerce shop even though they love the product as they do not trust in the shop or brand. There are many ways to create trust including large number of fan in Facebook page, large number of website visitors, reviews from consumer, store rating, and the appearance of the website /fan page. These will create confidence to customer to make purchase with the particular store. Creating trust took time and effort and many ways require some investment during the startup stage.



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