## CRITICAL SUCCESS FACTORS FOR OPERATING A FARMSTAY



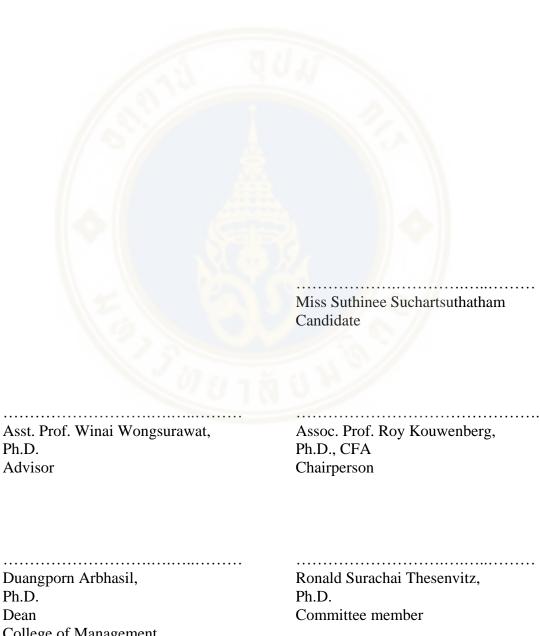
A THEMATIC PAPER SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF MANAGEMENT COLLEGE OF MANAGEMENT MAHIDOL UNIVERSITY 2019

**COPYRIGHT OF MAHIDOL UNIVERSITY** 

## Thematic paper entitled

## CRITICAL SUCCESS FACTORS FOR OPERATING **A FARMSTAY**

was submitted to the College of Management, Mahidol University for the degree of Master of Management April 27, 2019



Ph.D. Dean College of Management Mahidol University

#### **ACKNOWLEDGEMENTS**

As per completing this research, I would like to pay sincere acknowledgement to my Thematic Paper advisor, Asst. Prof. Winai Wongsurawat, Ph.D., who attentively paid attention to my work since the beginning until the last process of the research. He was very opened about the research subject and methodology. Moreover, he always gave useful and practical advice along the way.

I would like to thank all my teachers and professors at the College of Management Mahidol University (CMMU). I used all knowledge obtaining from every class to conduct this Thematic Paper. Furthermore, I would like to thank all my friends from every major at international program for the friendship and help.

Next, I would like to thank my interviewee for her help. She spent time to give me all information and insights about the business and show me around the farmstay. All data was very useful.

Lastly, I would like to pay respect and give credits out to my family, who supported and motivated me through this research.

Suthinee Suchartsuthatham

# CRITICAL SUCCESS FACTORS FOR OPERATING A FARMSTAY IN THAILAND

SUTHINEE SUCHARTSUTHATHAM 6049062

G.M. (GENERAL MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE: ASST. PROF. WINAI WONGSURAWAT, Ph.D., ASSOC. PROF. ROY KOUWENBERG, Ph.D., CFA, RONALD SURACHAI THESENVITZ, Ph.D.

#### **ABSTRACT**

This study aims to understand what are critical success factors for operating a farmstay? This research is suitable for people who want to understand how to operate the business and people to aware of the new tourism category, agritourism. This research methodology was applied by using qualitative method. The farmstay owner participated in the interview.

The results revealed that not only internal factors such as a good management, the design and the differentiation affect the business, but external components also influence the operating. Government support and viral marketing from customer and potentials have a great impact as well.

KEY WORDS: Agritourism/ Nature-based tourism/ Community-based tourism

(CBT)/ Farmstay/ Viral Marketing

21 pages

## **CONTENTS**

	Page
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
CHAPTER I INTRODUCTION	1
CHAPTER II LITERATURE REVIEW	4
2.1 Agritourism	4
2.2 Nature-based tourism	5
2.3 Community-based tourism (CBT)	5
2.4 Farmstay	6
2.5 Viral marketing	6
CHAPTER III RESEARCH METHODOLOGY	7
3.1 Research design	7
3.2 Data collection and methodology	7
3.3 Interview selection criteria	8
3.4 Research designs	8
CHAPTER IV FINDING ANALYSIS	10
4.1 The story	10
4.2 Analysis	13
4.2.1 Management	13
4.2.2 Design	14
4.2.3 Government support	14
4.2.4 Competition	15
4.2.5 Differentiation	15
4.2.6 Viral marketing	15
CHAPTER V CONCLUSIONS	17
REFERENCES	19
BIOGRAPHY	21

# CHAPTER I INTRODUCTION

Travelling is the most popular leisure for almost everyone nowadays. People like to explore new experiences, cultures, aspects and attitudes. Moreover, they want to find inspirations to invigorate both their personal and working lives. Interests and lifestyles are varied among people depending on their nurture, socials, communities and experiences. Therefore, there are many kinds of tourism to satisfy travelers all over the world.

Each country has its own world-class tourist attractions and destinations based on its geography, climate and natural resources. There are many types of incredible resources such as beaches, mountains and forests. Residences may overlook or ignore these precious heritages, though they are extremely amazing in others' perspective.

One thing that always comes up on people mind about Thailand is natural beauty, local wisdoms, friendly people (Land of smiles) and definitely agricultural produces. Thailand can be considered as an agricultural country because of many factors. As the country is in Southeast Asia Monsoon, there are suitable topography, natural resources, environments, and climate favorable to an agriculture. Majority of Thai people still do an agricultural profession or something relating to it for their livings. They are successful in this career not only because of geographical factors, but also influences and inheritance knowledges from their predecessors. Agriculturalists have invaluable experiences, know-how and wisdoms to operate and manage natural resources effectively and productively. No matter how hard Thailand is trying to be an industrial country like other developed countries such as the U.S. and the U.K., Thais are still hold on to this sector. Even we hold on to the old habit ways of living, we are developing, enlarging and evolving our industries to align with the present time. An agriculture in Thailand can be considered as one of the most important industries that

generates income about seventeen trillion baht between 1993-2018 of Thailand GDP (National Economic and Social Development Board, 2018).

Another successful and well-known perception for Thailand is a tourism. I am confident that half of people in this whole world cannot deny that they mark Thailand as their top ten dream destinations. Our tourist attractions can certainly satisfy their needs in every aspect. There is at least one wonderful spot for everyone to admire in each province. Tourists can perceive different values at a different region of Thailand. They will gain distinctive experiences which are Thai traditions, cultures and way of life in each location. Some of them may similar, but many of them may completely different. These components are what make Thailand so attractive, appealing and timeless.

When combining these two main supremacies, an agriculture and a tourism, they are strengthening our reputation and generate more income in terms of a new kind of tourism, a nature tourism. Nature tourism plays an important role at the present. As we are all living in the fast-changing world, everything has evolved rapidly. Many businesses have developed a lot of innovations to enhance their products standard to meet customers' requirements and satisfaction. Nature tourism is also one of industries that is needed to be reformed to fulfill travelers' needs. Therefore, there are many nature tourism categories such as camping, hiking and hunting (Anonymous, 2018). An agritourism is one of the most popular tourism types in many countries. Japan, Italy and US are leading destinations for an agritourism, and also be models and archetypes for many countries. Although Thailand is an agricultural country, there is only a little number of this business.

In this paper, I would focus only on the agritourism in Thailand as the most priceless culture to be inherited for Thais. I want to study possibilities of making Thailand one of top ten agritourism destinations. I suspect why there is only a small number of farmstay in Thailand while Japan, Italy, Australia etc. are very successful and famous for this type of tourism. Should Thailand give more attention in this tourism segment? Why we overlook this potential income despite having all essential resources? I plan to start this kind of business in the future because I do not like to work routine jobs at working hours. I would like to own the business which is close to people enough to communicate, exchange some ideas and share some interests. And somehow, I love

natural beauty of Thailand. Therefore, I want to acquire more information and insights about this field of business. I could understand more about it and achieve my goal perfectly soon.

The objective for this paper is to help me and readers understand critical success factors for operating a farmstay. To be specific, I will study on factors and components driving a leading farmstay in Thailand, how the owner manages the business internally and externally, and how does she cope with tourism problems, trends and seasonal travel. I will investigate details of each factors and analyze them for people who want to start this business on their own.

I will conduct an interview with the owner of "Baan Nok Kok Na" farmstay which is in Amphur Pak Chong, Nakhon Ratchasima Province, the Northeastern part of Thailand. It was founded in 2016 in the area of 11 Rais. It is located at a small village which is far from Khao Yai, a famous tourist attraction, about an hour time. It is a contemporary farmstay operating under integrated farming system, Sufficiency economy, The Royal Guidance of His Majesty the King Bhumibol Adulyadej (King Rama IX).

In the end of this paper, I will capable to analyze critical success factors for operating a farmstay which is one kind of the agritourism in Thailand. This paper can help entrepreneurs as a tool to study and forecast their possibilities and capabilities in starting the business. Furthermore, it can be a productive shortcut for business owners who are facing problems. I hope readers find it useful and could adjust information in this paper to your own circumstances.

# CHAPTER II LITERATURE REVIEW

### **Definition of related terms**

## 2.1 Agritourism

The word "Agritourism" was founded in the late twentieth century. It is the combination of two words which are an "agriculture" and a "tourism". It conveys the type of a tourism offering tourists traditional ways and intellectual inheritances agriculture. The sense of this term is principally setting with an agriculture which later brings about a tourism. People can participate in farm activities to get to know ways of ancient lives. By the way, it varies between areas. It is often related to people in communities in many aspects such as financial, surroundings and quality of lives (Stela Z., 2013). People may misunderstand that the Agritourism is as same as an "Ecotourism", but it is completely different because of an expansion numbers of people and kind of activities. Most activities come from regional and local wisdoms such as inheritances. They can be expressed in many forms from an abstract to a concrete ideas and products. Owners can gain additional incomes by trading their ideas to people who want to apply this idea to their business. In terms of internal operations of a business, there must be same directions among staff in companies about financial issues. In addition, each staff has a right in an ownership of some properties and resources in the business (Clive, 1989).

## 2.2 Nature-based tourism

Nature-based tourism is one of many kinds of tourism. It is mostly related with a focus on developing places where there are varieties of plants and animal lives by an expedition (Kuenzi C., McNeely J.,2008). The right meaning of this term is not to make use of natural resources, but literally tourists or business owners should find significant usage of it. It is associated with many segments such as education and entertainment. There are numerous patterns of nature-based tourism from the passive ways of an enjoyment to active ways of participating in activities. The passive is when you just sit back, relax and admire the world's beautiful creation such as sightseeing and photographs. Another way to appreciate the nature is to stay closely to it by taking part in activities. Active schemes are to engage with adventurous recreations such as hiking, rafting and skiing (Halpenny and Otte, 1999). Somehow, the growth of nature-based tourism can offer and cause great deals to the biodiversity (Valentine, 1992). On the contrary, it can be resulted in a menacing. Nevertheless, regardless of any engagements and activities, the nature must be preserved and protected. It must not be harmed or impacted by the tourism (Simon, 2007).

## 2.3 Community-based tourism (CBT)

Community-based tourism (CBT) is an option of conventional tourism. It is a kind that isolating from the ordinary one which is leads to low productivity and growth rate. It can be described as a converging of many factors and aspects to develop the quality of communities by offering a tourism within communities. Its purpose is to raise people consciousnesses and recognitions about communities' existence and local lifestyles. All values are contributed from communities' participation in control and operation to their own communities. Most components which are needed to be include are people in communities, surroundings and remunerative necessity of local. In order to be successful in the development, residences and legatees need to be co-operative. There is no official conception usage of this tourism, hence many activities can be characterized as a community-based tourism (Harold, 2009).

## 2.4 Farmstay

Farmstay is a warm, simple, happy and an educated place. It can be called a farm resort. Guests will stay closely to the farm's owner in her place which is completely different from hotels (Mahaliyanaarachchi, 2015) There are variety types of farmstay accommodations such as cabins, cottages and tents (Anonymous, 2009). Amount of meals offering and participating in cooking are depended on each farm. Tourists can interchange ideas, interests and senses in living and working sides by intimately conversations. They will feel comfortably like staying at home because it is a simple but good-naturedness place full of enjoyment. Travelers can enjoy farm activities and tastes. They will learn both the farming and cultivating processes since the beginning until the end. They have a chance to watch, learn, and explore new experiences (Kyodo, 2018). Guests normally pay the low range of price for foods and accommodations, or in some cases, they can work in an exchange for it.

## 2.5 Viral marketing

Viral marketing is one of many marketing types. It is the byproduct of the development in digital. This kind of marketing has low cost yet powerful impacts. Contents is likening to "virus" because it is spread instantly by people. Abundance of people such as friends, followers or even outlanders can affect by these "virus" by just one click which cost a little of money. So, it is the great tool for marketers in many companies. It can be compared with a word-of-mouth in digital platforms such as Facebook and Instagram. People feel contents are trustworthiness and reliable because they are shared by their friends. Hence, they tend to interest, believe and agree with these posts. (Mira & Beba, 2014).

# CHAPTER III RESEARCH METHODOLOGY

## 3.1 Research design

Firstly, I questioned to myself what the purpose of this research is? I started to work on it with Five Ws one H which are what, who, where, when, why and how - What do I need to know? Who do I need to interview? Where is the suitable location? When is the best period to conduct an interview? Why I have to interview this business? and How do I get all sufficient and correct information? I need specific details in order to complete this paper. I need to know owner's purposes, objectives, belief, specific facts and data, operations, and insights. As a result, I designed to use an in-depth interview which is a qualitative method to acquire information and insight of the business.

## 3.2 Data collection and methodology

I think I will gain as much as information I want more than surveying which is a quantitative research. I can prepare specific questions based on that specific place to particularize their stories. Furthermore, if the owner tells some compulsive stories during an interview, I can dig into that. It may give me more fascinating results comparing to a quantitative method. A survey method may give me just a big picture because it is a one-way communication. I can have answers only on listed questions. Answers might be unclear. There is a chance that I may misunderstand some context, and it can lead to a misconception and a wrong conclusion.

I formed my questions mainly in an open-ended style because the interviewee can give a full explanation of an answer. At the beginning, I want the interviewee to give me a background and overview of the business. I try not to point on one particular point because I want to understand their intentions and ideas correctly. Then I can scope my questions based on their stories to emphasize more in matters and

details. I intend to question on factors relating to this business, so I can collect and summarize as a critical success factors in doing a farmstay business.

Apart from taking notes, I recorded our conversation while conducting an interview as a spare in case I missed some contents. A concrete evidence must give more precise data comparing to my memories alone. I think atmosphere is an important factor for getting information, so I selected cafe area to conduct an interview. With cozy atmosphere, she was more open, approachable and friendly to me.

## 3.3 Interview selection criteria

I selected only one business to interview which is "Baan Nok Kok Na" farm stay. This place is located in a small remote village named Baan Gud Ngong in Amphur Pakchong, Nakhon Ratchasima, Thailand. I selected from a popularity and stylishness which attract all tourists. Also, it has a great success rate and a fast growth in this industry. It was established in June 2016. The interviewee, Ms. Yaowarat Kettong (Ms. Rat), is the oldest sister of the family who is responsible for operating this farmstay. She is full of endeavor, earnestness and passionate. She has set a clear goal, carefully planned short-term goal and a long-term goal, and continuously do a business-assessment and regularly find rooms for an improvement.

## 3.4 Research questions

I started this interview with small talk to make the interviewee feel loose and relax with me first. Then, she will feel comfortable with this interview, and be more open to my questions. I tried to ask open-ended questions in the beginning of the interview followed by details questions as following with specific questions.

Below are my questions to the interviewee;

- ➤ Can you please introduce yourself?
- > Can you please tell how do you come up with this business?
- ➤ What are inspirations of starting the business?
- ➤ What are your motivations of doing the business?

- ➤ What are problems you have been facing in running this business?
- ➤ What are your goals and missions?
- ➤ How do you maintain customers?
- ➤ What customers define your business and services?
- ➤ Who are your target customers?
- ➤ What are your strengths?
- ➤ Who are your competitors?
- ➤ How do you promote your business?
- ➤ How do you manage your employees and organizations?
- ➤ How do you cope with problems and negative comments?

I made this interview at "Baan Nok Kok Na" farmstay or The Country Khao Yai (469 Baan Gud Ngong, Moo 7, Tumbol Wang Sai, Amphur Pak Chong, Nakhon Ratchasima 30130 Thailand) on 8 February 2019. It took about 2 hours to asking questions and a sightseeing around this farmstay.

# CHAPTER IV FINDING ANALYSIS

## 4.1 The story

Ms. Rat family has been living in the small village name Baan Gud Ngong which is rural or "Baan Nok" in Thai. Her house is far from the main tourist attraction at Saraburi, Khao Yai, about 30 kilometers. Around 30 years ago, everything has not developed yet. All public utilities were inadequate, and surroundings were unpleasant. After she graduated Grade 9, she decided to leave home to find the new hope at the big civilized city, Bangkok. She has done many kinds of jobs to make a living such as a barber, a worker and a salesperson, but all of them were not successful. She does not have a high education degree, so there was not much opportunity for her to make enough of money. In the meantime, Ms. Rat and her siblings hardly went back to their hometown because they all thought it was a dreadful place to stay. They just went back there occasionally for only a day trip. About five years ago, after her daughter graduated a bachelor's degree majoring in Marketing, Ms. Rat had family issues. She decided to take her daughter back to her hometown and settled down there. Her responsibilities were just taking care of her parents and did farming at that time. She did not have a job and so did an income. She had always asking for money from her sisters for entire time. Since her sister could not afford these expenses anymore, she initiated an idea to make her do some business to responsible for her own living. Her sister wanted to turn parents' land which is about 10 Rai into a farmstay because she thought having resources which is a farm full of multi kinds of plants and vegetables and know-how were a good start. She started by constructing a small coffee shop as the first business because her place is in a remote area with small numbers of villagers. Her intention was to create a small place where friends can come by, visit and have little chit-chat. But the biggest obstacle was her parents' resistance. Her parents did not agree with renovating all this land into something else because it meant all their farms and heritages had to be changed. Everything that they had made and created must be demolished and destroyed.

They could not accept the biggest change because they strongly believed that it was going to be fail. They could not lose what they had dedicated their entire life to. Moreover, they did not believe that this remote lowland area could be a tourist attraction. Her parents thought only plateau lands like Khao Yai area can become popular. They believe everyone who comes to tableland provinces wants to see breathtaking and remarkable scenery of mountain and nature. No one wants to drive hundred kilometers just to see and stay at a farm with no panorama view. Although this issue was the biggest argument, she insisted to start this business. She believed her success worth this argument. She had never thought of a failure because Ms. Rat and her siblings strongly believed in her determination that it will be successful, and parents would be proud eventually. She secretly renovated the land little by little. She started to redevelop small area at the edge of the land, and gradually move forward disregarding parents' complaints.

Before an execution, Ms. Rat and her siblings started this plan by travelling many places both inbound and outbound to collect inspirations and experiences. Luckily, each sister and brother have different interests and expertise, so they can contribute different parts of the business to make it complete. For example, her sister is very trendy and creative. She always updates new social trends and comes up with new ideas to make this farmstay more interesting. While her brother is good at the design and landscape. Another fortunate for this family was knowing Mr. Wiroj Chimme (Best), an architect who owns the very first successful farmstay named "Baan Rai I Arun" at Ranong. So, Mr. Best and her brother brainstormed and worked together on designing all houses and overall appearance of this farmstay. After a few years of preparation, planning and collecting inspirations, "Baan Nok Kok Na" was established in 2016. It was popular before the grand opening of the farmstay because of the most influential social media, Facebook. There were only two small rooms and a small cafe in the beginning of 2016. As soon as it was open, two rooms were fully booked constantly, and many people stopped by at the cafe. But things did not go well, there came problems again.

Huge numbers of complaints were sent to Ms. Rat. Customers complained everything since an arrival. Major problems at that time were mainly about services and some was about facilities. As it was newly open, she had not prepared things well.

Parking spaces were not enough. Ingredients were insufficient. Services were slow and inaccurate. For instance, orders were misplaced among many tables. Bad facial expressions of staff were frequent comments. For example, they gave dirty looks to customers. Moreover, tones of voice were also unsatisfactory. She had even got faceto-face verbal complaints and comment on Facebook page. For example, "They did not have service minds and seem unwilling and unhappy to do their jobs" and "They could not handle with lots of customers at the same time". She realized immediately about root causes of these complaints. All staff were recruited from villages with no service experiences, as well as Ms. Rat, the owner. She decided to temporarily close the business for six months after opening just only for two months. She thought that it could have been permanently closed if she resisted to operate with bad services and reputation. During that break period, she tried hard to find the best solutions to re-open the business. She took management and hospitality courses, learned from YouTube and observed services from well-known hotels. Then she tried to educate and coach her staff so hard. Finally, it was reopened again with the great success. The business was expanded by building more thirteen houses and developing agricultural activities for customers in 2017.

There are varieties of activity to serve different groups of customers at all ages. For example, watering organic vegetables for children, and harvesting rice for adults. Activities are varied by seasons and climate. Ms. Rat always searches for new plants, flowers, fruit etc. to present something new to persuade customers. Not only activities to convince and satisfy customers, but also costume and accessories to make their online posts go viral, attractive, and get many likes, shares and comments.

After the interview, Ms. Rat transformed herself into a guide to show me around her farmstay. She is so detail-oriented and meticulous person because she pays attention to every square meter. She worked with an architect to layout the farm landscape and chose plants herself. For example, she planted 'pinto peanut' around the farmstay because it gives more pleasantly rural atmosphere than planting grass like other places. Some ordinary plants and vegetables can make people amaze including me. For example, I saw lots of home-grown vegetable rooted in a soil for the first time such as a coriander. She said there are lots of people who have never seen a bunch of bananas and cannot leave without taking selfies! She also named houses after local dialect.

At the present, Ms. Rat considers her business is 'successful'. Her passion is now fulfilled by this small business in her hometown. Even there are only 15 houses, she is so proud of them. She said it is enough because she does not set her 'success' so high. She is so proud of this achievement because it is one of the factor that helps contributing prosperity and advancement for her family and community. And the most important thing is her parents understand her intention of renovation that everyone did it for them. Ms. Rat wants to improve quality of her family's life.

## 4.2 Analysis

After an interview, I have analyzed six critical success factors for operating a farmstay as follows;

## 4.2.1 Management

They have a strong and confidence intention to do a small scale farmstay business at the very beginning. They planned it carefully by taking time gathering knowledges, advises, inspirations, and techniques. Luckily, there are skills' integration among partners. Each of them is good at different parts, thus they apply their abilities and responsible for each component. For example, 1) Ms. Nhui, the youngest sister, is the one who plan and set the direction of the business. 2) Ms. Rat who has a good management skill, she works as a managing director(MD) to operate all operation works. Even there is no formal concrete business plan, but she can create a great success. They planned step by step starting with a short-term plan by building a small cafe and two houses by utilizing only a small area of the land to see the possibility and forecast the future. Later, when it became popular, she decided to build all thirteen remaining houses immediately as she believes that it will be successful. She did not make a reckless decision, but she studied tourism trend side by side operating her business. Until now, they continuously developing their business plans. When they face problems, they have clear directions and solutions to solve issues. Furthermore, they have action plans to prevent a recurrence. All operations and activities are completely relevant, cooperative and support this plan. In other word, everything goes along in the same directions and concepts which makes everything consistent and understandable.

#### **4.2.2 Design**

"Baan Nok Kok Na" has a creative and modern design, but distinctive at the same time. Owners and the architect, Mr. Best, see the same picture when they designed this farmstay. They wanted to make this place simple but stylish. Countryside scenery is not only needed to be preserved, but also supplemented it with attractive decorations. All materials must come from nature such as bamboo, thatch and woods. All components enhance local perception, beautiful and simplicity. With local and contemporary design make people feel more relax, comfortable, and feel like home. This first impression of unique style helps intensifying the reputation a lot. No one can miss taking photos here, even day-trippers need to stop by and have a look at common area. Besides, she always finds new beautification and improve scenery for tourists to take photos. All scheme reflects regional identity and symbolizes "Baan Nok" conceptualization.

## 4.2.3 Government support

Public utilities are fundamental of every activity. Accessibility is the main problem of the tourism especially a farmstay because it normally located out of town. At the beginning, this place faced the accessibility problem because of the laterite and gravel road. Subdistrict Administrative Organization (SAO) acknowledged this difficulty and foresaw opportunities of this business, so they decided to give a support by constructing a concrete road along this small village for a convenience. After public utilities was enhanced by SAO, numbers of visitors and customers were continuously increasing. Consequently, this village become reputed and this farmstay gain more profits. At the same time of an expansion, people in this village were recruited to work at this farmstay. People have jobs, income and life security. Estimated lands value are also increased. These are proofs that the development brought this community better quality of lives.

#### 4.2.4 Competition

I asked the owner who are her competitors in the neighboring areas. I was surprised that she did not consider any farmstay as her competitors! In my view, every similar business must be her competitors because they must steal both market shares

and income. However, she showed me a new aspect. She thinks other farmstays are like her companions because each place has its own signature style which cannot be copied. She understands nature of tourists and tourism trend. Tourists usually go to where they prefer. Only small numbers of customers will revisit same places they had visited before unless there are new activities to participate. Having many similar businesses in neighboring area helps improving reputation and traffic into the area. This enhances opportunity in raising a chance for gaining new groups of customers. Moreover, it increases a diversity for this kind of tourism.

#### 4.2.5 Differentiation

Its strength and prominent point of doing this business is a differentiation. She organizes various activities which are all correlate with the farmstay concept. For example, there are a rice field and vegetables' plots for customers to plant and harvest. There are assorted salad vegetables and home-grown vegetables for customers to buy as souvenirs and be as ingredients for the farmstay to cook local foods. Activities here are varied by seasons and climate, so regular customers who like to visit the farmstay will not have to worry about the repetition of agricultural activities here. She always initiates new activities and keep developing quality of both activities and services to please customers. She pays extra attention on user experiences by providing costumes and accessories such as Mauhom shirt, loincloth and rice paddy hat. This farmstay is concerned about user experiences while staying in houses as well. All activities areas are surrounded by houses because they want everyone to see the green environment and agricultural activities at all time staying here. Customers can sense a natural environment since opening front doors in the morning.

#### 4.2.6 Viral marketing

"Baan Nok Kok Na" farmstay created a Facebook page as the first social media channel since it has not opened yet. There were countless comments about their place right away. Most comments were asked about where it is located? when will it be opened? etc. The interviewee has seen the opportunity in online channels such as Facebook and Instagram and has been using it as main tools to promote the business. The owner sees indirect advantages of social media through customers' posts.

When customers post pictures on social media, people always find them interesting and want to know more about this place. Eventually, they follow popular posts, reviews and bloggers here. Reasons people find those pictures stunning because they are quite nonidentical and extraordinary. For example, almost every customer wearing local outfits take picture among nature in farming scenery. While others' posts are common; people wearing gorgeous dresses in nice cafes or shopping malls. The owner uses this indirect method as a tool to promote the business. This farmstay does not need to pay for marketing cost. On the other hand, they spend on buying accessories to increase user experiences. This incident is not just a luck, but it is all from strong structures and thoughtful game plan.



# CHAPTER V CONCLUSIONS

The intention of this research paper is to understand why "Baan Nok Kok Na" farmstay is so successful while an agritourism in Thailand is not a popular trend among tourists. Why there are many tourists visiting there, even it is located in a remote area. The research question is "what are critical success factors for operating a farmstay?" I used an interview technique which is a qualitative method so that I can acquire all information, details and insights of each factor. I selected this farmstay because of its successful growth rate and popularity among tourists.

After an interview, I have analyzed 5 critical success factors which are needed for operating successful farmstays as follows; 1) Management, 2) Design, 3) Government support, 4) Competition 5) Differentiation and 6) Viral marketing strategy

The first one is a good management. First, with limited budget, that is why they need to make use of existing resources. The most important resource is "people". Luckily, there are completely necessary resources in this family. As they have dissimilar skills and expertise, they support in different parts of this farmstay. Second, they carefully planned their business. They did a lot of homework and studied both positive and negative possibilities before an execution. They started with short-term goal, then followed by the long one. This success comes from a co-operative and good management of this family.

The design also plays a big role in this tourism business. Tourists like to explore new and beautiful trendy spots. This farmstay is totally realized this issue and did a great job in serving customers' needs. They pay high attention in this matter by working with a professional architect who owns one of the most popular farmstay on the Southern part of Thailand. They worked hard to source all nature materials as they concern user experiences. Until now, they continue developing this farmstay to be fresh and beyond the expectations.

Third, the Government support help developing the accessibility of this remote village. They solved the main problem of this farmstay which is public utilities. A good transportation creates a huge impact. It is resulted in high numbers of tourists after the road construction. This support leads to a better quality of people lives in this remote village. Subsequently, community-based tourism (CBT) is arise when this district become well-known. People have more chance to do a living. All area is now developed, and the land price is higher.

Competition is the best driver for the business. It stimulates owners to create strong values proposition and dramatically improve creativity in every aspect. Business owners will be more active to develop their own business to compete with others. They need to keep high performance, and gradually initiate new selling points.

Fifth factor is a differentiation. Although there is a small number of competitors in this agricultural tourism business, it is necessary to differentiate the farmstay. Interviewee expresses their prominent points by offering limitless agricultural activities. They are powerful and productive mechanisms to draw people attention. Moreover, to make them more attractive and appealing, this farmstay provide costumes and accessories for each activity. Tourists receive amazing user experiences which are distinctive, unique and over their expectation.

The last factor is a viral marketing strategy. It is one of the most critical factors in doing this farmstay. "Baan Nok Kok Na" is known by people via mainly by social media channels such as Facebook and Instagram. Social networking plays an important role in broadcasting the existence of the business. Since people are getting more addicted to numbers of likes and comments on their accounts, they always find new places to check-in and take photos. This place provides costumes and accessories to encourage people to post pictures and make them go viral. The more people post amazing pictures and stories to their online channels, the more popular this farmstay will be.

#### REFERENCES

- Anonymous, 2009, "WHAT'S A FARM STAY?", farmstayus.com, August 24, 2009, retrieve from: http://www.farmstayus.com/
- Anonymous, 2018, "What are the opportunities for nature and eco tourism from Europe?", cbi.eu, October 10, 2018, retrieve from https://www.cbi.eu/marketinformation/tourism/nature-tourism/nature-eco-tourism-europe
- Goodwin, Harold & Santilli, Rosa. (2009). Community-Based Tourism: a success?

  Community-Based Tourism: a success?. ICRT Occasional Paper. 11
- Kuenzi C., McNeely J. (2008) Nature-Based Tourism. In: Renn O., Walker K.D. (eds)
  Global Risk Governance. International Risk Governance Council Book series, vol 1. Springer, Dordrecht
- Kyodo, 2018, "Getting away from it all: More overseas tourists to Japan opt for a taste of the country life", japantimes.co.jp, December 26, 2018, retrieve from https://www.japantimes.co.jp/news/2018/12/26/national/getting-away-overseas-tourists-japan-shun-hot-spots-taste-country-life/#.XSMCh-gza70
- Mahaliyanaarachchi, Rohana. (2015). AGRI TOURISM FARM & FARM STAY.10. 13140/RG.2.1.3938.4721.
- National Economic and Social Development Board, 2018, "Thailand GDP:

  Agriculture", ceicdata.com, September, 2018, retrieve from https://

  www.ceicdata.com/en/thailand/sna1993-gdp-by-industry-current-price
- Olson, David & Dinerstein, Eric & Wikramanayake, Eric & Burgess, Neil & V. N. Powell, George & C. Underwood, Emma & A. D'amico, Jennifer & Itoua, Illanga & E. Strand, Holly & Morrison, John & J. Loucks, Colby & F. Allnutt, Thomas & Ricketts, Taylor & Kura, Yumiko & Lamoreux, John & W. Wettengel, Wesley & Hedao, Prashant & Kassem, Kenneth. (2001). Terrestrial Ecoregions of the World: A New Map of Life on Earth. BioScience. 51. 933-938. 10.1641/00063568(2001)051[0933:TEOTWA] 2.0.CO;2.

- Regional Agro-tourism Conference, Collins, P., & Inter-American Institute for Cooperation on Agriculture. (2000). Proceedings [of the] Regional Agro-tourism Conference, "Agro-tourism: a sustainable approach to economic growth", Mount Irvine Bay Hotel, Tobago, West Indies, April 26-29, 2000. Trinidad and Tobago: Inter-American Institute for Cooperation on Agriculture
- Shakur, Shamim & D Holland, John. (2000). SUPPLY ANALYSIS OF FARM TOURISM: RESULTS FROM A FARMSTAY SURVEY IN NEW ZEALAND.
- Simon Bell and Liisa Tyrväinen and Tuija Sievänen and Ulrike Pröbstl and Murray Simpson, "Outdoor Recreation and Nature Tourism: A European Perspective", Living Rev. Landscape Res. 1, (2007), 2
- Stela Z. & Eleina Q. & Esmeralda P., 2013, "Agrotourism A Sustainable Development for Rural Area of Korca", EUROPEAN ACADEMIC RESEARCH, VOL.I, ISSUE 2/ MAY 2013 ISSN 2286-4822
- Steven L. Biegel, AIA (November 21, 2003), Profit by Design: Essays on Managing A profitable arcitetual and engineering practise Hardcover page 201
- S. Jurvetson. What exactly is viral marketing? Red Herring, 78:110–112, 2000. Rakic, Mira & Rakic, Beba. (2014). Viral marketing. Ekonomika. 60. 179-187. 10.2139/ssrn.2561237.
- Valentine, Peter (1992) Review: nature-based tourism. In: Weiler, Betty, and Hall, Colin Michael, (eds.) Special interest tourism. Belhaven Press, London, Great Britain, pp. 105-127