Winning the Competition: Causes and Factors for Online Businesses of Burapha University Student

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Abstract. With the increase of access to the IInternet, online businesses become an increasingly attractive alternative to traditional employment. This research investigated the causes that motivating Burapha University (BUU) students to start online businesses as well as the factors that made them successful. In-depth interviews with students who were running online business revealed that most of them started their ventures due to the opportunities offered by a changing nature of business and communication. The selling of products over the Internet enabled them to reach a broad base of customers and entailed low initial investment. Those who could successfully manage these modes of business and communication succeed with their venture. But the most crucial to for the success of the students online business, according to research finding,was remained the owner's personal character.

Keywords: Online Business, Causes, Factors, Communication, University Student

Introduction

The Internet has become more and more accessible to Thai people in the past decade, whereby the younger generation is the most connected among the society at large. The number of computer users has increased from 17 million people in 2008 to 21.2 million people in 2012. In the same period, the amount of IInternet users has also increased from 11.0 million people to 16.6 million people which correspond to 18.2 and 26.5 percent of the population respectively. The increase in mobile phones is, however, most pronounced for this increase. While in 2008 31.9 million people or 52.8 percent of the population had mobile phones, the numbers rose to 44.1 million people or 70.2 percent in 2012 (National Statistics Bureau, 2013).

Given that today the Internet can easily be accessed with a mobile phone, it sufficiently be assumed that a large part of Thai population is connected to the IInternet. Within the whole population, however, the younger generation is the one who was the most actively engaged with the IInternet. According to the National Statistics Office (2013), young people between the ages 15 to 24 years old have the highest connectivity to IInternet. In this age group, 47.3 percent have access to IInternet. This number is followed by a large margin by the 6-14 year-olds and the 25-34 with 29.0 and 21.5 percent with Internet access respectively.

Thus, today the IInternet plays important role in the lives of young people and they are increasingly using it to run a business. Through social media, young people flock together as a network or community. However, social media is more than a place to meet friends and acquaintances; it is a public space used to share information within communities. Other activities such as studying, entertainment and business are also carried out through social media (Ratchata, 2013). In particular, online businesses are a growing trend and are continuously developed (Suranart, 2013).

Consequently, Burapha University (BUU) students have already started to use IInternet to run businesses. This trend enjoys increasing popularity (Ratchata; Suranart, 2013).

It is the objective of this study to explore the causes and factors of online businesses run by BUU students. The research seeks to answer the following questions:

1. Why do BUU students choose to run an online business? (Cause)

2. What contributes to the success of online businesses run by BUU students? (Factors)

By answering these questions, this study wants to contribute to the further development of online businesses run by BUU students and others. The results can be studied and referenced by those who are interested in running an online business, and thus increase the probability of success. The insight into online businesses provided by this study can also beneficial for those who have already established their own venture. They can use the information to correct, to improve, as well as to change the ways they run their own business to increase efficiency.

Literature Review

In this research, the researcher studied principles, theories, concepts and research studies to be used as conceptual framework which consisted of the following:

1. Theories of Communication.

2. Electronic Commerce: E-Commerce.

3. Integrated Marketing Communications.

4. Concepts and Theories on Marketing Approach on the Internet.

5. Concepts and Theories onCMC (Computer-Mediated Communication).

Method of Research

In this study, the online businesses of BUU students were investigated. In this study, online business is any form of business or commercial transaction across the IInternet. A commercial transaction is seen as the exchange of products, services, or information between businesses or individuals which are the key component of any business. In the case of online business, these transactions are made possible by the Internet (Bittner, 1996).

This investigation was carried out using in-depth interviews to 16 BUU students who run online businesses. The informants developed businesses in three categories: dermatological nourishing or other beauty products (9), clothes (6), and mobile phone accessories (1). Their experience ranged from 1 month to 2 years. The majority of informants were female (12) with a minority being transgender women (2). Details of the informants are shown in Table 1 (*See Subjects of Study*).

Before the interviews were conducted, the researcher developed an interview guide. The open-ended questions included in the guide covered the scope of this research and was divided into 3 parts. The first part covered basic information of the informants including age, gender, and year of study. The second part was concerned with information about their business. The third part investigated the motivation behind their decision to run an online business. Before the start of the interviews, the researcher built a good relationship with the informant to ensure reliance which affects the correctness and actuality of the data. The reliability of the collected information was ensured by allowing the informants to confirm the correctness of the data after transcripts had been produced. Finally, transferability is made possible by making the results of these research available so that they can be used to inform future related studies.

Subjects of Study

16 BUU students have agreed to participate in this research. Their detailed information acquired from the first part of interview is outlined as below.

Tabel 1. Basic Information of Participants

No	Gender	Year of Study	Faculty	Name of Business	Type of Current Business	Previous Online Business	Experience Duration of Online Business
1.	Female	4	Humanities and Social Science	JaiDeeCase	Mobile phone case	3	1.5 year

2.	Female	4	Humanities and Social Science	Nuchpentuu Pqueen	Contact Lens	3	1 year
3.	Female	4	Sports Science	Chunaer Ssd	Leather Bag	3	5 months
4.	Female	3	Humanities and Social Science	Carina hairpiece	Hairpiece	2	4 months
5.	Transgender	3	Humanities and Social Science	Pewpiece	Clothes	-	4 months
6.	Female	4	Humanities and Social Science	Amy JooDy	Clothes	4	1 year
7.	Female	4	Humanities and Social Science	Meaw Ketsara	Clothes	4	1 year
8.	Female	4	Public Health	Rakkun'shop	Clothes	-	4 months
9.	Female	4	Humanities and Social Science	Babe'hoodKikeezz	Clothes	2	2 months
10.	Female	4	Humanities and Social Science	Melody Yibchokanan	Beauty products	-	4 months
11.	Female	2	Humanities and Social Science	Tanawadee Yajit	Beauty products	-	4 months
12.	Female	4	Humanities and Social Science	Fiillmii Phattira T	Beauty products	2	2 years
13.	Female	4	Humanities and Social Science	Kotchakoin Adwichai	Beauty products	-	2 months
14.	Female	4	Humanities and Social Science	Biiw Ladyshrk	Beauty products	-	2 years
15.	Transgender	4	Humanities and Social Science	3D smile	Beauty products	-	1 month
16.	Female	4	Humanities and Social Science	whiten skin perfect by AV	Beauty products	-	2 years

(Source: In Depth Interview)

Research Findings

The objective of this research is studying the causes and factors affecting the online businesses run by BUU students. Through in-depth interviews the following causes and factor were identified.

Causes: Why do BUU students decide to run an online business?

Easy communication with costumers. Informants state that the Internet makes it easy to inform customers about the products they sell. As the Internet can be accessed in the whole country and beyond, the information about products advertised by online businesses can potentially be seen by a large amount of people. This is paired with the ever increasing popularity of the Internet amongst young people.

Saves time and money. Unlike traditional business, online businesses do not require a shop front. No shop front means that an online business does not require high investment associated with setting up a new shop. It also does not require the presence of a sales person in the shop which saves time as well as money.

Flexibility. Due to the absence of a shop front, the online business is not limited to a certain space and time to conduct the business. This gives owners more choice in terms of time and place to do their work. This flexibility allows them to balance business and other obligations, such as studying. It is also seen as an alternative to paid employment where employees have to work at the employer's will.

Easy way to sell and buy everything needed. Through their own experience with online shopping, the informants feel that the

Internet makes buying things much easier. Thus, they believe that selling things online is a promising business option.

Factors: What contributes to the success of online businesses run by BUU students?

Advertisement and public relations. The Internet can be used to make customers aware of your product. Therefore, good advertisement is important.

High quality products. Informant highlighted that the quality of the products is integral to the business' success. Thereby, certified labels and verified manufacturing are the most important factors. The owner of online businesses should know their products well so that they can answer customers' questions.

Personality of the business owners. All informants emphasized that the personality and work ethic of the owner of an online business are ultimate key for success. Patience in maintaining customer relations is a great asset as is honesty. Moreover, informants state the online business owners need to concentrate on their work and work hard.

Anticipate problems. An online business owner should know their products and customers well. They have to continuously monitor the customers' reaction to products as well as study the product itself. In this way, they can spot the problems before and solve them quickly.

Slow expansion. Informant state that the owner of an online business needs to expand slowly as to be able to control the quality and availability of the product as well as to assure customer care.

Discussion and Conclusion

The causes and factors for running online business by BUU students can be divided into three categories that deserve further discussion. These are the changing nature of communication, the changing nature of business and personal characteristics of business owners, as is illustrated in Picture 1. All these aspects will be discussed in this section.
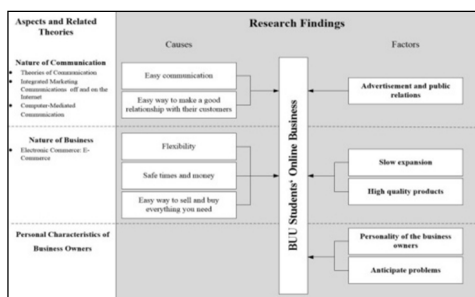
Picture 1.
Aspects, Theories and Research Findings

Nature of Communication

The interviews revealed that informants recognize the change in communication made possible by the Internet as a business opportunity. Informants aapointed the ease of communication (Cause 1 and 5) as causes for their decision to open an online business and named communication as an integral part of successes (Factor 1). In traditional businesses, communication was delivered face to face. This has been replaced by communication via the computer and the Internet (Computer Mediated Communication) as a medium. All of this rapid technological change makes running a business easier and allows customers to choose more products (JaiDeeCase, 2015).

For the success of product marketing, administrators (who run the CMC) combine different kinds of communication devices to maximize sales. This approach can be called "integrated communication" (Pewpiece, 2015), as it creates a large image or big picture of the product. The plans of marketing are essential for this kind of communication. A combination of different kinds of marketing tools is necessary to reach a large number of customers (Meaw Ketsara, 2015).

After the students conducted online business, they had opportunity to take part in many related activities within the University. The first activity they engaged was production of news for their online business. They established a small studio. They was actively taking part as a businessman. They could use the experience from the workshop in many ways. They learned how to work as a team, and presenting of news for sale the products. They published their own news to promote a product via YouTube, Facebook and websites.

However, it is regrettable that BUU students are not aware the importance of target group knowledge for a successful marketing campaign. Professional marketing shall start with a collection of customer data that will be updated over time. The data obtained will be compiled in order to identify the target group. This allows the marketing to be more efficient and cost effective (Yibchokanan, 2015). None of the informants mentioned that the knowledge of who your customers are could be an integral part of a business's success. This finding points to a lack of understanding of marketing principles amongst BUU students.

Nature of Business

The emergence of online businesses has fundamentally change the way business is conducted today: an opportunity BUU students are ready to take. In the past, customers would buy products only from large cooperations or business owners who had considerable capital in order to set up a shop front. Due to the possibilities of the Internet, this mode of doing business has been democratized, meaning that today a much wider group of people have the opportunity to engage in business as the starting investment has been significantly lowered (Phattira T, 2015).This, in part, is due to the now increasingly obsolete shop front. A number of BUU students have already embraced these changes and started their own online business.

Online businesses allow for more flexibility and life-work balance than traditional businesses which is one main cause for BUU students to open these types of businesses. Due to the online nature of this business, a business owner is not required to be at a specific place on a specific time to work with the customers. This is a sharp contrast to traditional business which required a shop and shop attendant during a set period of time. This fixed locale and time are inconvenient for many to open up their own business (3D Smile, 2015). A number of informants have stated that the ability to work wherever and whenever they like is a major incentive for setting up an online business. Considering the status of the informants as full-time students, they are not available to work as traditional employees. The online business allows them to nevertheless earn an income.

Personal Characteristics of Business Owners

Finally, it has to be mentioned that informants of this study highlighted the importance of the business owner's personality for the success of an online business. A successful online business owner needs to work hard and be concentrated on their business. Moreover, she needs to have patience with her customer and know her products well. Perhaps most importantly, she must be able to anticipate problems and take smart business decisions based on customers' feedback. These are qualities of a business owners that repeatedly emphasized by the informants among other aspects of online businesses.

It can be concluded that the main causes for starting of an online business are the nature of communication and the nature of business which is supported by the digital technology of communication. Informants have been able to spot the opportunity of a changing pattern in business that more accessible for them. They embrace the new modes of communication that enable their business' success. Albeit they may still lack some knowledge in integrated communication that could further enhance their success. However, in terms of the factors that lead to a successful business, informants highlighted the personal character of business owner as central. This factor has not yet been sufficiently discussed in the relevant literature and opens up a new area of study.

Recommendations for Further Study

Based on research findings and the discussion entails, the researcher recommends the following areas of study:

1. A more in-depth study of the personal character of online business owners regarding the success of their business.

2. This study has focused on the online business owners. Therefore a study of online customers' behavior would complement this research. How do customers make their decision, how their trust in products is built and what motivates them to buy products online rather than in traditional stores, could be further questions covered in such study.

3. A study of customers' attitude towards online businesses would further enhance the success of online businesses.

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