

ANALYSIS OF ADMINISTRATION OF COSMETICS EXPORT PROMOTION OF THE DEPARTMENT OF INTERNATIONAL TRADE PROMOTION USING THE DIGITAL ERA ADMINISTRATION CONCEPT

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Abstract

Objectives of this study were to (1) Identify and analyse administrative problems of Cosmetics Export Promotion of the Department of International Trade Promotion (DITP), (2) examine administrative development guidelines of Cosmetics Export Promotion of the DITP, and (3) study factors affecting success of administrative development guidelines of Cosmetics Export Promotion of DITP, using the Digital Era Administration Concept.

Mixed method is used in this research (quantitative research as a principal and qualitative research as a supplementary). The tool included survey questionnaires from 1,055 export entrepreneurs of cosmetic products and in-depth interview of 9 experts.

Findings of this research were (1) the significant administrative problem was DITP's insufficient export promotion and market expansion of the cosmetic products, (2) DITP should increasingly promote the export and market expansion of the cosmetic products and give priority on catering the needs of the export entrepreneurs of cosmetic products, and (3) DITP should focus and apply the factors affecting success of administrative development guidelines of Cosmetics Export Promotion using the Digital Era Administration Concept as the key performance indicators of planning, establishing strategy, and further developing. The most important factor to develop successfully is People.

Keywords: Cosmetics, Export Promotion, Department of International Trade Promotion, Digital Era Administration Concept

Introduction

The Department of International Trade Promotion (DITP) is a government agency in the Ministry of Commerce, Thailand. DITP has important roles to promote, develop and support the export of Thai products/services by promoting Thai international trade both import and export; expanding markets for Thai products/services; developing and creating value added for exported products/ services; providing trade information; and enhancing the potential of Thai exporters in the world market. Therefore, the administration of cosmetics exports promotion and expanding its market is included in its roles.

The importance of cosmetics industry can be seen by the growth of its market and cosmetics has become a lifestyle of both male and female consumers. Cosmetics market is expanding continuously because the age of people who start using cosmetics are decreasing and new cosmetics entrepreneurs who are entering the market are increasing. The export of cosmetics products in 2016 increased 2.77 percent from 2015. However, the export in 2017 decreased 2.16 percent from 2016, while the overall export from Thailand increased (Department of International Trade Promotion, 2018). Therefore, the administration of cosmetics export promotion of the Department of International Trade Promotion may face some challenges. The researcher chose the Digital Era Administration Concept to analyse and find the core of the problems.

Statement of the Problem

This study was regarding public administration especially about the administration of the government agency, the Department of International Trade Promotion. The Department of International Trade Promotion has a problem about the administration of cosmetics export promotion since cosmetics export amount is not consistent with other products' export and has lower performance than expected. If this problem is not improved or solved, the department itself, its staffs and people will be affected in many ways such as the low standard of the administration of cosmetics export promotion of the department, the department staffs will not be accepted by its stakeholders and/or cosmetics entrepreneurs will lose their opportunity to expand their market.

Research Objectives

This research has the following objectives

- (1) Identify and analyse administrative problems of Cosmetics Export Promotion of the Department of International Trade Promotion (DITP).
- (2) Examine administrative development guidelines of Cosmetics Export Promotion of the DITP.
- (3) Study factors affecting success of administrative development guidelines of Cosmetics Export Promotion of DITP, using the Digital Era Administration Concept.

Conceptual Framework

The conceptual framework of this research was focused on three independent variables that were presumed to lead to better efficiency in the administration of cosmetics export promotion of the department of international trade promotion using the Digital Era Administration Concept as shown in Figure 1.

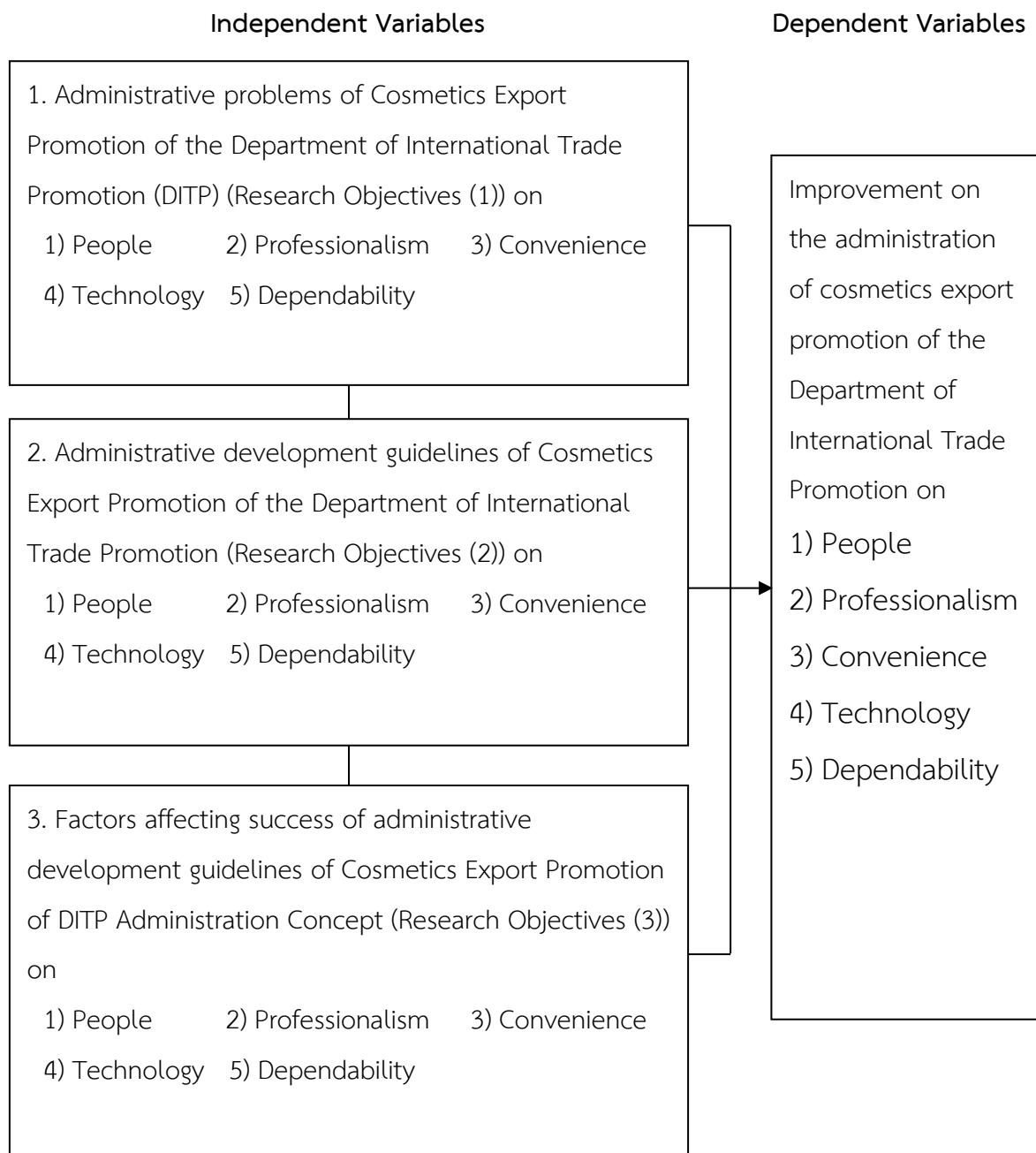


Figure 1: Conceptual Framework

Scope of the Research

1. This research was limited to study on the public administration on the administrative problems, administrative development guidelines and factors effecting important parts of success of administrative development guidelines of Cosmetics Export Promotion of the Department of International Trade Promotion, Ministry of Commerce, Thailand by using 5 factors of the Digital Era Administration Concept.

2. Cosmetics entrepreneurs mentioned in this research were mostly the managerial level staffs of GMP standard cosmetics manufacturing company from Thai Food and Drug Administration (FDA) list.

Literature Review

1. Administration Theory

Administration is government or private sectors' methods or procedures that include the process of integrating human and other resources to implement tasks (Tiemtan, 2005) to achieve the goals effectively and efficiently (Robbins and Decenzo, 2004), enhancing happiness and generating progress steadily and sustainably for the organization, people and nation (Wiruchnipawan, 2014)

After the comprehensive analysis, administration can be defined as "The operations or any actions that the organization and/or the organization's staff implement to change, develop or build happiness, modernization and progress sustainably and steadily for people and nation especially operating, implementing, promoting cosmetics' export or expanding the cosmetics' export market for the Department of International Trade Promotion.

2. Digital Era Administration Concept

Digital Era Administration consists of 10 perspectives (Wiruchnipawan, 2018) which are (1) People, (2) Professionalism, (3) Dependability, (4) Democracy, (5) Initiative, (6) Improvement, (7) Convenience, (8) Coordination Network, (9) Technology and (10) Teamwork. This study will adopt 5 perspectives of this framework which are (1) People, (2) Professionalism, (3) Convenience, (4) Technology and (5) Dependability. Such framework would be called Digital Era Administration Concept.

2.1 People: Government organization or government staff manage, operate, implement, promote export or expand cosmetics market by prioritizing people's benefits. In this context, the Department of International Trade Promotion manage or implement its tasks to promote export or expand cosmetics market by considering or prioritizing the benefits of cosmetics exporters.

2.2 Professionalism: Government organization or government staff manage, operate, implement, promote export or expand cosmetics market professionally. In this context, the Department of International Trade Promotion manage or implement its tasks to

promote export or expand cosmetics market by professionalism or deploy the managers or executives who are knowledgeable and have administrative experiences.

2.3 Convenience: Government organization or government staff manage, operate, implement, promote export or expand cosmetics market with convenience and provide fast service for clients. In this context, the Department of International Trade Promotion manage or implement its tasks to promote export or expand cosmetics market considering convenience for its clients with up-to-date services and eliminate unnecessary steps.

2.4 Technology: Government organization or government staff manage, operate, implement, promote export or expand cosmetics market using modern technology. In this context, the Department of International Trade Promotion operates its tasks with sufficient modern technology such as, but not limited to, Hardware (Computer, mobile phone and smartphone), Software (Program, online transactions and social media such as LINE and Facebook)

2.5 Dependability: Government organization or government staff manage, operate, implement, promote export or expand cosmetics market reliably. In this context, the Department of International Trade Promotion manage and promote export/expand the cosmetics market in the direction that fosters the organization's reliability and gains trust among cosmetics exporters.

The Digital Era Administration Concept was chosen as the independent variable to be the framework and indicators for modern administration due to its consistency with current digital economy situation, research purposes and scope of the study. Furthermore, the framework covers every element of administration comprehensively. It also contains mental elements Professionalism and Dependability .

Research Methodology

This study used mixed methods, applying quantitative research as a principal and qualitative research as a supplementary.

Population and Samples

For qualitative method, 5 managerial level staffs and staff from manufacturers from GMP standard cosmetics manufacturing company list from Thai Food and Drug Administration

(Thai Food and Drug Administration, 2018) total of 1,055, were selected as population and samples as they were the concerned parties, clients of the department and are directly affected by the administration of cosmetics export promotion of the Department of International Trade Promotion.

For qualitative method, Experts and key informants were determined by using Snowball Sampling Concept (Voicu, 2011) to get 9 experts and key informants for an in-depth interview. Experts and key informants were individuals who had knowledge, experience and expertise about the administration of cosmetics export promotion of the Department of International Trade Promotion, either high level officers from the department or Cosmetics entrepreneurs.

Research Tools

For the quantitative research, the questionnaire with the validity of 0.93 and reliability of 0.94 was used to collect field data from the entire population of all 1,055 export entrepreneurs of cosmetic products. Field data collection was carried out during June 1 - July 31, 2018, and the 842 completed questionnaires or 79.81% of the total population of 1,055 were returned. Data analysis was presented in contingency table with descriptive approach. Descriptive Statistics used were percentage, mean, and standard deviation.

For qualitative data, in-depth interview of 9 experts, selected by the Snowball Sampling Concept were conducted face to face for at least 60 minutes each and structured in-depth interview form was also applied. Data analysis was presented in descriptive interpretation and descriptive analysis approach

Research Finding

According to the survey research, the results of the study can be summarized in Table 1 and as follows:

1. Administrative problems of Cosmetics Export Promotion of the Department of International Trade Promotion (DITP) (5 Perspectives) (Consistent with Objective 1).

According to the means of the population, most of the respondents moderately agree that all perspectives which are (1) People, (2) Professionalism, (3) Convenience, (4) Technology and (5) Dependability are administrative problems of cosmetics export promotion of DITP. The perspective which has the biggest problem is **People** which the respondents

were asked “Is the Department of International Trade Promotion’s administration to promote export or expand the market not service- and client-oriented enough?”*. (μ 2.32, σ 0.64) (Moderately agree)

2. Administrative Development Guidelines of cosmetics export promotion of the Department of International Trade Promotion (5 Perspectives) (Consistent with Objective 2).

It was obvious that most of the respondents strongly agree that DITP should develop its guideline to promote cosmetics export promotion in all 5 perspectives which are (1) People, (2) Professionalism, (3) Convenience, (4) Technology and (5) Dependability. The perspective with highest mean score is **People** which the respondents were asked “Should the Department of International Trade Promotion manage the export promotion or market expansion in the way that caters the demand of cosmetic exporters to increase their sales?”

**. (μ 2.65, σ 0.53) (Strongly agree)

3. Factors Affecting Success of Administrative Development Guidelines for promoting cosmetics export for the Department of International Trade Promotion (5 Perspectives) (Consistent with Objective 3).

According to the survey, most respondents strongly agree that all 5 perspectives play an important role to promote cosmetics export. It is worth mentioning that the perspective with highest score is **People** which the respondents were asked “Does the Department of International Trade Promotion have a guideline to develop the administration of export promotion or market expansion that encourages executives in every level to be good role models and have open assessment system?”***. (μ 2.65, σ 0.54) (Very agree)

The preceding paragraphs have demonstrated the results in 3 questions which are (1) Administration Problems, (2) Administrative Development Guidelines and (3) Factors Affecting Success of Administrative Development Guidelines. The examples of questions with the highest score were also provided. Moreover, the means and standard deviations of the respondents’ opinion and ranking of the means will also be shown in table 1.

Table 1 Results for the respondents' opinion about (1) Administrative Problems, (2) Administrative Development Guidelines and (3) Factors Affecting Important Parts of Success of Administrative Development Guidelines

| 1. Administrative Problems | μ | σ | Level | Ranking |
|----------------------------|-------|----------|----------|---------|
| 1. People * | 2.32 | 0.64 | Moderate | 1 |
| 2. Professionalism | 2.30 | 0.65 | Moderate | 2 |
| 3. Convenience | 2.26 | 0.64 | Moderate | 4 |
| 4. Technology | 2.28 | 0.66 | Moderate | 3 |
| 5. Dependability | 2.19 | 0.67 | Moderate | 5 |

| 2. Administrative Development Guidelines | μ | σ | Level | Ranking |
|--|-------|----------|--------|---------|
| 1. People ** | 2.65 | 0.53 | Strong | 1 |
| 2. Professionalism | 2.64 | 0.55 | Strong | 2 |
| 3. Convenience | 2.61 | 0.53 | Strong | 3 |
| 4. Technology | 2.57 | 0.56 | Strong | 4 |
| 5. Dependability | 2.44 | 0.65 | Strong | 5 |

| 3. Factors Affecting Success of Administrative Development Guidelines | μ | σ | Level | Ranking |
|---|-------|----------|--------|---------|
| 1. People *** | 2.65 | 0.54 | Strong | 1 |
| 2. Professionalism | 2.64 | 0.55 | Strong | 2 |
| 3. Convenience | 2.63 | 0.54 | Strong | 3 |
| 4. Technology | 2.56 | 0.58 | Strong | 4 |
| 5. Dependability | 2.52 | 0.56 | Strong | 5 |

According to Table 1, when considering the means of each perspective in Digital Era Administration Concept (5 Perspectives), it was revealed that most respondents have the same opinion on People (Rank 1), Professionalism (Rank 2) and Dependability (Rank 5). However, the opinions on Convenience and Technology were different. On the Administrative Problems topic, the respondents perceive that Technology (Rank 3) was more problematic than Convenience (Rank 4) for respondents. However, on the Administrative Development Guidelines and Factors Affecting Success of Administrative Development Guidelines,

Convenience (Rank 4) was more important than Technology (Rank 3) in the respondents' opinion.

Additionally, it was also revealed that the opinions of respondents in 2 topics on Administrative Development Guidelines and Factors Affecting Success of Administrative Development Guidelines are consistent in ranking which means people perceive that people and professionalism are the most important perspectives in every issues.

Regarding the in-depth interview with experts, the researcher chose the most important questions from the previous survey, which were question about administrative development guidelines on **People**, "Is the Department of International Trade Promotion's administration to promote export or expand the market not service- and client-oriented enough?" and factors affecting success of administrative development guidelines on **People**, "Does the Department of International Trade Promotion have a guideline to develop the administration of export promotion or market expansion that encourages executives in every level to be good role models and have open assessment system?". There were 9 sources with 2 questions for each which are (1) The Administrative Development Guidelines and (2) Factors Affecting Success of Administrative Development Guidelines. It was found that all of the experts agree with Question (1) while 8 of 9 experts agreed with Question (2) (The other one has no opinion).

Discussion

For the study to contribute in the academic world and be consistent with the suggestions, the administrative development guidelines and factors affecting success of administrative development guidelines which are relevant to the objectives of the study will be discussed as follows:

1. Discussing the Administrative Development Guidelines

It was revealed in the study that most of respondents strongly agree in every perspective of Digital Era Administration Concept (5 Perspectives). The main reason why most respondents who are cosmetics exporters or manufacturers with GMP standard strongly agree that the guideline should be developed and implemented because they can see the benefits, importance and necessity of such guideline. They also perceive that this guideline is relevant, up-to-date and can bring about more convenient service. This guideline (1) enables the cosmetics exporters to benefit, be satisfied since their demands are accommodated; (2) is

relevant in current international trade situation and consistent with the service-oriented administration principle and (3) enables Department of International Trade Promotion to be more well-recognized, to have better reputation. These reasons are compatible with the experts' opinions.

2. Discussing Factors affecting Success of Administrative Development Guidelines

The research found that most respondents strongly agree on factors that affects success of administrative development guidelines using the Digital Era Administration Concept (5 Perspectives). The main reason why most respondents who are cosmetics exporters or manufacturers with GMP standard strongly agree is that those factors are likely to benefit cosmetics exporters especially the “People” factor which the respondents were asked if Department of International Trade Promotion has a guideline to develop the administration of export promotion or market expansion that encourages executives in every level to be a good role-model and has open assessment system. This question is perceived by the respondents as the most important and has the highest mean score (μ 2.65, σ 0.54). This opinion is also consistent with the majority of experts (8 out of 9) who provided the reasons which are (1) people is the important factor that will facilitate the administration for export promotion or market expansion in the digital era successfully if it is implemented continuously and seriously; (2) people is the important factor that support the cosmetic exporters to benefit and (3) people is the important factor that allows Department of International Trade Promotion's staffs to see the examples or role model to promote export or expand the markets.

Recommendations for Research

1. Recommendations for application

1.1 Suggestion for Department of International Trade Promotion to develop the guideline to promote cosmetics product export using Digital Era Administration Concept (Objective 2). Department of International Trade Promotion should specify its strategy of developing administration to promote export or expand the market that aims to satisfy, facilitate the clients and prioritize people's demand and benefits. The plan should also be clear and continuous.

1.2 Suggestions about Factors affecting success of administrative development guidelines (Objective 3). Department of International Trade Promotion should focus on the factors that affect success of administrative development guidelines to promote cosmetics export and expand the markets (5 Perspectives). It is also advisable that these 5 perspectives be applied to the operational procedures or Key Performance Indicators (KPI). These factors can also be used to plan, set strategies and develop in the future. These factors should also be prioritized in order as follows: (1) People, (2) Professionalism, (3) Convenience, (4) Technology and (5) Dependability as demonstrated in Table 1.

2. Recommendations for further research

2.1 The Department of International Trade Promotion or its staff or other organizations can carry on the comparative research such as comparative study of the administration to promote the cosmetics export of Department of International Trade Promotion with other organizations that have similar missions or with foreign organizations.

2.2 The Department of International Trade Promotion or its staff or other organizations should use the framework, theory, KPIs or other models to conduct the study or analyze the administration to promote cosmetics export of Department of International Trade Promotion apart from Digital Era Administration Concept such as Sustainable Administration Concept or Eastern Concept of Administration.

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