

The Competitiveness of Thai Durian Export Enterprises to China: A Case Study of HKK Trading & Processing Co., Ltd.

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Abstract

This research aimed to (1) analyze the competitive strategies of HKK Trading & Processing Co., Ltd. in the Chinese durian market, (2) identify strategies for enhancing the competitiveness of Thai durian export companies, and (3) evaluate the challenges and opportunities for HKK in expanding its market share in China. The study employed a case study methodology using qualitative interviews and multi-criteria decision-making tools, including SWOT and Analytical Hierarchy Process (AHP) analysis. The AHP sample consisted of five key customers located in China who had consistently purchased from HKK between 2021 and 2024. Their input was used to determine priority factors influencing supplier selection. The findings reveal three key insights. First, the recommended strategic direction emphasizes expanding marketing channels in China by leveraging the firm's technological expertise in vacuum freeze-drying. In this area, HKK has accumulated over a decade of experience. Second, the AHP evaluation, based on the 7Rs logistics framework, yielded a consistency ratio of 0.07, confirming acceptable reliability. Among the criteria, "Right Quality" (Product Quality as Required) was ranked as the highest priority with a weight of 0.187, followed by "Right Source" and "Right Service." Third, while HKK demonstrates strong internal competencies and technological differentiation, sustaining its market position requires a proactive approach to emerging external threats. These include increasing regional competition, rising logistics costs, and evolving consumer expectations. The company must enhance operational efficiency, ensure sustainable sourcing practices, and continually refine its strategic planning to maintain its leadership in the premium durian export segment.

Keywords: SWOT; TOWS; export competitiveness

Introduction

Durian, often dubbed the “King of Fruits,” is one of Thailand’s most significant agricultural exports, solidifying the country’s position as the world’s leading producer and exporter of this fruit. Since 2004, China has become Thailand’s primary market for durians, with import volumes steadily increasing. In 2018, China imported Thai durians worth US\$418.37 million, a figure that more than doubled in 2019. Despite disruptions caused by the COVID-19 pandemic in 2020, China maintained its appetite for Thai durians, importing US\$567.29 million and reinforcing Thailand’s leadership in the market (The Bangkok Post, 2020). This dominance is primarily attributed to Thailand’s favorable climate, which enables year-round cultivation, and to strategic e-commerce collaborations, such as those with Alibaba, that have significantly increased the online visibility of Thai durians. For instance, in 2018, over 80,000 orders for Thai durians were placed on Tmall within a single minute (The Nation, 2018). The ASEAN-China Free Trade Agreement has further reduced trade barriers and increased access to the Chinese consumer market (ASEAN Secretariat, 2022).

To understand the factors influencing consumer behavior in China’s durian import market, this study is grounded in the Theory of Planned Behavior (TPB), which explains how attitudes, subjective norms, and perceived behavioral control shape purchasing intentions (Ajzen, 2020). While Thailand has long benefited from a strong export foundation, prior research has not systematically addressed how mid-sized firms sustain competitiveness amidst regional threats and shifting consumer preferences within the CLTCI (China-Laos-Thailand-Central Infrastructure) corridor. This gap includes a limited examination of consumer cognition and its role in shaping demand for imported agri-food products, such as durians, in an evolving logistics and regulatory environment.

Thailand’s long-standing dominance in the Chinese durian market is being tested by new entrants, especially Vietnam, which has made significant inroads in recent years. In the recent quarter, Thailand exported 17,900 tons of durians to China, while Vietnam surged ahead with 36,800 tons, representing a 105% year-over-year increase (Xinhua, 2024). This sharp rise in Vietnam’s durian exports signals a potential erosion of Thailand’s market dominance and highlights Vietnam’s rising influence as a credible alternative supplier. Forecasts indicate that Thailand’s total exports in 2024 will fall short of prior expectations, reaching only 800,000 tons, while Vietnam is

poised to reach 500,000 tons. This narrowing export gap raises concerns about Thailand's future competitive position in a once unchallenged market. One contributing factor is the cost differential. Thai durian production costs rose by 10 baht/kg. In comparison, Vietnam maintained a lower cost structure of 15 baht/kg in 2023 and 19 baht/kg in 2024, offering greater price flexibility (Thai Ministry of Commerce, 2023). Additionally, Vietnam has aligned more closely with China's phytosanitary requirements and invested in advanced post-harvest technologies, building trust with Chinese distributors and accelerating trade flow. These developments suggest that price, regulatory compliance, and logistics efficiency are becoming central determinants of market success, areas where Thai exporters may be falling behind.

Amid these shifts, HKK Trading & Processing Co., Ltd. serves as a critical case study. As a mid-sized Thai firm with over a decade of experience exporting to China, HKK has built a diversified product portfolio across physical and digital platforms. However, it faces growing operational challenges, including high inventory costs and inconsistent delivery performance that threaten its market share. With competitors like Vietnam advancing rapidly in logistics efficiency and digital traceability, Thai firms like HKK must evolve. In response, HKK is developing a strategic plan to optimize its supply chain, enhance its inventory management system, and align its operations with market expectations in China (HKK Trading & Processing Co.; Ltd., 2024). Therefore, this study applies SWOT, TOWS, and AHP frameworks, integrated with TPB, to explore how logistics strategy, customer perception, and internal capabilities interact to shape the competitiveness of Thai durian exporters in the Chinese market and enhance their logistics capabilities to remain competitive in the face of Vietnam's rapid market expansion and China's evolving import expectations.

Research Objectives

1. Analyze HKK Trading and Processing Co., Ltd.'s competitive strategies in the Chinese durian market.
2. Finding ways and strategies to improve the competitiveness of Thai durian export companies
3. Evaluate the challenges and opportunities for HKK in expanding its market share in China.

Scope of Research

Content of the Study: This research analyzes the strategic development of HKK Trading & Processing Co., Ltd., a mid-sized Thai durian exporter, using SWOT Analysis, Business Strategy Development, and the Analytic Hierarchy Process (AHP). The study evaluates both internal competencies, such as innovation capability, supply chain efficiency, and product differentiation, as well as external market dynamics, including competitive threats from Vietnam and shifting Chinese consumer expectations. Special attention is paid to strategic responses involving digital marketing, logistics optimization, and customer prioritization to enhance HKK's competitiveness in the Chinese export market.

Population and Sample: This study includes two key stakeholder groups. First, five Chinese buyers (2021–2024) with consistent purchase records and decision-making roles contributed to the AHP model. Second, qualitative data were gathered from HKK's senior executives, technical staff, and marketing personnel via interviews and focus groups. This dual-source sampling provides a comprehensive understanding of competitiveness within the Thailand–China durian trade context.

Area: HKK Trading & Processing Co., Ltd.'s headquarters and manufacturing site in Samut Prakan, Thailand, and its export markets in China, especially where durian consumption is rising. The research explores both the Thai side of the production–export chain and Chinese end-market dynamics, including consumer behavior, digital sales channels, and regulatory compliance factors.

Time Scope: The study was conducted from January 2024 to April 2025. This period covers data collection, stakeholder engagement, SWOT and AHP analyses, and the formulation of strategic recommendations.

Literature Review

HKK Trading & Processing Co., Ltd. Background

HKK Trading & Processing Co., Ltd. (HKK Company) is a Thailand-based food processing firm specializing in freeze-drying technology. Established in 2015 in Phrapradaeng District, Samutprakarn Province, the company provides a vertically integrated manufacturing chain encompassing raw material preparation, freeze-drying, and packaging. Operating from a 540-square-meter facility with 20 employees, HKK maintains a monthly freeze-drying capacity of 3

tons and a packing capacity of 5 tons per month. The company serves both domestic and international markets. It is particularly recognized in China, where demand for Thai freeze-dried fruits has increased significantly due to their long shelf life and convenience (Kowitt, 2020; NielsenIQ, 2022). Under its export brand "Utopia Foods," HKK exports freeze-dried tropical fruits such as jackfruit, mango, and durian—products aligned with global trends toward healthier, ready-to-eat snack options (Market Research Future, 2023).

Freeze-dried fruit products are increasingly viewed as a premium segment within the processed food industry, offering high nutritional retention and ease of transportation—features that appeal to urban consumers in markets like China and South Korea (Wang et al., 2021). HKK's commitment to quality processing and packaging reinforces its role as a reliable player in Thailand's growing freeze-dried food export sector. With Asia-Pacific countries forecasted to lead global demand for freeze-dried snacks, HKK is well-positioned to expand its market share and strengthen its presence in international trade (Statista, 2023).

Status of Thai durian exports to China

Thailand's dominance in China's durian market has been underpinned by trade liberalization under the ASEAN-China Free Trade Agreement, consumer demand for premium fruit, and the success of e-commerce strategies via platforms like Alibaba and JD.com (ASEAN Secretariat, 2020; Wang et al., 2021). The Mon thong variety's reputation for quality has reinforced Thai durians' premium status among Chinese consumers (Chen & Zhang, 2021). However, Vietnam's rapid growth—driven by lower production costs and logistical proximity poses a credible competitive threat (FAO, 2022). To sustain its position, Thailand must enhance value-added product innovation, logistics efficiency, and market diversification (Jongwanich, 2021, and Huang et al., 2022). Addressing these challenges will be key to maintaining export resilience and strategic relevance in a shifting regional market.

Research on Enterprise Competitiveness

Enterprise competitiveness refers to a firm's ability to sustain performance and adapt to changing environments. Michael E. Porter emphasized the importance of competitive strategy, market positioning, and external industry forces in driving competitiveness. He highlighted economies of scale, innovation, and cost leadership as key enablers, noting that even environmental regulations can enhance strategic awareness (Porter, 2004). Porter's frameworks,

including the Five Forces and Value Chain, remain foundational in strategic analysis. More recently, Billsiman (2023) proposed a cyclical operation mechanism that integrates innovation and circular economy principles. This model suggests that competitiveness can be strengthened by aligning environmental responsibility with economic performance. The integration of sustainability into operations enhances resilience and long-term value. These theories collectively show that competitiveness relies on both internal capabilities and responsiveness to external pressures. Firms must strike a balance between efficiency, innovation, and agility to maintain a strategic advantage in dynamic markets.

Business Model Canvas

The Business Model Canvas (BMC), conceptualized by Osterwalder and Pigneur (2010), provides a structured framework for visualizing and designing how a business creates, delivers, and captures value. It comprises nine building blocks: customer segments, value proposition, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. Its simplicity and adaptability make it especially valuable for SMEs and export-oriented businesses. In the agri-food export sector, the BMC supports strategic alignment between innovation and market needs. Czaplínska and Romanowski (2024) demonstrated how SMEs leveraging freeze-drying technologies and sustainability-driven value propositions can achieve a competitive advantage in health-conscious export markets. This is highly relevant for companies like HKK Trading & Processing Co., Ltd., which targets China's premium snack segment.

Sparviero (2019) emphasized the importance of interpreting BMC elements analytically, not just descriptively. For instance, high-value offerings may create rigid cost structures unless balanced with agile partnerships and diversified channels. Exporters must constantly reassess these elements amid fluctuating regulations and competitive threats.

Further modifications to the BMC have been proposed to suit socially and environmentally focused sectors. Dobrowolski and Sułkowski (2021) introduced two additional blocks: mission and stakeholder impact to reflect broader responsibilities of modern enterprises. This adaptation is particularly relevant for food exporters navigating environmental certifications and evolving consumer ethics.

Ultimately, the BMC's utility lies in its integration with nature. It enables SMEs to assess internal capabilities, customer priorities, and strategic tradeoffs in one unified framework. For HKK,

applying BMC supports clear visualization of how its freeze-drying innovation, niche positioning, and resource-intensive operations interact within China's evolving durian market.

SWOT Analysis

SWOT analysis, initially developed in the 1960s, remains a practical tool for evaluating an organization's strengths, weaknesses, opportunities, and threats—particularly in volatile markets. Its continued popularity stems from its simplicity and ability to structure strategic thinking (Phadermrod et al., 2020). However, in today's dynamic and data-driven business environment, relying solely on SWOT may be limiting. Researchers now suggest integrating it with complementary tools such as Porter's Five Forces, which focuses on external market dynamics, and the VRIO framework, which assesses internal resources and competitive capabilities (Dudin et al., 2021). For HKK Trading & Processing Co., Ltd., operating in China's fast-moving agri-food import market, a combined SWOT–VRIO–Porter perspective may provide a more robust basis for strategic adaptation.

Recent studies have also emphasized the value of integrating technological tools into strategic planning. For instance, big data analytics and artificial intelligence can help enhance the accuracy and responsiveness of SWOT analysis by providing real-time insights into market trends, consumer behavior, and supply chain risks (Hajirahimova & Asadov, 2021). In high-growth sectors like freeze-dried foods and Agri exports, such integration can be crucial to maintaining a competitive edge. Strategic management today requires a data-informed approach to decision-making across formulation, implementation, and performance monitoring stages, each of which has a direct bearing on long-term competitiveness (Sheikh & Qureshi, 2023). In HKK's case, a modernized SWOT framework enhanced by data tools and strategic theory can support resilient decision-making and targeted responses to shifting market conditions in China.

TOWS matrix

While the TOWS matrix in this study identifies significant external threats such as intensifying Vietnamese competition, economic fluctuations, and trade policy uncertainties, the strategic analysis underutilizes this insight in constructing actionable risk strategies. Unlike SWOT, which merely inventories internal and external conditions, the TOWS framework enables firms to formulate four core strategic responses (SO, ST, WO, WT) by cross-matching internal factors with external dynamics (Efi Fitriani, 2022). In HKK's case, a robust ST (Strength–Threat) strategy is

essential to leverage its technological edge in vacuum freeze-drying to mitigate cost-based threats posed by Vietnam's lower production costs and shorter supply chains. This could include pursuing co-branding with Chinese logistics partners to accelerate delivery times or securing exclusive sourcing contracts to reduce cost volatility. Furthermore, a WO (Weakness-Opportunity) approach could involve utilizing government R&D grants and university collaborations to overcome capacity and labor shortages, thereby converting institutional support into competitive leverage. To enhance resilience, these strategies should be integrated with complementary tools such as PESTLE analysis to anticipate regulatory changes, VRIO to evaluate enduring competitive advantages, and BCG Matrix to optimize product portfolio resource allocation in China's segmented market (Dobrowolski & Sulkowski, 2021). Ultimately, risk management must not remain a peripheral concern, but a central element of strategic planning, particularly for SMEs like HKK, which are exposed to supply chain shocks and international pricing pressures. A more proactive and diversified risk mitigation strategy will ensure the company is not merely reactive but future-proofed in a highly competitive and volatile export environment.

AHP

The Analytic Hierarchy Process (AHP) is a structured, multi-criteria decision-making method introduced by Thomas L. Saaty in the 1970s, and it remains widely utilized for its ability to handle complex, subjective decision-making problems through pairwise comparisons and hierarchical prioritization (Saaty, 2021). Modern research has refined the original model to better reflect uncertainties and interdependencies among criteria. For instance, Kahraman et al. (2022) provide an overview of recent fuzzy AHP/ANP extensions that incorporate imprecise judgments using fuzzy logic to enhance robustness and decision-making accuracy. Other studies have combined AHP with techniques such as DEA to optimize efficiency and reduce subjectivity (e.g., a hybrid DEA-Fuzzy AHP model with data-driven pairwise weights). AHP-TOPSIS hybrids have also gained traction, allowing decision-makers to capitalize on AHP's structured weighting and TOPSIS's distance-to-ideal alternatives ranking (Sequeira et al., 2022). These integrative approaches are increasingly applied across diverse domains, from engineering to supply chain sourcing, to achieve more nuanced and reliable prioritization (Shah & Warhade, 2023).

In the context of agri-food SMEs like HKK, prior studies support the effectiveness of AHP in supplier selection, product development, and export strategy. Damrongsakul (2020) demonstrated its ability to provide consistent results reflected in a consistency ratio (CR) < 0.1,

making it suitable for strategic prioritization under constrained sample sizes. Our application of AHP with a CR of 0.07, following Saaty's guidelines, confirms the method's reliability in identifying critical customer criteria such as product quality, sourcing reliability, and packaging characteristics.

Research Methodology

This study employed a qualitative research design, complemented by semi-quantitative analytical tools, to explore the competitiveness of Thailand's frozen durian export sector, with a particular emphasis on China as a high-growth market. Primary data collection involved semi-structured interviews, while secondary sources included trade reports, government publications, and international databases. Strategic frameworks such as SWOT, TOWS, Analytic Hierarchy Process (AHP), and Revealed Comparative Advantage (RCA) were applied to integrate insights from both qualitative and quantitative data.

Sample and Data Collection

A total of six participants were selected using purposive sampling to ensure they possessed deep domain knowledge and were relevant to the durian export industry. This sample size aligns with the best practices in qualitative research, which emphasize information-rich cases over quantity (Suryani, 2022). Secondary data sources included the Annual Report on Agricultural Exports (Ministry of Commerce, 2022), UN Comtrade data, and industry reports from 2019 to 2023.

Interview Procedures

Interviews were conducted in Thai between October and December 2024, each lasting between 45 and 60 minutes. Audio was recorded using digital devices and transcribed professionally, then translated into English for analysis and interpretation. All participants gave verbal informed consent, and confidentiality was preserved through anonymization. The study was conducted in accordance with the ethical standards of [Institution Name] and was approved by the [Ethics Committee Name, Approval Number], adhering to international research ethics guidelines (Pertiwi & Handoyo, 2023).

Analytical Frameworks

SWOT and TOWS Analysis

SWOT was used to identify internal and external strategic factors, while the TOWS matrix helped formulate actionable strategies. To validate the analysis, participants were asked to review and confirm SWOT categories during a follow-up session (Phadermrod et al., 2020).

Analytic Hierarchy Process (AHP)

AHP was used to prioritize six key customer criteria: Product Quality, Supplier Reliability, Service Trustworthiness, Delivery Efficiency, Pricing Fairness, and Packaging Characteristics. Input was collected from HKK's top five customers, selected based on purchase volume (2021–2024) and the duration of their ongoing business relationships (≥ 2 years). All respondents had at least five years of experience in procurement for food imports. Pairwise comparisons were processed using Expert Choice 11.5 software, and a Consistency Ratio (CR) of 0.07 confirmed the reliability of input judgments (Kusumawardhani et al., 2021).

Revealed Comparative Advantage (RCA)

Thailand's trade competitiveness in frozen durians was assessed using the RCA index:

$$RCA_{ij} = (X_{ij}/X_{it})(X_{wj}/X_{wt})$$

Where:

X_{ij} : Thai frozen durian exports

X_{it} : Thai total agricultural exports

X_{wj} : World frozen durian exports

X_{wt} : Total world agricultural exports

RCA values for 2019–2023 were calculated using trade data from UN Comtrade and the Ministry of Commerce (2022). Values above 1 (ranging from 2.34 to 3.02) indicated a strong comparative advantage.

Content and Framework Synthesis

Qualitative data from interviews and documents were analyzed using NVivo 14. Thematic coding was used to identify patterns and strategic themes. A framework synthesis approach was employed to integrate insights from interviews, SWOT/TOWS analysis, AHP, and RCA analysis (Yuliani, 2021).

Research Results

Objective 1: Analyze HKK Trading and Processing Co., Ltd.'s competitive strategies in the Chinese durian market. The results showed that to understand better the internal and external factors influencing the organization's competitiveness, HKK Trading & Processing Co., Ltd. conducted an internal brainstorming session based on the principles of SWOT Analysis. Through SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis, the company aims to align its strategies for enhanced competitiveness and sustainable growth. The results of the organizational context review are summarized in Table 1

Table 1: Organizational Context through SWOT Analysis

Strengths	Opportunities
<ol style="list-style-type: none"> 1. The company develops products that extend shelf life, reduce storage space, and enhance the efficiency of freeze-drying systems in the fruit production industry. 2. The executives have over 10 years of knowledge and expertise in vacuum freeze-drying system development. 3. The company has broadened its academic knowledge base and introduced innovations in new product development. 	<ol style="list-style-type: none"> 1. Teams possess a deep understanding of continuous production development, supported by expertise from government and private sector initiatives. 2. The company receives ongoing support and promotion from government agencies in areas such as product development, packaging innovation, academic guidance, and marketing strategy formulation.
Weaknesses	Threats
<ol style="list-style-type: none"> 1. Lack of a team with sufficient expertise for continuous production expansion and system development to meet higher international standards. 2. Insufficient financial resources to expand factory capacity and strengthen marketing efforts. 	<ol style="list-style-type: none"> 1. Marketing channels have been unstable due to external economic conditions and investment risks.

Following the SWOT Analysis, HKK's core competitive strategy is built around product innovation, specifically through its vacuum freeze-drying technology. This method preserves flavor, nutrients, and shelf life, aligning with Chinese consumer preferences for premium, healthy, and convenient snacks. This sets HKK apart from traditional durian exporters who offer only fresh or frozen products.

Objective 2: Identify Strategies to Improve the Competitiveness of Thai Durian Export Companies. The results showed that,

(1) the priorities of the AHP criteria, based on input from all customers, are ranked as follows according to their inconsistency ratios, 0.07: the highest priority is Product Quality as required (Right Quality) with a ratio of 0.187, followed by Raw Material Characteristics at 0.164 and Purchase products from a reliable source (Right Source) at 0.119. Next is Service quality, specifically trustworthiness (Right Service), at 0.105, Delivering goods to the desired location (Right Place), and Finishing Goods in the correct quantity as required (Right Quantity), at 0.096. This is followed by Purchases at a fair and reasonable price (Right Price) at 0.085, Packaging Characteristics at 0.074, and finally, Deliver products on time (Right Time) at 0.073. This ranking reflects a collective emphasis on quality and reliability, with less focus on timely delivery, as shown in Figure 1



Figure 1 shows the final priorities for the goal from the top five customers (Researcher, 2025)

(2) The Business Model Canvas (BMC) analysis of HKK Trading & Processing Co., Ltd. illustrates a strategically integrated framework that leverages innovation, niche market positioning, and operational partnerships to compete effectively in the Chinese premium fruit market. HKK's segmentation of customers into B2C, B2B, and export markets allows for revenue diversification while targeting health-conscious and quality-driven consumers. Its value proposition centers on

freeze-dried durian that balances nutrition, convenience, and international certification factors, which are critical in China's evolving consumer landscape.

By using multi-channel strategies such as e-commerce platforms and international expos, HKK enhances its brand visibility and accessibility. Customer engagement is reinforced through tailored acquisition and retention strategies, including influencer outreach and loyalty programs. On the revenue front, the company earns a steady monthly income of approximately 2.5 million Baht, with exports as the primary driver. However, reliance on China introduces vulnerability to geopolitical and market risks.

Key resources, such as advanced freeze-drying machinery, skilled personnel, and R&D capabilities, underpin HKK's differentiation, although they also contribute to high fixed costs. Core business activities focus on processing, compliance, and innovation, supported by strategic partnerships with certified suppliers, logistics firms, and government institutions. The cost structure reflects a high investment in product quality and operational excellence, with a healthy 35% profit margin despite scalability limitations.

In summary, HKK's BMC highlights both strengths, such as product innovation and strategic alignment, and challenges, including cost rigidity and market dependence. To ensure long-term competitiveness, the firm must continue to optimize its resource use, diversify markets, and enhance agility within its business model.

Objective 3: Evaluate the Challenges and Opportunities for HKK in Expanding Market Share in China

Based on the analysis from Table 1, the business strategy to be developed for the future is:

“ Expand the marketing channels for the company's products in the People's Republic of China by leveraging the knowledge and expertise of executives who have been developing products with a vacuum freeze-drying system for over 10 years.”

This strategic approach aims to capitalize on the company's innovative capabilities while aligning with growing demand trends in China's agricultural and food market. This strategy directly supports HKK's broader objective of securing a more resilient market presence, enhancing its export performance, and strengthening its brand reputation among quality-conscious Chinese consumers.

Discussion

Objective 1: HKK's core competitive strategy is grounded in its technological expertise in vacuum freeze-drying, enabling it to offer high-quality, long-shelf-life fruit products, particularly durian, under its export brand, "Utopia Foods." This aligns with trends in the Chinese market where consumers increasingly seek healthy, convenient, and premium snack options (Chen & Zhang, 2021). HKK's focus on product quality and innovation positions it firmly in the B2C and niche B2B segments. It has also adopted digital platforms such as Asana for competitor analysis and project tracking (Asana, 2024), reflecting a more data-driven approach to strategic decision-making.

However, this quality-focused strategy presents trade-offs. As revealed in the AHP results, while customers prioritized Product Quality, other criteria, such as timely delivery, fair pricing, and reliable sourcing, also carried weight. Striving for superior quality through specialized processing increases costs and may reduce delivery flexibility, posing a conflict between value creation and cost competitiveness, particularly in price-sensitive B2B relationships. Moreover, HKK's small operational footprint limits production scalability, raising concerns about capacity constraints during peak demand periods.

Objective 2: Identify Strategies to Improve the Competitiveness of Thai Durian Export Companies

The AHP findings provide insights into actionable strategies for Thai durian exporters. Product Quality received the highest weight (0.187), confirming its role as a competitive differentiator. However, Raw Material Characteristics (0.164) and Reliable Source (0.119) also emerged as critical, emphasizing the need for sustainable, traceable, and consistent sourcing practices (Kingkeaw, 2020) and (Czaplińska & Romanowski, 2024). Service Trustworthiness (0.105) and Delivery Performance (0.096) reflect operational reliability concerns, aligning with broader logistics performance findings in agri-food exports (Uzir Hassain et al., 2021).

To improve competitiveness, exporters must strike a balance among these interdependent factors. Enhancing quality alone is insufficient if sourcing is inconsistent or delivery times are unpredictable. These findings suggest that future strategies must adopt a multi-criteria approach, incorporating customer expectations, operational constraints, and supply chain agility.

The Business Model Canvas helps visualize these dynamics. HKK's key resources (freeze-drying facilities, skilled labor, sourcing networks) and key activities (processing, R&D, logistics coordination) are strengths, but they also represent high fixed costs and limited flexibility. While the company's value proposition emphasizes quality and sustainability, realizing this promise requires operational alignment, including partnerships with certified suppliers and logistics providers that can ensure efficiency and compliance (Bozzola et al., 2021). This shows that BMC blocks are not static descriptors but strategic levers that must be aligned to ensure consistent delivery of value across markets.

Objective 3: Evaluate the Challenges and Opportunities for HKK in Expanding Market Share in China

HKK operates in a highly dynamic export environment. On the opportunity side, China's position as the world's third-largest fruit consumer, combined with the rise of e-commerce platforms such as Tmall, provides strong potential for Thai exporters (FAO, 2019). HKK's alignment with health-conscious trends and digital sales channels positions it well to capture this demand.

However, significant external threats persist. The TOWS analysis identified risks, including Vietnam's increasing market share, economic fluctuations, and geopolitical uncertainties, that affect cross-border logistics. Vietnam, for example, has doubled its durian exports to China in recent years by leveraging lower costs and faster logistics routes (Chen & Zhang, 2021). HKK must therefore adopt risk mitigation strategies, including scenario planning, diversified sourcing, financial hedging, and investment in logistics partnerships to ensure delivery resilience.

Moreover, the AHP analysis was based on only five customer decision-makers, which may not reflect broader market diversity. This limitation suggests that while the strategic priorities identified are helpful, they should be interpreted with caution. Future strategic choices should consider expanding stakeholder input, integrating real-time market analytics, and testing multiple value propositions across segments to ensure broader relevance.

Critical Reflection

Despite HKK's strategic alignment with high-growth market trends, the study reveals several underlying tensions and limitations that merit critical consideration. First, the conflicting priorities identified in the AHP analysis, especially the dominance of Product Quality (0.187) over timely delivery (0.096) and fair pricing (0.085), pose practical trade-offs. Prioritizing quality often

leads to higher production costs and longer processing times, potentially undermining cost efficiency and delivery speed, which are crucial in B2B export negotiations (Kusumawardhani et al., 2021; Uzir Hassain et al., 2021). This trade-off is further complicated by limited production scale and logistics constraints, highlighting a need for dynamic balancing mechanisms rather than static prioritization.

Secondly, the limited AHP sample ($n = 5$), though based on top customers, introduces potential bias and restricts generalizability. With a small and possibly homogenous group of respondents, the analysis may not capture the diversity of preferences across China's regional and sectoral import markets (Suryani, 2022). Future studies should expand stakeholder input and integrate multi-segment customer feedback to strengthen validity.

Moreover, Business Model Canvas, while helpful in structuring the firm's strategic architecture, must be viewed analytically rather than descriptively. For example, HKK's key resources—its freeze-drying technology and skilled labor—enable product differentiation but are capital-intensive and inflexible, limiting responsiveness to demand volatility. Similarly, the company's revenue streams are concentrated in a few channels, which may expose it to higher risk if one of these channels fails (Czaplińska & Romanowski, 2024). These insights suggest the BMC should be used not only to map business logic but to identify strategic vulnerabilities and leverage points.

Lastly, while the TOWS matrix identifies external threats, such as Vietnamese competition, currency volatility, and policy risks, the strategic discussion underplays the importance of risk mitigation. Vietnam's rapid growth in durian exports, driven by cost advantages and streamlined logistics, directly challenges Thailand's dominance in China (Chen & Zhang, 2021). HKK and similar Thai SMEs must develop risk-responsive capabilities, such as diversifying export markets, engaging in forward contracting, or co-investing in regional logistics hubs. Without these safeguards, even well-structured strategies can become fragile under external shocks.

Conclusion

Based on the integration of SWOT Analysis, Business Strategy Development, and Analytic Hierarchy Process (AHP) applied to HKK Trading & Processing Co., Ltd., the following conclusions can be drawn:

HKK has demonstrated notable internal strengths, particularly in its capability for innovative product development, its technical expertise in vacuum freeze-drying technology, and its focus on prolonging product shelf-life, key factors in meeting Chinese consumer demand for quality, convenience, and food safety. However, internal weaknesses remain, including a shortage of skilled personnel for process improvement and limited financial capacity for facility expansion—both of which constrain scalability and long-term growth.

Opportunities are supported by external drivers, such as government policies that promote agri-food exports, as well as increasing collaboration between academic institutions, research centers, and private firms. These enablers can be strategically leveraged to drive product innovation, quality certifications, and market penetration. Nonetheless, external threats such as volatile market demand, currency fluctuations, and unstable distribution channels continue to pose risks that require proactive mitigation strategies and dynamic supply chain management.

To address these conditions, HKK has developed a business strategy centered on expanding marketing channels in China, leveraging its technical know-how in freeze-dried fruit processing and its ability to offer premium durian products under the "Utopia Foods" brand. This strategic direction aligns with the company's existing competencies and builds on China's increasing demand for long-lasting, high-quality fruit snacks.

The AHP analysis reinforces this strategy by identifying Product Quality (Right Quality) as the most important decision-making criterion among buyers, followed by Raw Material Characteristics and Reliable Sourcing (Right Source). This suggests that HKK must maintain rigorous quality standards and transparency in sourcing to meet the expectations of Chinese importers and consumers. While timely delivery was ranked lower in importance, the results indicate that operational efficiency is relevant; however, customer trust and product integrity are the primary drivers of sustained market success.

Significantly, this study contributes to the academic and practical understanding of how SMEs can integrate SWOT, AHP, and Business Model Canvas (BMC) to formulate strategic responses in international markets. By aligning internal capabilities with external realities and stakeholder preferences, this integrated framework provides a comprehensive roadmap for SMEs like HKK operating in complex, high-potential export contexts such as China's agri-food sector.

Limitations of the Study

Despite its contributions, this study has several limitations. First, the sample size used in the AHP survey was relatively small and primarily drawn from HKK's existing customer base and internal stakeholders. This may limit the generalizability of the findings to other SMEs or market conditions. Second, the use of a qualitative SWOT analysis and semi-quantitative AHP method relies on subjective judgments, which may introduce bias or inconsistencies, especially in prioritization outcomes. Third, the scope of analysis was focused specifically on one SME and one market (durian exports to China), which may not reflect the broader dynamics of the global freeze-dried fruit industry or other export destinations. Future research should consider expanding the sample base, applying multi-criteria decision-making tools across multiple firms, and exploring cross-market comparisons for more robust strategic insights.

Suggestions

To enhance its competitive advantage and ensure sustainable growth in the Chinese market, HKK Trading & Processing Co., Ltd. should strengthen its human resources, secure additional funding for factory expansion, and diversify marketing channels in China. Focus should be placed on maintaining high product quality, building a reliable supply chain, enhancing brand credibility, and improving delivery efficiency. Strategic partnerships, continuous innovation, and obtaining international certifications will be key to achieving sustainable growth and competitive advantage.

Future research should focus on key areas that support the sustainable growth of HKK Trading & Processing Co., Ltd. and the Thai durian export industry. These include studying Chinese consumer behavior and regional market trends, advancing vacuum freeze-drying technology, exploring sustainable production and packaging practices, developing supply chain risk management strategies, examining financing options for SME expansion, and analyzing the impact of trade policies between Thailand and China. Comparative studies with other exporting countries are also recommended to identify competitive advantages and strategic opportunities.

Knowledge from Research

The key themes derived from your research on HKK Trading & Processing Co., Ltd. are structured around the conceptual elements in Figure 2 (the synthesized body of knowledge), while maintaining an academic tone and clarity.

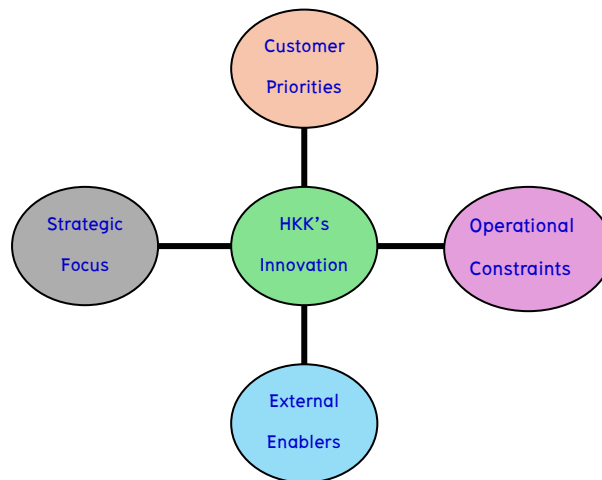


Figure 2: The synthesized body of knowledge derived from HKK Trading & Processing Co., Ltd. (Researcher, 2025)

One of the most significant contributions of this study is the identification of how technological innovation, organizational capability, market alignment, and external support collectively shape the competitiveness of Thai durian exporters in the Chinese market. Central to this framework is HKK Trading & Processing Co., Ltd.'s investment in vacuum freeze-drying technology, which has emerged not only as a product enhancement mechanism but as a core competitive differentiator. This capacity enables the preservation of key attributes, including quality, taste, and shelf life, demanded by health-conscious and premium-seeking consumers in China, thus affirming that post-harvest innovation plays a strategic role in global agri-food exports. Equally important, however, are operational constraints that temper this advantage. The study finds that HKK's limited factory capacity and shortage of skilled labor pose serious challenges to scaling production and fulfilling larger or time-sensitive export contracts. This supports the broader view that investments must match technological competence in human capital and infrastructure to convert innovation into sustained market success.

Additionally, this research demonstrates that effective market expansion strategies are those that align with internal competencies and customer expectations. The company's decision to focus on China reflects a strategic coherence supported by the Analytic Hierarchy Process (AHP)

findings, which identify “Right Quality” and “Right Source” as top buyer priorities. This reinforces the idea that competitive advantage stems not only from innovation but also from understanding and responding to stakeholder values through data-driven decision-making frameworks. Furthermore, the study highlights the role of external enablers, including government agencies, academic institutions, and private partnerships, in enhancing SME innovation capacity and facilitating international market access. Such collaborations form part of a supportive ecosystem that can help overcome resource limitations commonly faced by small exporters.

Importantly, the study also brings attention to the under-addressed issue of market risk and external volatility. The TOWS analysis identifies external threats, including economic instability, unpredictable trade policies, and increased competition from Vietnam, all of which could disrupt supply chains or erode market share. As such, risk mitigation strategies, including scenario planning, logistics redundancy, and diversification of export channels, are not optional add-ons but necessary components of resilient strategic planning. Finally, this research offers practical recommendations for both firms and policymakers, including the need to support R&D incentives, facilitate access to finance for capital-intensive upgrades, and prioritize bilateral trade facilitation. Together, these insights contribute to a more nuanced understanding of how Thai SMEs can navigate complexity, leverage innovation, and build long-term competitiveness in the durian export sector.

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