

Cocoa Supply Chain Management: A Case Study of Cocoa Farmer Community Enterprise in Nan Province of Thailand

Supakarn Sripolkrang ^a, Krittapha Saenchaiyathon ^b

^{ab} Faculty of Business Administration and Accountancy, Khon Kaen University, Khon Kaen and Thailand

[https://doi.org/10.35609/gcbssproceeding.2023.1\(135\)](https://doi.org/10.35609/gcbssproceeding.2023.1(135))

ABSTRACT

The cocoa supply chain is new to Thailand as it has been planted recently. Cocoa planting in some areas of the country, North and East regions. It has a small number of farmers, but they are major cocoa producers for cocoa manufacturing in the country. The cocoa supply chain in Thailand includes farmers, collectors, community enterprises, manufacturing, and exporters. The farmers are upstream in the cocoa supply chain. They have less negotiation power in the chain, causing limited distribution channels. The farmer sells cocoa beans through collectors or maybe intermediaries. Selling prices depend on cocoa pricing in the world market. Therefore, they need help increasing selling prices. However, another way to improve their revenue from cocoa planting is the increasing efficiency of their operations. This paper aims to study the waste in the cocoa supply chain. The area of study is Nan province in Thailand. The farmers of community enterprises in the Nan province of North Thailand, collectors, and manufacturers were selected as the sample frame. Farmers' data was collected through the questionnaire, and 66 community enterprise members were selected with purposive sampling. One collector and one manufacturer were interviewed through semi-structured interviews. Finally, a value stream mapping tool was used to analyze the manufacturing process. The value stream mapping analysis results found as follows. The value added activity (VA) count for 42.42% of all activities, taking 89.70% of all time in one cocoa's value chain cycle. However, as a result, it found that the number of necessary but non-value added (NNVA) for 48.48% and using time was 3.12% of the total time. non-value-added (NVA) activities in 9.09% of all activities. Therefore, dropping out of NVA activities and reducing the time of NNVA activities will increase the cycle speed of cocoa's supply chain.

Keywords: Value stream mapping, Cocoa Supply Chain, Lean.