# Innovation to Promote the Added Value of Community Products

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# **Abstract**

The development of community products' added value is the creation of opportunities for products from local wisdom of people in the community that reflect local culture with clearly specific characteristics. strength, and selling point, and are needed in both the domestic and international markets. During the past time, the state work agencies had promoted community products in various ways to increase their commercial values, including the improvement of the products, development of packaging with identity, sales promotion in provincial, national, and export platforms. The factors in promoting community products' added value include the product, the producer, and marketing. The innovation to promote the added value of community products should have the following development system: 1) having the inheritance for development with creative thinking for developing the producer to top-up the product; 2) having the mediating personnel for marketing management to perform the duty of community manager to enable the producer to have efficient marketing channels; and 3) the creation of value for the product as if it has the magnetism to attract the customer's purchasing power and negotiating power. This innovation will transform community products to become value-added resellers and upgrade Thai goods' product image to compete at the international level.

**Keywords:** OTOP, Entrepreneur, Inheritance, Marketing, Value-Added Reseller

# Introduction

The goal of Thailand by B.E. 2580, based on the national strategy, is to become a country with security, prosperity, and sustainability and become a developed country by development with application of the philosophy of sufficiency economy. Therefore, the approach for the development of the country has to focus on the promotion of a good economy and enable the people to achieve self-reliability (National Strategy, 2018). Consequently, economic development at the community level is very important because it is the foundation of enabling

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people in the community to have income and take their self-care. In Thailand, there are community products that are well known, i.e., OTOP products. The word OTOP is the abbreviation of One Tambon One Product. The OTOP concept is derived from the prototype concept of the One Village One Product (OVOP) Project of Oita prefecture in Japan that had the goal of human resource development based on self-reliance, creativity, and development of local yet global products. Then, the OVOP International Exchange Promotion Committee was established. In B.E. 2550, there were 46 countries that participated in exchanging the body of knowledge in the Project (Hiramatsu, 2008). As for Thailand, the development of community products has received supports from various work agencies in creating appropriate innovations and technology to be combined with local wisdom to meet the needs of the market in order to upgrade community products to the distinguished level that reflect the identity of Thailand with specific local identity by local producers (Thai Tambon.com, 2015). Also, community products are another force that helps motivate the grass root economy and strengthen local Thai communities sustainably. In B.E. 2562 the total sale of OTOP products amounted to 270,000,000,000 baht, which was considered to have increased on a continuous basis since B.E. 2546 when the total sale value was only about 50,000,000,000 baht (Bangkok Bank, 2019).

At present, the consumers are more interested and more meticulous in the selection of the products resulting in a higher level of commercial competition. The goods or products that can survive in the market need to be adjusted to respond to the present situation. The first main component of the customer's decision-making to buy the product is the product's interesting features, to be followed by several other components, such as the trust in the producer, the interestingness of marketing, and the public relations. The development of OTOP products in the community is based on the concept of each village having its main product with the use of raw materials or resources and local wisdom to develop the product that can generate income for the community and enable the products to have distinguished feature of showing the local identity to be known in wider circles. In the beginning, the community created local products and received support for quality development from various state work agencies. After that, quality levels of the products were ranked into 5-star levels. Most 5-star quality community products with 5-star quality have a very high quality so that they can be exported to foreign countries (Poramatworachote et al., 2018). The supports from various work agencies can be of many categories, such as academic knowledge support, technological support, marketing channel support, and expansion of opportunity for the community to gain access to dream target funding sources. The community must adjust itself and upgrade itself from the status of product producer to become like a small company with a complete cycle production process which includes the general management, the financial and accounting system, the production control to achieve standards, the modern product packaging design, and the dexterity in contacting the market by itself. This, of course, will enable the income from selling the products to circulate within the community, the community's economy to be strengthened, the community members to be able to rely on themselves. Also, Thailand expects to enable community products to have added value and help to mobilize the economy sustainably.

# The concept of product development

The product is the entity that the seller submits to the market for selling to arouse the consumers' interest so that they want to own and buy it to be consumed to meet their needs. The word "product" does not mean only tangible materials but also means the service, place, organization, person, and idea. The product must have utility and value as perceived by the customers in order to be saleable (Armstrong & Kotler, 2007; Serirat et al., 1998; Arjinsamajarn, 2008). In order to determine the customers, the product strategy must consider the following factors:

- 1. Product differentiation
- 2. Product components such as fundamental benefits, physical appearance, characteristics, packaging, brand, etc.
- 3. Product positioning, which is the product design of the company to show the position that is different and have value in the mind of the target customers
- 4. Product development to have the new and improved product which must take into consideration the capability to respond better to the needs of the customers
  - 5. The strategy concerning the product mix and product line

Fuller (1994) defines that product development has many widely comprehensive objectives, but all of them lead to the same goal, i.e., to have a profitable product for the survival of the entrepreneur. In general, there are seven meanings of a new products development that have been collected as follows:

- 1. The product created as a result of line extensions with the use of the existing production process
- 2. The product created as a result of repositioning the existing product, some of which are based on the suggestions of the consumers
  - 3. The product created as a result of changing the existing products to a new form
  - 4. The product created as a result of the reformulation of existing products
  - 5. The product created as a result of new packaging of existing products
  - 6. The innovative product created as a result of making changes in an existing product
- 7. The creative product which is a rare or never-before-seen product as a result of creative thinking

Wongsingthong (2002) mentioned that the development of new products or the modification of existing products might begin with anybody seeing the same kind of product that is more attractive than the product that he/she has. However, a good product designer is likely to be a person who has new ideas, and it is often that the product development originates from the ideas outside of the organization, such as when the originator comes to propose to sell his/her idea to the company, or it is created from one's product research or the feedback from the consumers.

# The process of adding value with the development of community products

In adding the value of community products, the importance must be given to developing the products to meet the market's needs and purchasers whose interests for buying the products are variously different. The needed community product must be the one that is more prominent than the product of the same type in the market, with good looking, with utility relevant to the purpose of the purchaser, with strength and durability, with cost-effectiveness, and with innovativeness and attractiveness (Kenaphoom, 2018). The community product development process is divided into six steps, as follows:

# 1. The exploration step

The development of a new product must start with a new idea. The developer must seek new ideas about the product as many as he/she can get. The obtaining of new ideas does not always need to be done in a well-ordered or official way. The ideas concerning the new product can be searched from the following sources:

# 1.1 The customers

This is the most important source of information because the needs of the customers will be transformed into the products. Furthermore, the praise, criticism, and suggestions from the customers are all important and interesting sources of information.

#### 1.2 The members of the sales channel

The various shops or stores that sell the products for the producers are considered to be the mediating factor in transmitting the needs of the customers to the producers. Usually, the consumers will express their feelings and problems concerning the use of products, including any recommendation to the producers. Therefore, the shops or the mediating persons will be the good sources that accumulate feedback information form the customers.

# 1.3 The competitors

When a competitor introduces a product to the market, if it happens that the product has some deficiency and is not successful, the producers can take information on the mistake or deficiency to be used in developing their product.

# 1.4 The source of ideas within the factory

The business enterprise that gives importance to the expression of opinions and new ideas of employees at various levels may be able to obtain information that is useful for the development of new products. Therefore, the factory can obtain ideas from the factory employees who are doing their regular work for modification or experimentation of the developed product.

1.5 The other sources of ideas, such as research studies or articles of academicians or educational institutions, can be the sources of ideas for producers of new products. In addition, other sources, such as commercial associations, can also provide ideas for product development.

# 2. The idea screening step

The ideas that are gathered from various sources must be carefully screened until only those that are possible and likely to lead to the achievement of success are selected and kept. The factors that should be taken for consideration in the screening of the ideas are the following:

# 2.1 Image of the enterprise

The new ideas to be applied for product development must not destroy the good image of the enterprise. For example, if the community is trying to keep the image of being the producer that is mindful of the environment, the ideas that pass the screening must be those that are in line with that image maintained by the community.

# 2.2 Objectives and policy of the enterprise

Each enterprise has its goal and objectives in operating its business that has been set in advance. The enterprise's executives will have to set the policy to be guidelines for practice. Therefore, the screening of the ideas must consider their appropriateness in terms of not being contradictory to the goal, objectives and policy of the enterprise in order to be implemented.

# 2.3 Readiness of the enterprise's resources

The idea of producing new products leads to new investment, financial burden, devices, and labor force. Therefore, in screening each idea, one must consider the extent that the idea requires these resources, including the financial resource, devices, labor force, etc. If the enterprise is not ready in terms of these resources, even good ideas cannot be implemented.

# 2.4 The degree of newness of the idea

The ideas that are too advanced may not be applicable. The consumers, in general, will accept new products that do not abruptly and completely changed. New products that are similar to or related to the old products will likely be accepted more than the unfamiliar products. Therefore, the producer should take into consideration the degree of newness of the idea that the market can accept.

# 3. The business analysis step

The screening of ideas is the consideration of appropriateness in applying the idea for practice by considering from the enterprise's internal and external factors. The next step is to take the idea that has passed the screening process to consider the feasibility of developing the product for sale by analysis of the demand in the market, cost of the production, and the expected investment return. If the market demand is too low, the investment will not be justified and may lead to the production capital being very high, which will cause the selling price to be too

high to be acceptable in the market. If this is the case, the idea that has passed the screening in the second step will be rejected in the business analysis step. However, if this third step has been passed, the next step is to think about what to do next to enable the developed community product to be profitable.

# 4. The product development step

This is an important step because it is the step to change the idea into the real product. The product development step concerns the search for the production method, the selection of raw materials, the components of the product, the production formula, the production method to achieve quality and efficiency, and the color and size of the product based on the demand of the market. Quite often in the past that the screening of idea could not be transformed into production of the real product because the required production cost was too high, or the required production time was too long for the market demand. Therefore, if the concept has overcome this step, it means that the enterprise has the real product in hands waiting to be sold; but it has only a small number of the product because it still does not have much confidence for the acceptance of the market.

# 5. The market testing step

When the product has been produced for sale, the producer may decide to take the product to the market immediately if he/she is confident that the market will certainly accept it. However, there is still the risk that the market may not accept the product. So, if the producer wants to reduce the risk, he/she can test the market by experimenting with taking a small number of products for sale in a small market in order to find out the acceptance reaction of the customers. If the market testing result shows that the customers have well-accepted the product, the producer can decide to produce it in large numbers for sale. But if the customers point out some defects of the product, the producer must correct those defects first before producing large numbers of the product for sale in the wider markets. If the customers do not accept or absolutely reject the product, the community may have to terminate its marketing because it will not be worth the investment. Market testing is useful for the producer in terms of risk reduction. However, there may be some drawbacks, such as the competitors being able to get information on the new product being market tested. As such, it the competitors are quick to produce the product for sale, they will be able to correct the defects of the product and then produce the product for sale in the market ahead of the original producer. Therefore, the market testing is like a two-edged sword that the producer must carefully weigh the advantages and disadvantages that will occur before conducting the market testing or find a way to test the market that is safe from the competitor's snatching action.

# 6. The commercialization step

The actual commercialization of the product must take into consideration the following factors:

- 6.1 The need for a large amount of capital to procure the factory and equipment for production.
- 6.2 The method to acquire the production equipment and factory buildings needs to be the most efficient one.
- 6.3 The production capacity must be considered for both the present capacity and the capacity to be expanded in the future.
- 6.4 The time for presenting the new product to the market. The choosing of appropriate time or opportunity for presenting the new product to the market will affect the product's success. For example, if the old product is out-of-date and no longer popular, the introduction of a new product to the market will be the successful launching of the product; or if the new product is present to be sold in the appropriate time for using it, the new product will have more opportunity to be sold.
- 6.5 The target customer for the first presentation of the product in the market. The enterprise may have several groups of customers, but the first target group of customers for the

first presentation of the product in the market must be the group with potential and is sensitive to buying the new product. If the enterprise makes a mistake in selecting the target group of customers, the chance for successfully selling the product will decrease. Therefore, the administrator must decide to choose the target group of customers that will achieve a satisfactory total amount of sales to create confidence for the shops, sales representatives, sales employees, and other stakeholders such as shareholders.

6.6 The scope of the market for the first presentation. The scope of the market can be determined based on the geographical condition. The producer has to decide whether to present the product in all markets throughout the country or just in some locality. As such, the producer must take into consideration the limitations in terms of production capacity, manpower, and capital. In addition, the determination of the market area must be following the first selected target group of customers.

The opportunities for using the method for adding value to the product can be classified as follows:

- 1. It demonstrates the enterprise's growth by adding new products to the market or the production line of the enterprise. This, of course, requires more investment. The enterprise, therefore, needs to seek more capital from various sources. The selling of shares is a method that many businesses use. The increase in the share price of the enterprise means the growth of the enterprise. However, in adding new products, the enterprise must consider the feasibility of marketing and the probability of profiting from selling the products.
- 2. The community is still not utilizing its full capacity for production. The utilization of full capacity in production will result in reducing the production cost. Therefore, the increase of products in the production list that can still use the same production line will be useful to the business. However, the producer must keep in mind the demand of the market.
- 3. The ability to use the old reputation to protect additional products. When the community has been accepted by the customers due to the sale of its product under some particular brand, the adding of new products under the same brand with the same standard of quality will be the appropriate action because it is the successful approach for the marketing of many businesses most of which achieved success in the past.
- 4. The ability to utilize the sales channel. The introduction of new products to the market via the old sales channel is likely to achieve a high level of success because the opportunity to create the recognition is faster, and the new product can be offered for sale together with the old product. Also, the transportation cost will have economized because the new product can be carried to the market together with the old product.
- 5. The response to the changing conditions of the market. At present, the demands of consumers are changing all the time. If the producer cannot add new products to the old product that has already been accepted in the market, it will be at risk of losing the market opportunity. Therefore, new products' development to respond to customers' needs or changing market situations is important.

Furthermore, another important thing in the development process of community products to respond to the needs of the market that must be kept in mind is the analysis of external factors that can affect the business both positively and negatively since these factors are beyond the control of the producer (Intharajun & Teeratansirikool, 2019). The principle is called PESTEL analysis with the following components:

Political factor, which is the factor concerning the politics and various policies of the country that affect the business operation, such as the policy for expansion of ASEAN economic cooperation, and the policy for promotion of the export of Thai products.

Economic factor, which is the factor concerning the financial and economic conditions of the country, such as the employment rate or the unemployment that reflect the purchasing power

of the customers, the labor capital cost, and the price of raw materials or some machinery for the production.

Social factor, which is the factor concerning the society, culture, ways of living, and living condition that reflect the consumer behaviors in each market, such as the in trend lifestyle of people in the society, and the infrastructure for facilitating the transportation of products.

Technological factor, which is the factor concerning technology, such as the access to the Internet to enable the consumers to perceive the advertisement, research and development of the products, including the personnel who perform the duty of product development.

Environmental factor, which is the factor concerning the environment of the production development area, natural condition of the investment area, such as whether or not it is convenient for the logistics process, whether or not natural disasters occur often.

Legal factor, which is the factor concerning laws, prohibitions, and other limitations, such as laws on minimum wage, basic beneficiary rights of the laborer, tax rate, tax exemption in some areas, conditions for establishment of community enterprise, or middle sized and small sized factories.

# The factor s for creating added value of community products

# 1. The product

The community product is the first factor to indicate that the community is ready to engage in doing the business. The community must have something to be offered for sale. They may be tangible products, services, or ideas in order to create the satisfaction of the customers. To be able to respond to the needs of the customers, the producer must improve the developed products or services to meet the needs of the target group with the main emphasis on creating the consumer's satisfaction and responding to the consumer's needs. The product is composed of tangible and intangible properties, such as quality, brand, color, packaging, price, service, and the seller's reputation. The product may be the goods, service, place, person, or idea. The product to be offered for sale may be either tangible or intangible. The product must be useful and valuable, as perceived by the customers, to be saleable (Tiger, 2019; Thabit & Manaf, 2018).

Besides the product itself, the packaging is very important for the product. The packaging has two main benefits: the protection of the product quality and the sale's promotion. Therefore, the package's appearance must be appropriate and efficient to obtain low-cost, attractive, and sufficient protection for the product.

The community products that have been developed for sale in the market must have the brand and trademark. The brand of the product is like a mirror that reflects the image of the business. The brand of the product is useful for consumers. It enables the consumers to know that the product clearly belongs to what producer. If the product is well made, the consumers will easily remember it, and they will use their previous experience to help in making the purchasing decision more easily. Of course, consumers must keep inquiring about the information regularly until they become confident in purchasing that product.

The price means the amount of money spent in the exchange to obtain the product that the buyer and seller agree upon. Before the consumer decides to buy the product, the consumer has compared the value and price of the product to determine whether the product's price is appropriate for its value. If the value is higher than the price, he/she will decide to buy the product. Therefore, the strategy for price must take into consideration the value as perceived by the consumer, the appropriateness of the price of the product, the cost and related expenditure, the competition in the market, and the economic condition.

When the business has produced the product, found the sales channel, and found the method of product distribution, the important thing that the business must undertake next is the determination of its appropriate price for sale. Before determining the product's price, the business

must set the goal that it wants to make profits, or to expand its market share, or to achieve other goals. It also will have to use the strategy for setting the price to be accepted by the target market and to be able to compete with the competitors in the market. The price strategy is the one that the competitors use in order to achieve the target faster than the other factors, such as the discount of the price or the setting of a high price for the product with special features in order to show a good image, or the use of psychological effect to supplement the price setting, having the policy to give the credit or the policy to give cash discount, commercial discount, or quantity discount, etc. Besides, the business must think about legal regulations that have an impact on the price. So, the price influences the consumer when the consumer evaluates the alternatives and then makes the decision. Usually, consumers like the products at a low price; so, the producers must set a low price for their products, reduce the production cost, or have the consumers make decisions based on other considerations. For the wider scope of decision making, the consumers will likely consider the product in more detail. As for luxury products, their high price will not cause a decrease in the purchasing amount.

# 2. The producer and entrepreneur

In order to add value to community products, the producer and entrepreneur need to have the following points of understanding:

- 2.1 The purchasing behaviors of the consumer
  - The decision making for purchasing the product consists of the following 5 steps:
- The first step is the recognizing of one's own need, i.e., the search for the product to meet the need.
- The second step is the search for information. The consumer tries to search for information concerning the product to be used for decision making.
- The third step is the evaluation of alternatives. The consumer takes all obtained data to be compared to find the most appropriate alternative for decision making.
- The fourth step is decision making. This is the decision making concerning the product purchase, such as where to purchase and when to purchase.
- The fifth step is the behavior after purchasing and using the product. The purchaser may have reaction behaviors, such as being satisfied or not satisfied. The post-purchasing information will be the important feedback information that the purchaser will take into consideration for decision making on whether or not to buy the product again in the future.
- 2.2 The factors influencing decision making (Apirungruengsakul & Pasunon, 2020). In the search for factors influencing the decision making on purchasing the product, one needs to understand the purchasing behavior in terms of the stimulus that the consumers receive and their responses. The factors influencing the purchasing decision are the following:

#### 2.2.1 The cultural factors

#### • The culture

In the community products, culture is the factor that has the highest influence on the purchasers. It is the foundation factor that influences the behaviors and needs of the persons who grow up and live in the same cultural environment, with the same values, perceptions, preferences, and behaviors.

#### • The sub-culture

The culture as a whole will have consisted of sub-cultures. While Asian people have similar cultures compared to the culture of people in Western countries, each country in Asia also has its own culture that is different from each other. The culture of Thailand is different from that of Japan. Inside Thailand, the cultures of different regions are also different. Even at the educational institution level, each educational institute or faculty will instill in its students many cultural concepts beyond the contents of each course that will be absorbed to become individual behaviors.

#### 2.2.2 The social class factors

People have behaviors to indicate their social status. When their social status changes, people are likely to change their behaviors according to their new social status. The social positions can be divided based on occupation, education, income, and location of residence. People in different statuses will behave or express themselves differently, while people in the same social status tend to behave or express themselves similarly, such as wearing clothes, speaking style, recreational methods, etc. In each social status, the people will know among themselves which person is in which status, either higher or lower, by observing their expression and behaviors, such as clothing, car, house, furniture, jewelry, etc. So, this is the reason for presenting community products by showing the actual use of the products by famous people in order to have the buyers feel that they have used the same products that are being used by famous people or people who they like.

#### 2.2.3 The social factors

People have been influenced by surrounding persons, which form the reference groups. Reference groups are classified into primary and secondary groups. The primary reference group consists of the people who the person contacts informally and regularly, such as family members, friends, neighbors, and colleagues. The secondary reference group consists of the people who the person contacts formally but less regularly, such as the religious group, members of the occupation, and associations. The family is the most important institution with the highest influence in the primary reference group. It instills on the person his habits and attitudes. Therefore, the producers must understand the roles of each member of the family that have an influence on the decision making of each member and the whole family concerning the products to buy which will be highly similar among family members.

# 2.2.4 The personal factors

The personal factors or personal preferences have influences on the purchasing decision of the person. The personal factors consist of age and life cycle duration step, behavior, and taste, all of which are different in accordance with the step of life cycle duration. Occupation has an influence on the consuming style of the person; therefore, the producers must study the behaviors of specific groups in order to develop the appropriate strategy. The economic status of the person comprising the income, assets, debts, and attitude toward savings and expenditure of the person has an influence on the purchasing decision of the person. As for the living style, although the persons who have the same age are in the same culture, have the same social status, and have the same occupation, they may have different living styles. Therefore, in the presentation of the product, the producer sometimes has to explain how the product is appropriate for the customer's living style. Also, a person's personality has an influence on his/her purchasing decision. The person's personality includes self-confidence, self-reliability, tendency to comply with others, leadership, being well-adjusted, or being resistant.

# 2.2.5 The psychological factors

The stimuli for the needs of the person are various and can happen at the same time. The study of theories of motivation will enable the producers to understand and apply the theories to be adjusted for creating the actions. Persons who are motivated are ready to take action. Their actions depend on their individual perceptions. The learning that does not result in changing behaviors indicates that there is no learning. Contrarily, if there is the changing of behaviors, it means that learning has occurred. The people's learning can be created by using motivation. People's beliefs and attitudes are the results of learning that have been created for some period in the past, mainly within the social and environmental conditions that the people live that affect the living and purchasing behaviors of the consumers.

# 3. The marketing

The marketing mix factors, or as called as the 7P's marketing mix factors comprise 1) product, which means the goods that can meet the needs of the target group customers; 2) price, which means the monetary value that the customers can accept and are willing to pay; 3) place

of distribution, which means the place for distribution of the product in accordance with the customer's purchasing behavior and give convenience to the customers; 4) promotion, which means the communications between the seller and the buyer concerning information on the product in order to create good attitude toward the product brand to be used as the motivation for buying the product (Kotler& Armstrong, 2010); 5) people, which means the having of strategies that give importance to the taking care of human resource in the community, the selection, the training, and the giving of remuneration or reward for motivation to create satisfaction in the customers so that the enterprise can compete with the competitors in service provision; the employees who provide services must have good attitude, good adroitness, ability to respond to the needs of the customers immediately, good problem solving ability, and ability to create positive experience for the customers who have good expectation for the community product; 6) physical evidence and presentation, which means the creation of tangible physical quality of the product to make good impression on the part of the customers since the step of selection to buy the product, i.e., the creation and improvement of the product that can be perceived with the five senses, namely, seeing, smelling, hearing, tasting, and physical contact; and 7) process, which means the process in provision of services including the strategies concerning work performance steps for quickly responding to the needs of the customers.

The mediating factors of marketing help to promote the community product business to sell and distribute the products to the customers successfully. The marketing activities that help in distributing the products comprise transportation, warehouse, and storing of the products in stock. The product distribution comprises two parts as follows:

- 1. Channel of distribution, which emphasizes the study of types of product distribution channels to determine either to use the direct sale channel or to use the selling of the products via middle merchants such as wholesalers, retailers, and agent middleman. The product distribution activities are the selection of the appropriate method of distribution of the products to reach the consumers. The means of transportation are transportation by air, transportation by cars, transportation by train, transportation by ships, and transportation by pipes. The producer must consider which transportation means is the best one in terms of low cost and the product reaching the customers on time. Another important step in product distribution is the storage of the product to be ready to be sold to the customers on time.
- 2. Physical distribution or market logistics of the product, which is the transportation of the product from the production place to the customer's place in the correct quantity and the appropriate speed to respond to the needs of the customers via the product distribution process. The main activities of the physical distribution of the products are the following: 1) transportation, 2) product storage and warehousing, and 3) management of products in stock.

The marketing promotion means marketing by communications concerning the information of the product between the buyer and seller in order to create attitude and purchasing behavior. It is the method to inform the customers of the proposed for sale product. The marketing promotion can have an influence on the consumers in every step of the purchasing decision process. The sent information may remind the consumers that they are having problems and that the product can help to solve those problems, and it can be delivered in a larger quantity than that of the competitors. It is expected to have an influence on the feeling and belief of the consumers and persuade the consumers to have purchasing behavior. The marketing promotion comprises sales promotion, advertisement, public relations, direct sales, and sales promotion via sales representatives (Kaosumpuns, 2018).

The marketing promotion has 4 important sales instruments as known as promotion mix to be specified as follows:

#### 1. Personal selling

This is the face-to-face communication between the seller and the expected customer in order to persuade the buyer in the target group to buy the product or service. Personal selling is considered to be two-way communications.

# 2. Advertising

This is the activities for presentation of information concerning the organization, product, service, or concepts that have to be paid by the program sponsor. It is a pattern of payment for marketing promotion by not using any person in product presentation for helping to sell the product, but using various advertising media such as the television, radio, newspaper, journal, advertisement poster, and the Internet. These advertisement media can reach large groups of the audience that are suitable for the product that needs to be distributed in the wide and extended market.

# 3. Sales promotion

This means the short-term persuasion gimmicks to motivate the buying or selling of the product or service. They are activities to help the seller to sell the product and to advertise for selling the product. The sales promotion is the motivation of the consumers to have the needs for the product. The sales promotion can be done in the form of product exhibition, product samples distribution, distribution of coupons, additional products, competition for good luck, etc.

# 4. Publicity and public relations

This is the strategy for public relations and the provision of information for creating good images of the product. At present, the majority of customers seek information by themselves. Therefore, the channels for searching to discover good information are very important.

The efforts for communication that have been well-planned are the creation of good attitude toward the entrepreneur and the product with the purpose to promote or protect the image or the community product from being the brand in the hearts of consumers, to create the repeat business in the old customers, and to attract the attention of the new customers. At present, the businessmen are interested in the image of both the products and services. Some products require a lot of money to create the enterprise's reputation and image to be the first choice in purchasing decision of the customers and to prevent negative news or negative mouth-to-mouth communications of the customers. This is because the spread of information nowadays is very speedy in the Internet world. If any product can capture the hearts of the consumers and receive good reviews, it can survive in the market. On the contrary, if any product cannot respond to the needs of even a small group of customers, it may become the target of seriously negative feedback from the customers. Of course, the producers or entrepreneurs do not want to lose their own reputation. Even if sometimes the damage may not be caused by the product itself, but by other environmental factors such as the slowness of transportation, it can still be the cause of the product's negative reputation or the producer. Therefore, the producers must give high importance to the provision of information for public relations and prevent public relations mistakes as much as possible.

# The innovation to promote the added value of community products

# 1. Having the inheritance for development with creative thinking

Having the inheritance for development means that in the production of community products, when somebody in the community has initiated the production, there should be the imparting of knowledge and method to the others in order to accumulate and carry on the body of knowledge on the production of the products to be with the community in the future. The inheritance in this sense may be the children of the entrepreneur or maybe somebody else that the entrepreneur trusts so that he/she can impart the knowledge to the person.

Having the inheritance with creative thinking means that the producer or the entrepreneur should have some persons who have the potential to inherit and top up the product development so that it will continue to be needed in the market in the future. The entrepreneur must review what issues always needed to be thought about in product development and what can be done further for the development of the better product in the future.

In many enterprises, entrepreneurs realize the importance of product development. So they send their own children to study in the fields relevant to the development of their own products. For example, some entrepreneur has his own children study food science or culinary science in order to get a real understanding of food preparation to top up his own food production business and further develop their existing food production formula to cope with the changes in the world. People in the same generation are likely to understand the needs of each other. Therefore, if the producers want to sustain the existence of community products, they need to increase the roles of the next generation people in the development of the product to adapt it to be in line with the needs of the new generation. The old producers may have to change their own role to be that of the advisors to the next generation of producers to help them to still maintain the old identity of the products while modifying some of their attributes to be appropriate with the new era and attractive to the present and future groups of buyers. This, of course, means the keeping of the old aroma of original community products and adding some attributes to make them up-to-date.

2. Having the mediating personnel for marketing management to perform the duty of community manager to enable the producer to have efficient marketing channels

The community work performance in Thailand still does not have the staff to be the work team for its mobilization. The work team must have knowledge of community administration and management. This is because when the community people form into groups for doing some work, sometimes there may be problems that require decision making or more information, especially those concerning the management to achieve the goals. Therefore, the community should appoint a person or group of persons to make decisions on behalf of the community to achieve efficiency in work performance.

The person to perform the duty of community manager must have the following qualicatfiions:

- Having leadership and being a well-informed person who the community people believe that can lead the community to the target goal;
  - Having the ability to administer and manage the community;
- Having the competencies for systematic community management and marketing management; the person should have previous commercial experience, with specific knowledge on management, product sales, behaviors of consumers in each age group, and positive interaction and communications with the purchasers; and
- Having knowledge and understanding on factors of the production of community products, i.e., being the person who has the knowledge and can manage the products from the beginning of production until the delivery of the products to the buyers, can understand and manage the stock of products from the procurement of raw materials, expenditure in each production process, calculation of the production cost and profits, storage of the products, distribution of the products, and public relations to promote the image of community products (Dararuang, 2019; Kosakul, 2019).
- 3. The creation of value for the product as if it has the magnetism to attract the customer's purchasing power and negotiating power

Community products have to be modified to become distinguished products of the community by selecting the highly distinguished products and further develop them to be of higher than the standard, have their own identity, and be the first choice of the buyers. The strategies for so doing are as follows:

- 3.1 Transforming that product to become a rare item product to be bought for collection or for possession. The production may aim at producing small numbers of the product, using rare materials of the community, and producing it for sale in some specific festival. The buyers can easily recognize it from its brand and the reputation of the community and from the fact that it has been registered as a geographical indication (GI) as announced by the Department of Intellectual Property.
- 3.2 The creation of innovative products so that the buyers must hurry to buy them to create the story to be discussed in wide circles. The products can attract the buyers' interest to immediately buy them and then create the persuasive current for procurement.
- 3.3 The having of the sales promotion system that is clear and motivating for the buyers. This is the sales promotion by allowing the buyers to have the opportunity to select and buy the product, but it is actually the planning for having the buyers decide to buy the products in the end. The sales promotion system includes the tactics for presenting the products that interest the buyers, creating sales promotion, determining the patterns of from-mouth-to-mouth sales, the offering of discounts, or giving additional products for free to have the customers familiar with the community products.
- 3.4 The development of the e-commerce system for community products to cope with the expansion of the ASEAN Economic Community, i.e., development of more online public relations media to upgrade the community products to the same standard in case the customers buy the products online and to have several efficient channels for comparing the same type of products from a variety of sources. Therefore, there should be an efficient administration team that can communicate directly with the customers to enhance their understanding, stimulate and increase the sales volume of the products, and maintain the customer's interest to remain with the products that the entrepreneur proposes for sales.

# Conclusion

In the present slow down condition of both the domestic and international economies, the entrepreneurs have to compete highly in order to mobilize their own business toward survival. This is also true for a group of community products. Even though they have received support and promotion from various sectors, the community product entrepreneurs still have to mobilize themselves to maintain their products' security and sustainability. The promotion of community products to have added value must think about the products' specific identity that must have the standard to be acceptable in both the domestic and international markets. Also, there must be continuous development in the product itself, the producers, and marketing. The innovation model to promote the three factors can be illustrated as shown in Figure 1.

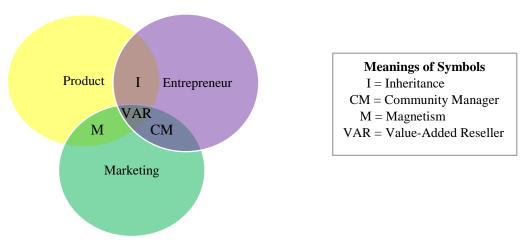


Figure 1 Innovation to Promote the Added Value of Community Products Model

Based on the above model, the development of the system to promote the added value of community products must be appropriately in line with the community culture and way of life. It can be done by: 1) having the inheritance for product development, with the inheritance of the body of knowledge, methods, and important techniques of production, together with having the vision and new creative thinking that respond to the needs of customers in every age group; also, the producers should top-up their products to be more distinguished and increase the capability for competition with other products of the same type; 2) the creation of mediating personnel to perform the duty of community manager to enable the producers to have the appropriate and efficient marketing channels, to create marketing strategies via the offline and online systems; the community manager must be a thinker and coordinator to create cooperation in the community with the emphasis on creating communications between the producers in the community and the buyers to create the brand strength, to promote public relations for upholding the products, and to create the stories of the products for remembering and enabling the buyers to have confidence in the products and have loyalty and brand engagement; and 3) the creation of the product value as if it is a magnet that has the magnetism to attract the purchasing power and negotiating power of the purchasers with the use of the strategies that prevent the buyers from realizing that they have been targeted for being the product buyers by the planning of the product producers with the use of the innovation to transform the products to be more distinguished and attractive, such as the production of community products to be rare/must have items; also, the producers should have the ability to develop the e-commerce management system for community products so that the products will have the added value of their own.

Therefore, the important core concepts of transforming the community product to become the value-added reseller are the creation of the inheritance for product development, the creation of a community manager who is a professional, and the creation of community products that have the magnetism to attract the purchasing power of the customers in order to upgrade the community products to have an identity, to be accepted in the domestic market, and to be able to compete in the international market.

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