

Adaptation and Development in Thai Community Enterprises during the COVID-19 Crisis

Dr. Usa Sutthisakorn^a, Samchai Jirapatarasil^b

^aInterdisciplinary Studies Program, School of Humanities, University of the Thai Chamber of Commerce

^bIndustrial Engineering Department, School of Engineering, North Chiangmai University

^a usa_sut@utcc.ac.th, ^b samchai@northcm.ac.th

^{a*}corresponding author e mail: usa_sut@utcc.ac.th

Abstract

One of the sectors in Thailand most impacted by the COVID-19 pandemic is the entrepreneurial sector, especially community enterprises, that need to constantly adapt and develop for survival. This article presents case studies of adaptation and self-improvement in six community enterprises during the COVID-19 pandemic. An Adaptation and Development Model of Community Enterprise throughout Covid-19 is proposed, which consists of 1) online marketing 2) the creation of new products to meet the needs of new customers 3) the expansion of marketing channels, and 4) knowledge development. The new concept of 4Cs marketing, focusing on the consumers' perspective, is proposed as community enterprise strategies. Additionally, innovation and knowledge management, are also important in the knowledge development of community enterprises.

Keywords: Community enterprise, Adaptation and development, COVID-19 Crisis

1. Introduction

According to Thailand's Community Enterprises Promotion Act 2005, 'community enterprises' refer to the economic activities of the communities related to production and services or other activities done collectively by a group of people in order to earn income and create self-reliance of their own families, communities, and between communities (Secretary of the Community Enterprises Promotion Committee, 2005). Phongphit (2003) defines the meaning of community enterprises as an entrepreneurship by a group or community organization in order to manage community capital that includes resources, productivity, knowledge and wisdom, cultural capital and social capital for efficiency and sustainability benefit of the community who owns the enterprise. This view is in agreement with Wiboonpong et al. (2006:5). They cited that 'Community enterprises are community-based businesses for communities and for the benefit of the community which use the wisdom and social capital of the community to diversify community affairs.' In summary, community enterprises are the entrepreneurs that manage 'social capital' creatively for their self-reliance. Therefore, community enterprises are essential for the foundation of the economic and social development and the upgrade of the quality of life of the people in communities all over the country (Sutthisakorn, 2013).

The latest information in October 2021 of the Community Enterprise Promotion Division, Department of Agriculture, states that 140,602 community enterprises have sprung up all over Thailand. The top three enterprises include the ones of crop production (38,300 groups or 27.24%) followed by the ones of livestock production (27,927 groups or 19.86%) and the group of processed food and food products (13,788 groups or 9.81%). However, a study report of the Office of the Secretariat of the House of Representatives (2018) indicates that community enterprises still need a lot of potential development due to a lot of concerns and limitations over marketing, finance and management. Similarly, Ratana-Ubol (2020) considers that the important problems of community enterprises are: 1) Lack of understanding on the concept of sufficiency economy that enterprises must adopt. 2) Lack of market management knowledge. 3) Lack of accounting knowledge, and 4) Lack of knowledge in product designs. They have not yet attracted customers and buyers.

During the Corona virus outbreak, one of the most affected sectors is the entrepreneurial sector, in particular, small and medium-sized enterprises (SME), and community enterprises. The great economic crisis became the main impetus for community enterprises to try all means to adapt themselves for survival and find solutions to solve their problems. As mentioned above, community enterprises have problems in developing their potential in many areas. However, if trying to view the crisis as an opportunity, this may be a major adjustment that allows community

enterprises to develop their potential. This article presents 6 case studies of community enterprises trying to solve problems during times of crisis and suggests a way out of the crisis by adapting to modern marketing and other management sectors.

2. Types and markets of Community Enterprises

At the beginning, in sections 26 and 27 of the Community Enterprise Promotion Act 2005, the community enterprise is categorized into two types: 1) Primary or basic level community enterprise is the enterprise that aims at production and process of various operations for consumption and household use of the community. The production is to meet basic needs. 2) Strong and self-reliant community enterprise is the enterprise that systematically operates with modern models, using capital and technology to meet broader communities, networks and markets (Secretary of the Community Enterprises Promotion Committee, 2005). However, after the operation, Prom Saka Na Sakon Nakhon (2013) categorized community enterprises into three types:

1. Basic community enterprises or self-sufficient enterprises are the ones that operate to make products or provide services for household consumption to meet basic necessities. The focus of the groups is to reduce household expenditure so that the members are able to live sufficiently at the community level.

2. Development-level enterprises are the ones that expand marketing channels from their own communities to other communities. It is operated to make products or provide services to reduce household expenditure. The excess can be shared, exchanged or sold for more income.

3. Advanced enterprises are the ones that have expanded their marketing channels to the general merchandising market. Both the manufacturing and hospitality sectors are aimed at increasing revenue from investment and reducing imports in order to export more. The groups also allocate profits for community welfare or for public interest activities, create the well-being of families, communities and communication between communities. Moreover, they have potential to be developed to small and medium-sized enterprises. This is in accordance with the three markets of community enterprise (Prom Saka Na Sakon Nakhon, 2013)

1. Sufficiency market refers to local market that produces for sale or consumption within the community, between communities or within the same network.

2. A binding market is a form of market in which an agreement or contract is signed between organizations, non-community organizations within a specified period, or quantity of goods. This allows community enterprises to have a certain market to support them, for example, a government agency agrees to buy 5,000 meters of woven fabric from the community per year to cut staff uniforms.

3. General consumer market refers to the production of goods or services in the general market. It is a market that has to compete with others in the city or export to foreign countries.

Although community enterprises have three marketing channels, it may start with a sufficiency market, and then, develop into a binding market. However, when the community enterprises have developed to a progressive level, they need to enter a more competitive consumer market. Therefore, it is necessary to develop potential and continually adapt to be competitive.

3. A study of Adaptation during the crisis of community enterprises

The spread of COVID-19 from 2020 until 2021 has caused businesses to face the same problems as community enterprises. Nevertheless, we have found that community enterprises have adapted to conditions during the crisis. This allows them to survive and develop themselves.

3.1 Objectives of the study

1. To study the operation of community enterprises during the COVID-19 situation
2. To study the guidelines methods for adapting to the survival of community enterprises during the COVID-19 pandemic.

3.2 Study Methods

During the coronavirus, we studied the news of community enterprises' trade and market adjustments and found that some enterprises have adapted to survive. Although there are not many, but we think these case studies will be helpful. From the website news, in September to October 2021, we found and collected 14 case studies. Then we selected case studies to cover a wide range of areas, various levels of market and different businesses. There are 6 case studies as follows: (1) Doi Luang Thai Traditional Medicine Community Enterprises, Chiang Rai, in the north (2) Community Enterprise for bamboo growers in Prachinburi Province, in the eastern part. Four case studies from the

south, including (3) Thai Style Banana Chips with Paprika Flavor, of Ban Nong Rieng Community, Phatthalung Province (4) Processed Banana Flour of Food Processing Community Enterprise in Ban Ma Ngei - Kok Muang in Songkhla (5) Koh Tuad Community Enterprise in Nakhon Si Thammarat (6) Krajoed Wanee Handicraft Community Enterprise in Phatthalung. We made a call to interview about the operation and adaptation during the COVID crisis from the operators of the community enterprises in October 2021. The 6 questions which comprised the interview were as follows;

1. How has the community been affected by the Covid-19 virus?
2. How does the community cope with or adapt to the situation?
3. Do online channels (if any) help to deal with the community's economic crisis and how?
4. Did any problems or limitations arise during the community's adjustment and how?
5. How does the community plan to continue the businesses of the community enterprise after the end of COVID situation?
6. Has the community been supported by governmental, private or any networking agencies? Or does the enterprise need any kind of help or support from relevant sectors?

4. Study results

4.1 The operation of the community enterprise are as follows:

1) Doi Luang Thai Traditional Medicine Community Enterprises, Chiang Rai

Chiang Rai's soil is fertile and has many medicinal plants grown, both naturally occurred and locally grown. Therefore, the community initiated the establishment of a community enterprise to produce herbal products. The products use concentrated ingredients, home-grown, home-made, and all self-packaged. At present, there are main groups of customers who trust in properties of the products, especially "Andrographis Paniculata" packed in capsules that have been certified by the community enterprise organizations and OTOP of Chiang Rai Province. During the outbreak, Andrographis Paniculata herbal products were very popular in Chiang Rai until the product was in short supply. The group can produce 100 boxes per day, and sold out almost every day due to the high demand in the market. (Manager online, 18 Jul 2021)

From the interview with Busaba Worapatrathorn, the community enterprise's leader, it was found that before the Covid situation, the community enterprise group earned its main income from booths at department stores and government agencies. Each booth will have to build a customer base. During the Covid, there are fewer sales pitches. Building a customer base leads to a group of loyal customers and the group also increases online sales channels. As a result, there are still some orders online, and a fair amount of income, even if it is not as much as before. Customers are long-subsidized groups and have confidence in the quality of the products as they can be used continuously. If any product is good, the customers will come back and buy it almost every day, by contacting via the LINE application, instead of buying at the physical store.

When the situation improved, some agencies in the province, for example, the Department of Commerce, have started some major events, while the Community Development Department is also launching a project to help entrepreneurs in the entire province. The Thai Traditional Medicine Community Enterprise Doi Luang itself also plans to develop products to a higher standard to be certified, which has partly begun to be implemented. Later, the certified products will continue to be sold online with more confidence.

2) Community Enterprise for bamboo growers in Prachinburi Province

There are 35 members of bamboo growers in the community enterprise. They sell processed "bamboo shoots", which include dried, boiled and sour bamboo shoots to help generate income for the community. At the beginning, there was no organization to support the activity of the group, so they have set up their own group to allow members to bring their produce to sell. They also buy some bamboo shoots from outside the community to process too.

They use traditional food preservation practices, starting from buying many kinds of bamboo shoots to peel and boil in water. Next, bring the boiled bamboo shoots and shred them into thin long strips on the wooden board with many nails on, so that shredded bamboo shoots are easy for consumption. We can boil, stir-fried or make curry to cook these bamboo shoots. After that, the shredded bamboo shoots are dried at 55 degrees Celsius before weighing in different sizes of bags, neatly sealed and labelled the brand sticker "Phai Wan" or 'sweet bamboo shoots.' The selling prices are inexpensive, from 1 USD to 4 USD.

Mr. Arm, an interviewee who is a member of the community enterprise of bamboo growers, mentioned that the impact of COVID-19 to this community enterprise involved a decrease in sales. The market that the growers sold their products to, tended to be closed if there was an infection in the area. The direct impact was they couldn't sell their products. The enterprise has tried to find some new channels to expand the market, such as online sale and delivery service in case the market is closed, or expand the range of the products, such as handicrafts from bamboo and other

natural materials by knitting, weaving sheets, bags, and doormats. The major problem is insufficient savings and the prolonged effects of COVID-19, which badly affected the enterprise.

The post-COVID action plan is to strengthen the group by finding new markets, products, and brands from bamboo shoots and handicrafts. The enterprise members should grow a variety of crops for the group. The Community Development Office of Kabin Buri District and Prachin Buri Province should help provide the group members with some training, knowledge, and also budgets to support their operation. There has been a support budget recently of about twenty thousand baht (60 USD) for packaging costs. The group then distributes to members to reduce part of the cost. However, what the enterprise members need the most is their products to be upgraded to be more modern. In addition, they also need to increase knowledge about sales models, water sources for cultivation and any renewable energy to substitute the use of electricity for cost saving.

3) Thai Style Banana Chips with Paprika Flavor, of Ban Nong Rieng Community, Phatthalung Province

Previously, the enterprise group has banana chips as their popular products (sweet flavored, salty flavored and rolled banana chips) with monthly sales of about 3,000 USD. However, the new wave of COVID-19 made the dealers who used to order banana chips to sell, delay making new orders, resulting in a drop in sales. The group therefore came up with new products to satisfy the new generation namely, paprika flavored banana chips. They use Kluay Hom which is a kind of banana as raw materials because the flesh when fried will be crispy not hardened. Next, the golden yellow fried bananas will be sprinkled with paprika seasoning powder. The new taste of banana chips is very popular among new customers. Moreover, the selection of this kind of banana is also a good way to help farmers in the area. It also generates income for villagers in communities affected by the COVID-19 epidemic. Recently, there is a continuous influx of orders of this new-flavor banana chips though it is just launched during the COVID-19 pandemic.

From the interview, the group had to stop the business in the beginning for a few months because there were no customers from the tourist market. The group tried to adjust themselves to new strategies; finding new customers and increasing sales channels on the Internet via LINE application. Furthermore, with government agencies support to help teach about the use of technology, the group can increase the sales and have continuous orders. They also expect to carry on their business after COVID-19.

4) Processed Banana Flour of Food Processing Community Enterprise in Ban Ma Ngei - Kok Muang in Songkhla Provinces

Before the COVID-19 pandemic, the community enterprise's products were bananas, potatoes and nuts that were processed into banana chips, potato chips, and banana cakes. The most famous product is crispy banana chips or Kluay Krop Kaew. The group was unable to deliver the products for sale due to the pandemic, therefore, the group members suffered insufficient income to support their families. Hence, they have tried to cope with the situation by adding a new product, "Banana Flour", as a raw material for baking.

Mr. Amnat Kwanthong, Head of the community enterprise, mentioned that Songkhla Community College came to help the group from an academic angle. It was found that raw bananas can be processed into starch or baking powder and used as a substitute for all-purpose flour. It has valuable nutrients such as carbohydrates, minerals, vitamins, proteins and antioxidants. After developing raw bananas into quality banana flour, it can be used to make bakery desserts like banana cakes and brownies which are delicious.

In the future, the community college will test the banana powder to develop into cosmetic products which is a new goal in expanding products to increase more income for the enterprise as well. Therefore, learning to adjust themselves by adding new products, increasing product value, and selling more through online channels such as Facebook, and Line, as well as having support from academic institution will enable the group to get through this crisis. The group also still needs help from agencies or educational institutions to make labor-saving and cost-saving solar energy equipment in production.

For a post-COVID action plan, the community enterprise is trying to do marketing of their new product, the banana flour, by focusing on the customers in their area first. If the situation is better, they expect new orders from their customers in Bangkok and other provinces.

5) Koh Tuad Community Enterprise in Nakhon Si Thammarat

In the past, most farmers planted produce according to the popular trend, like palm trees. However, when the production was oversupplied, the price was low. Mr. Boonruay Kongkothud, the chairman of the community enterprise then suggested that the farmers grow crops that could make more money, like Tabtim Siam Pomelo (Ruby-colored pomelo) and Thongdee Pomelo (White-colored pomelo).

Additionally, there are people who are interested in health and grow organic vegetables as well. Hundreds of farmers then gather together and use more than 200-220 acres of cultivable land to grow those fruits and vegetables and sell them in the name of Koh Tuad Community Enterprise. After the enterprise began to settle, the group has passed the concept of safe vegetable growing and sufficiency economy to the students of both primary and secondary levels. A

portion of the produce is also used to make lunch for those students. The rest is sold through community enterprises to generate income and promote safe vegetable consumption.

The main incomes of the enterprise are from exporting pomelos to China and selling organic and local vegetables in the country. But the pandemic situation of the Covid-19 virus has caused a decrease in sales. The group has to adjust itself to find a new domestic market. Eventually, the group has agreed to sell the agricultural produce to MakroSupermarket, especially in branches in the southern part of Thailand. Moreover, the enterprise also cooperates with MakroSupermarket to participate in planting plans, while the company provides marketing knowledge, safety standard as well as the product management to market needs.

The disease control of the enterprise is in the form of a closed factory where all employees have passed a good check for cleanliness. During the pandemic situation, the working days have been reduced from six days to about four days a week per person, so that everyone is still employed and able to make a living. As for the selling price of the pomelos, it is agreed among the members to discount from 50 baht (1.5 USD) to 45 baht (1.3 USD) each in order to release the products. Promotions and online channels are also added for boosting sales.

The plan of the enterprise after the end of COVID-19 situation is to expand its business to more international markets and organize the events to make people know more about the group. In addition, the group also begins to look for other products such as Kratom leaves and plants which are officially unlocked from the narcotics control list to help provide farmers with additional income.

The group prefers self-reliance and not to wait for assistance from the government. In addition, there are supermarkets which are partners, such as Tops Supermarket and Makro Supermarket, that come to help with product distribution, sales, advertising in newspapers, promotions and public relations. However, what the group wants to learn more about is the innovation to manage the unsold products suggested by academics because they do not have knowledge on how to process and operate those produce.

6) Krajoed Wannee Handicraft Community Enterprise in Phatthalung Province

In the past, this community enterprise processed “krajood trees” (a grass-like plant) using local practice to make mats and household items. Afterwards, the group has added value to their ordinary products by putting some design in their bags and furniture. The plain but elegant design blends well with the scent of folk culture with a contemporary style. The main markets are hotel chains and spa salons, including exports to Japan.

However, all mentioned markets and customers stopped ordering due to the COVID-19 pandemic. Consignment stores in front of the store are closed, causing the manufactured products to remain in stock. The group has agreed to sell their products online to financially support 56 household members via VARNICRAFT PAGE. Fortunately, Lactasoy Company Limited, which focuses on helping people, affected by COVID-19, saw the page and came to support the group by using the bags from Krajoed as special packages of Lactasoy, under the project ‘Lactasoy Love Thai’ It is perfectly matched with colorful Krajoed bags in contemporary and cosmopolitan design.

From the interview of the group, COVID-19 has a great impact on the enterprise. Tourists are unable to come to buy products because the community has also been open as a tourist attraction, Varni Homestay. All the places, including shopping malls are closed during the lockdown period, resulting in no income. Therefore, the group has to adjust itself by creating online content to sell products. This new plan has been successful and the group has had enough customers and more orders than last year. The community members have more work and sufficient income.

For post-COVID action plans, according to the government’s policy, all group members are vaccinated. The group is now preparing for the third injection and preparing to open for tourists as usual, especially the ones who have been vaccinated. The group needs the government to help promote the community enterprises to welcome the tourists to come and buy products. The COVID-19 pandemic makes it difficult for tourists to come and buy the product as usual, except for the ones already vaccinated.

4.2 Adaptation and development of community enterprises during the COVID-19 crisis

From the aforementioned case studies of the 6 community enterprises, there are enterprises with fundamental, developmental and advanced levels, which have managed the production and marketing in all three levels of markets; sufficiency markets, syndicated markets and general consumer markets. Enterprises that survive a crisis are those that adjust themselves to change, especially to the new era of markets. They have to take into account the needs of consumers, the suitability of price, the channels of easy purchase, and the communication and presentation of the products. These are all important strategies for community enterprises to survive and succeed. They have to adjust themselves in many ways; selling more online, inventing new products which are more satisfying to the customers, creating new content, cooperating with partners from the government and private sectors, as well as educational institutions. It was found that after the groups have adjusted themselves due to Covid-19 crisis, community enterprise groups have developed in many ways as follows:

1) Doi Luang Thai Traditional Medicine Community Enterprise, Chiang Rai Province, was originally a basic community enterprise and had a sufficient market to support it. After the Covid-19 crisis, it showed the potential for growth by increasing productivity to meet the demand of herbal products, especially *Andrographis paniculata*. The group used to have the capacity to produce only 100 boxes per day. However, as the demand of the products has risen a lot from both syndicated markets and general consumer markets, the new focus of online sales, together with the development of the quality, make this community enterprise continuously grows and have a wider range of products to serve the customers.

2) Community enterprise of bamboo growers' group, Prachinburi Province, was formerly a basic enterprise with support from a sufficient market. Anyhow, COVID-19 pandemic has caused the closure of many fresh markets due to infection. The new marketing strategy of providing delivery service to the customers as well as starting online sales helps develop new markets for the group. The next step of the group is to create a more variety of products and expand the business to the new and bigger markets in the province level.

3) Banana chips, paprika flavor, of Ban Nong Rieng Community, Phatthalung Province, the group previously had its main income from the tourism markets which are the consumer markets. But the pandemic situation has forced the group to find new groups of customers because there are no tourists. As a result, the group has to think of new products to serve the needs of new teenage customers and change the target to online channels instead. Therefore, the group has developed itself to create more products and expand distribution channels.

4) Processed Banana Flour of Ban Ma Ngei-Kok Muang Food Processing Community Enterprise Songkhla Province, the group previously earned income from selling snacks like sweet and salty banana chips and rolled banana chips. Since the current situation, it has to adjust itself by adding a new product, "Banana Flour", a raw material in baking, which has been academically supported to be able to extend the shelf life of the product. Therefore, it is an upgrade and development of new products that are not yet available in the market due to this crisis of COVID-19.

5) Koh Thuad Island Community Enterprise, Nakhon Si Thammarat, previously had main income from exporting Tabtim Siam Pomelosto China and selling organic and local vegetables within the country. When the group was unable to export to Chinese market, it is necessary to find a new market to substitute. The group then created a syndicated market and cooperated with large commercial organizations such as Tops Supermarket and Makro Supermarket. The high standard and reliable production quality of the group makes it possible to cooperate with large corporation partners. Moreover, it is also a good opportunity for the group to increase the knowledge in cultivation planning, marketing, safety standards and product management from the partners.

6) Krajood Wannee Handicraft Community Enterprise Group, Phatthalung Province, is a progressive community enterprise that domestically sells products in the competitive consumer market and also exports goods abroad. But since the COVID-19 crisis, the group has turned to parallel marketing by selling both in the general market and in the syndicated market with large corporations. Creating online contents is also the other adjustment that can make the group and its products to become better known.

4.3 Adaptation and Development Model of Community Enterprise through their development in Covid-19



From 6 case studies of adapting for survival and being able to develop oneself during the COVID-19 situation, it was found that the adaptation models of community enterprises were as follows:

1. Online Marketing. The study found that all 6 community enterprises were able to survive in the coronavirus pandemic by using online marketing to increase sales channels both pre-existing and initiating during the COVID-19 pandemic. For businesses that already have an online market, they create content development of the product more, such as the case of Krajoed Wannee Handicraft, etc.

2. The creation of new products. Community enterprises create new products to meet the needs of new customers, such as the case of Banana Chips with Paprika Flavor, which produces new products to meet the needs of teenagers. Bamboo growers' enterprise in Prachinburi Province produces new products from food to utensils made from bamboo. Processed Banana Flour of Food Processing Enterprise Group produces flour to make bakery from bananas to extend product life and launch a new product to the market for the bakery group.

3. The expansion of markets. Community enterprises expand marketing channels by collaborating with partners. Koh Thuad Island Community Enterprise, Nakhon Si Thammarat collaborates with Makro Supermarket to expand distribution channels instead of the original market. Facing a Decrease in exports, the group had to adjust itself to find a new domestic market. As for Krajoed Wannee Handicraft, the group cooperated with Lactasoy Company in making special packages, packing products, including finding additional domestic markets at the same time. Bamboo growers in Prachinburi Province is small community enterprise, therefore they expanding the market by doing delivery markets to reach customers.

4. Knowledge development. This is the way to enhance product quality and management of community enterprises. Doi Luang Thai Traditional Medicine Community Enterprise develop products to a higher standard to be certified, meanwhile Processed Banana Flour of Ban Ma Ngei-Kok Muang Food Processing Community Enterprise engaged in an academic cooperation with Songkhla community college to develop banana flour for use in bakery production. Koh Thuad Community Enterprise has managed house cleanliness and weekly staff time reductions during COVID so that everyone is still employed and able to make a living. Thai Style Banana Chips with Paprika Flavor, of Ban Nong Rieng Community has been developed technology knowledge from educational institutions to help develop products and sales channels.

5. Discussion

5.1 Modern marketing, a new way for adaptation of the community enterprises.

From the adaptation and development model of the community which are 1) online marketing 2) the creation of new products to meet the need of new customers 3) the expansion of marketing channels by collaboration with partners 4) Knowledge development. Thus, the modern marketing of 4Cs (Schultz et al., 1994; Onsamlee, 2020) is suggested as an important strategy to community enterprises as follows;

1. Customer's Needs & Solutions. Modern marketing focuses on the customers. Sellers had to be ready for any changes and adapt to meet the needs of customers without holding on to the former patterns.

2. Cost and Value to Customers. Pricing ideas for manufacturers and distributors to survive must be shifted to pricing based on the cost the consumer has to pay in order to obtain the product. Setting the price must take into account the various expenses consumers have to pay out before paying for the purchase of a search product, whether it is travel expenses, parking costs, wasted time, etc.

3. Channel and Convenience to Buy. Modern marketing focuses on various sales channels that customers can access both offline and online. Some businesses have both offline and online connections to facilitate customer access.

4. Communication that Connects. Modern marketing uses marketing communications to convey content, advertising or reviews through both traditional channel and social media in the digital age. Social media, in particular, is a very popular medium with very little marketing value comparing to traditional media, it then has reduced a lot of expenses. Understanding consumer behavior in the digital age will enable businesses to develop rapidly.

5.2 Knowledge development: innovation and knowledge management for community enterprises

Knowledge development is important to enhance product quality and management of community enterprises. From the case studies, community enterprises need two different types of innovation which are 1) Product Innovation and 2) Process Innovation. The prior innovation includes the launch of the new products and the quality improvement of existing products. The latter innovation includes the application of concepts, methods and new procedures that obviously promote more effective and efficient production and the overall process (Uajirapongpan, 2010). According to Rosenbusch, Brinckmann and Bausch (2011), the creation of innovative knowledge in management processes as well as the product innovation and product design, are all good practices for SMEs that always need an innovation factor.

Additionally, knowledge management in organizations is relevant to the success of community enterprise operations. The enterprises will have potential to compete through the process of creating and exchanging knowledge within the organization (Wongadisai, Chanchalor, & Nanchaleay, 2018; Sutthisakorn, 2013). In addition, past research

has shown that strong teamwork and organizational participation can enable the group to be self-reliant and sustainable (Ratana-Ubol, 2020). Hence, the next step of developing the community enterprises is to pay more attention to the aforementioned issues.

6. Conclusion

Community enterprises need to adjust themselves to survive and become successful, especially in the era of economic crisis due to COVID-19. An Adaptation and development model is derived from 6 case studies of survival community enterprises in the crisis which are; online marketing, the creation of new products to meet the needs of new customers, the expansion of marketing channels, and knowledge development. Modern marketing of 4Cs, stressing on customer's needs and solutions, cost and value to customers, channels and convenience to buy, communications that connect are suggested as important strategies to Community enterprises. Additionally, innovation and knowledge management are needed for knowledge development for community enterprises.

References

- Community Enterprise Promotion Division. (2021). Summary of the number of community enterprises and community enterprise networks approved for registration Registered, classified by type of business, data of October 16, 2021. Community Enterprise Promotion Division. Department of Agricultural Extension, 2021 Retrieved October 18, 2021 from https://smce.doae.go.th/smce1/report/report_smce_activity.php
- Manager Online, 18 July 2021. "Andrographis Paniculata herbal products was in short supply". Retrieved from <https://mgronline.com/local/detail/9640000069947>.
- Office of the Secretariat of the Community Enterprise Promotion Board. (2005). Community Enterprise Promotion Act, B.E. 2005. Bangkok: Ministry of Agriculture and Cooperatives.
- Office of the Secretariat of the House of Representatives. (2018). The promotion and development of community enterprises from the government sector. Bangkok: Office of the Secretariat of the House of Representatives.
- Onsamlee, P. (2020). Community business and modern marketing in a digital society. *Journal of Humanities and Social Sciences* Bansomdejchaopraya Rajabhat University, 14 (2), 179-201.
- Phongphit, S. (2003). Community economy life plan. Bangkok: Thai Wisdom Publishers.
- Prom Saka Na Sakon Nakhon, T. (2013). Management and development of community enterprises. Songkhla: Institute of Peace Studies, Prince of Songkla University.
- Ratana-Ubol, A. (2020). Lifelong Learning in the Era of Industry 4.0: Workplace Learning Perspective. *Proceedings of the First Transnational Webinar on Adult and Continuing Education (TRACED 2020)*, pp.158-165.
- Rosenbusch, N., Brinckmann, J., & Bausch, A. (2011). A Meta-analysis of the Relationship between Innovation and Performance in SMEs. *Journal of Business Venturing*, 26 (4), 441-457.
- Schultz, D.E., Tannenbaum, S.I., Lauterborn, R. F. (1994). *The New Marketing Paradigm: Integrated Marketing Communications*. NY: McGraw Hill Professional.
- Sutthisakorn, U. (2013). Learning in Community: A Case of Successful Community Enterprise in the Northeast of Thailand. *International Journal of Business and Management Studies*, 2(1), 41-47.
- Uajirapongpan, S. (2010). Innovation: Meaning, Types and Importance of Entrepreneurship. *Thammasat Business Journal*, 33 (128), 49-65.
- Wiboonpong, A. et al. (2009). 108 Community Enterprises: Guidelines for Case Study's Research and Strategy. Chiangmai: Chiangmai University.
- Wongadisai, W., Chanchalor, S., & Neanchaleay, J. (2018). Knowledge Management Process of Germinated Brown Rice Production Community Enterprise. *Research Association for Interdisciplinary Studies Conference Proceedings 19-20 November 2018*, pp. 118-122.