

## The Examination of Marketing Innovations for Community Enterprise, Thailand

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### Article History:

**Abstract:**Marketing innovation is essential for the development of small and medium businesses create a competitive advantage. Generate more income and if added value and innovation in the product will add even more added value. Marketing innovations play a new and increasing role in being able to interpret big data and use it to develop marketing strategies and products. Theory in this paper are marketing mix theory and entrepreneurship theory. Moreover, the literature reviews focus on marketing innovation variable, consumer buying behavior variable and competitive advantage variable in to. At least, marketing innovation is important tool that entrepreneurs need to focus on. Marketing innovations include creating a variety of products personal value creation adding value targeting niche groups including the development of modern communication through new social media.

**Keywords:**Marketing Innovation, Community Enterprise, Competitive Advantage

### 1. Introduction

Marketing innovation is even more important considering its importance on a global scale. Today's marketing innovations play a new and increasing role in being able to interpret big data and use it to develop marketing strategies and products. The growing role of marketers in insider analytics has made it an important line of marketing that helps create value in a business's value chain. Well-known business strategy consulting firm Mckinsey has acquired marketing consulting firm Lunar. This shows that the future trend is that marketing will play a role in business strategy. At the same time, the agency must not only be creative, but also have the ability to analyze data to survive in the future. (Branduffet, 2020)

Moreover, marketing innovations have completely changed the world, finding that the development of online payment systems may mean that in the future we will no longer need to carry a wallet. An interesting payment application is Apple Pay, which is a system that connects your credit or debit card to the Apple Pay system and then applies it to any compatible payment terminal. Using NFC and Apple Pay, Apple Pay has a credit card network. Banks and big stores who participated in many with the advancement of online payment, businesses must plan in the future to join online payment systems. (Branduffet, 2020)

Ranking of the Global Innovation Index 2021; GII 2021 under the theme of Tracking Innovation through the COVID-19 crisis, organized by the international asset management organization. Global intelligence (WIPO) to measure the level of innovation capability as a timely benchmark and competitive benchmark of innovation by more than 132 countries around the world. Thailand moved up to 43<sup>rd</sup> (2020, 44<sup>th</sup>) position, is 3<sup>rd</sup> in ASEAN after Singapore, 8<sup>th</sup>, Malaysia, 36<sup>th</sup>, and surpasses Vietnam at 44<sup>th</sup>, and gross domestic expenditure factors for research. For the second year in a row, investment and development by enterprises remained the world's No. 1 ranking. Moreover, when compared to the upper middle-income economies, Thailand ranks 5<sup>th</sup> on the list of 34 countries, with Thailand ranked better than average in all factors. But when compared to countries in Southeast Asia East Asia and Oceania Thailand is ranked 9<sup>th</sup> out of 17 countries. (Bangkok Business, 2021)

For Thailand, it is found that the current digital trend has made it possible to reach consumers online (Digital first engagement) as a priority for brands. From the report found Thai marketers recognize the importance of using technology to help reach consumers as well. by voting for innovation, it is their priority. and at the same time admit creating innovations to transform marketing is also the number one challenge for Thai marketers. The next priority for Thai marketers is creating a consistent customer journey across all channels and devices (2<sup>nd</sup> place) and improving the use of tools and technology (3<sup>rd</sup> place) to create differentiated experiences and reach more digital consumers (Marketeer, 2020).

Moreover, community enterprise innovations are practiced in marketing. Creative technology and innovation Thailand 4.0 is at a moderate level in all aspects. With practice in terms of marketing the most 2) problems and obstacles found that the equipment is expensive. No new technology Some raw materials cannot Can be found in the area Lack of labor Lack of working capital and lack of water used in production Most community enterprise's view that their community enterprises have not been successful; and 3) community enterprise development strategies consist of proactive strategies. remedial strategy defensive strategy and passive strategy which can be used to make decisions in formulating marketing strategies aimed at responding to both local markets and national level of community enterprises. (Suwanphusit, 2021)

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In conclusion, in terms of marketing of community enterprises producing one Tambon One Product (OTOP) in the case of Nong Khai Province, it was found that Community enterprises are also connected. (Connectivity) to foreign markets that are very few Because more than 88% of the sales of a product from one district, one product, occur only within the province or at the regional level. Community enterprise entrepreneurs are still unable to establish a connection to markets with high purchasing power such as Bangkok Metropolitan Region (only 7.77 percent) or international markets (only 0.35%). It has produced products that meet the needs of those high purchasing power markets. In addition, community enterprises have not established a network of connections with external agencies as they should. especially cooperation with private agencies and universities, which play an important role in creating a body of knowledge, creating innovation and marketing. (Post Today, 2020)

## **2. Theory and Literatures review**

### *A. Theory*

Marketing mix theory organized as part of a marketing strategy for marketing that service. In addition to the marketing mix for general merchandise, which consists of 4'Ps, namely Products and Services (Product), Price (Price), Place of Service and Distribution (Place), and Marketing (Promotion) The service market also has three additional components: employees, service processes, and physical characteristics These fundamental factors can be controlled, improved, modified, and able to focus on meeting the needs of customers. (Sereerat, et., al., 1998).

According to Sereerat, et., al. (1998) and Chummee and Khammadee (2021) can concluded that:

- 1) Product means something offered for sale by a business in order to satisfy the needs of its customers in order to satisfy the products offered for sale. It may exist or it may not exist. Products therefore consist of goods, services, places, organizations, or individuals. The product must be useful valuable in the eyes of the customer.
- 2) Price means the value of a product in monetary terms. Price is the second marketing mix. next to the product Price is the cost of the customer. Consumers compare between the values. product with the price of that product if the value is higher than the price he will decide to buy.
- 3) Distribution (Place or Distribution) refers to the structure of channels that comprise institutions and activities used to move products and services from an organization to a market. The institute that brings products to the target market is the Marketing Institute. The activities that help in the distribution of goods include transportation, warehousing and maintaining inventory.
- 4) Marketing promotionis a communication about information between seller and buyer to create attitudes and buying behaviors Communications may use salespeople to make sales. and communication without people There are many tools of communication which may be used one or more. It requires the principle of choosing a combination of communication tools. by considering the suitability of customers, products, and competitors by achieving common goals.
- 5) People (People) Persons or personnel means employees who work for the benefit of various organizations, including from the owner of the business. senior management middle management, lower management General employees, housewives, etc. personnel can be considered as an important marketing ingredient. because he is the one who thinks, plans and works to drive the organization in the direction that has been planned. In addition, another important role of personnel is interacting and building friendship with customers. It is important to make customers satisfied. and formed a relationship with long term organization.
- 6) Physical characteristics, physical characteristics mean what customers can experience from choosing Goods and/or services of the organization It creates a distinctive and quality difference, such as the decoration of the shop. style of dish arrangement. The attire of the staff in the store talking to customers Fast service, etc., these are essential to doing business. which is the part of the physical condition that the customer can see. Physical characteristics that customers are satisfied with and the novelty of the physical condition that differs from another provider should cover other issues: the physical environment in which you supply the product or service, layout or interior design, packaging, branding. Physical evidence can also refer to employees, employee attributes.
- 7) Processes are activities related to methods and practices presented to consumers. Each process can have multiple activities. according to the form and method of the organization's operations which if various activities Within the process there are connections and coordination. will make the overall process efficient resulting in customer satisfaction However, the work process requires a clear work process design. for all employees within the organization to have the same understanding can act in the direction.

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Entrepreneurship theory is a theory that combines four educational approaches: economics, business, psychology, and sociology. The main educational approach of entrepreneurship theory is to study operational risks, creativity or innovation and general management.

The educational approach in economics is to create innovation, which is new knowledge to support market demand and growth. Including the development of new products and technologies, as well as the pursuit of modern channels or information. Moreover, the study of this approach emphasizes innovation creation, that is, the theory emphasizes that the business must innovate in order to continuously grow the business (Brush, 1992). success in the market.

The approach to business education is to innovate activities that enable the business to be profitable. by having to plan decisions to create opportunities to enter the business as well as to seek knowledge, skills, and resources (Stewart, 1991). Social and cultural factors must also be considered.

#### *B. Literatures Reviews*

Marketing Innovation, a study by Phimonrattanakan (2021) found that innovation management ability, characteristics of innovation management ability This is to encourage the improvement of product quality related to product model development, which can be summarized into 4 issues: 1) product aspect 2) process 3) marketing 4) service aspect It shows that the use of innovation to develop and improve the service process, including differentiating, adding services to meet the needs of customers and, most importantly, obtaining increased profits or profits. Better farmer operations. In terms of products, there has been an inventive development and maintenance of mangos to maintain quality in order to focus on good exports by having their own product design and packaging design. In order to raise the level of innovation management of local wisdom in mango agricultural

products for export, as well as to create the identity of local knowledge of mango agricultural products in the process, farmers groups have used equipment and tools to help. Convenience in the production process and product design development process.

Consumer buying behavior found that Most of the female consumers will buy when there are people family recommends buying consumer purchase by Most of them are women or housewives and there are many factors affecting their purchases. Characteristics influence. The individual is the consumer of his decisions, culture, social class, group and family. these factors 3. As for the marketing mix that affects the purchasing behavior of community enterprise products, namely the use of the power of manufacturers or distributors affecting the purchasing behavior of community enterprise products in the community. High level, product quality, after-sales service economic factors customer factor Factors based on the relationship of decision-makers, sources of information, and mediators The relationship factor between producers and customers is important. Affects the purchasing behavior of customers. (Natsita et al., 2020)

Brand loyalty, according to the research results of Wongrat (2020) found that 1) service marketing mix perception of the corporate image and customer loyalty Overall, the average was in a high level. 2) The mix of influence in service marketing was the place of distribution, the price, and the marketing promotion. and the service process has a positive effect to the loyalty of customers who use resorts and homestays in Phetchaburi with a statistical significance at the .01 level with a predictive efficiency of 65.50% and 3) the mix of service marketing mix and corporate image perception positively influenced the loyalty of customers who use resorts and homestays. Phetchaburi Province with statistical significance at the .01 level, with a prediction efficiency of 71.20 percent.

Competitive advantage can be used to analyze and create a competitive advantage strategy in accordance with business operations such as selling products and providing better services, which is selling different products or services. may differ in quality raw materials used, etc., selling cheaper products by having to produce them at a lower cost. by choosing to use innovation in operation Reducing unnecessary expenses meeting customer needs to be able to create products that are right for the target group and meet the needs of consumers as much as possible means that products and services must be special from the products and services of other competitors in one way or another. This will result in consumers being aware and choosing a product or service and being willing to pay for that product at a higher price than other products. (Lalitsasiwimol, 2020)

### **3. Conceptual framework**

The results of the Influence path study were found from a study by Leechayakittikorn (2015). The influence between marketing innovation variables and purchasing behavior and brand loyalty was statistically significant in a positive relation. The influence between variables in buying behavior and brand loyalty (Buying Behavior & Brand Loyalty and Competitive advantage A study by Nakkasem (2018) found the influence path between purchasing behavior variables and brand loyalty and the competitive advantage was statistically significant in a positive relation.

The conceptual framework for this research was developed from Leechayakittikorn (2015), Gunday (2009) and Nuryakin (2018), as can be seen in the figure 1.

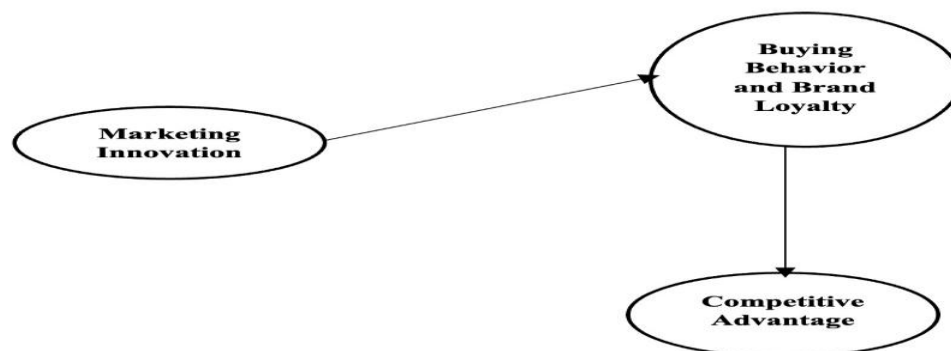


Figure 1: Conceptual Framework

#### 4. Conclusion

Marketing innovation is essential for the development of small and medium businesses. In other words, marketing innovations create a competitive advantage. Generate more income and if added value and innovation in the product will add even more added value. Therefore, entrepreneurs need to focus on innovation, especially marketing innovation. To create added value in the market increase competitiveness both in the country and abroad effectively.

Marketing innovation is therefore an important tool that entrepreneurs need to focus on and consider first. Marketing innovations include creating a variety of products personal value creation adding value targeting niche groups including the development of modern communication through social media especially in the epidemic of the Covid-19 epidemic. Integrated marketing communications through modern marketing communications and social media is essential.

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