CHAPTER 7

DISCUSSION AND CONCLUSION

In this section, The guideline in establishing a strong brand name for Thai commercial websites is established. In conclusion, the summary of the research procedure as well as the limitation and further suggestion is presented.

7.1 THE GUIDELINE

In order to establish a guideline, most of the steps are adapted from Kotler's steps. The different is the first step. We have to firstly define target group and product that we want to sell on Internet because not every product can be sold on Internet and not every people use Internet. The other steps are the same with Kotler's steps with some modifications. The steps of the guideline are as follows:

7.1.1 DEFINE TARGET GROUP AND PRODUCT THAT WE WANT TO SELL ON INTERNET

Since not every product can be sold on Internet, you should specify the product you want to sell. The product selection guide is presented below.

1. Since the people can not touch and feel the product, the product that the customer buy from Internet should be easily identified that it meets the need of the customer or it is a well-known product.

2. The product should be easily transported.

3. Avoid high involvement high value product.

Apart from the product, you also have to specify your target group. In this case, you have to ensure that your target groups are Internet users. Or, you have to be sure that the target groups buy the products you have chosen.

From the research, most of people who use Internet are in the age range between 20-39 years old, which come from IT and commerce area. Most of them reside in Bangkok and suburb area. The popular products sold on the Internet are books, IT products, and electronic devices.

For example, the surinthaisilk.com can be considered as non-successful site. According to Truhits.net (22 February 2002), the unique visitor of SurinThaisilk is zero while Kudson is 705. The unique visitor is calculated from the IP-address in a period of time. It is the total number of different IP-address in a period of time. This can illustrate the lower bound of the number of people who use that website.
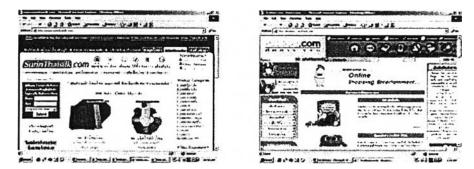

Figure 7.1: Surinthaisilk.com and Kudson.com

This may come from the reason that it selects a wrong product and a wrong target group. According to Internet User Profile of Thailand (NECTEC, 2001: 76), only 1.83% buy cloth on the net. The groups of people between 20-39 years of age are mostly use Internet, it seem that they rarely use Thai silk. Moreover, the product does not get along with the product selection guide. Since, silk has plenty of styles as well as textures.

In contrast, Kudson, which decides to sell books, tapes, CDs, toys, VCDs and IT products, is also ranked in top twenty in truehits.net. It sells the product that target groups are between 20-39 of age would buy. Moreover, it gets along with product selection guide. It offers the product with specific models. The products are small and not too expensive. The target group is also similar to Tohome's target group. Tohome

offers the popular product to sell on the net. After browsing Tohome web site, you will find that Tohome products also conform to product selection guide.

7.1.2 POSITIONING THE PRODUCT

The positioning of the product should focus on the broad positioning as inexpensiveness and convenience. The value positioning should focus on one of the Same for Less, Less for Much Less, and More for Less. The specific positioning should focus on one of the eight attributes. And, we should maintain adequate level of performance for the other attributes. You should focus on the delivery service and the price of the product since it is the most important attribute. Next you may look at the security, then, the product variety, after sales service, payment method, and special promotion factors. The leasing can be considered as the final issue to emphasise on.

7.1.3 USE BRAND MAPPING MODEL TO EXAMINE THE WEBSITE OFFERING

After you have selected the product and target customer, you should take a look at the brand map model in Figure 5.7.

Since, this brand mapping will illustrate the major factors that the people are concerned with when he uses the Internet purchasing. You may use these factors to examine your site the positive and negative associations. Try to encourage the positive associations, while eliminate or reduce the negative associations.

Comparing the two websites in Figure 7.3 with Tohome, it seems that palmconcept.com on the left can be consider as non-successful site since it gets bad ranking in Truehits.net and has very few unique visitor, although it sell IT product. Kundson.com is on the right, which is in Top twenty in truehits.net.

Figure 7.2: Palmconcept.com and Kudson.com

Online Retailer: All of them, Palmconcept, Kudson, and Tohome, are online retailers. It means that they offer the same product core.

Inexpensiveness: Kudson provides many functions to illustrate its inexpensiveness. It offers some discount and specified that the product is cheap as well as Tohome, while Palmconcept does not mention about its cheap product.

Convenience: Kudson provides many functions to show the scent of convenience, like variety of delivery methods, instruction to shopping the site, as well as Tohome, while Palmconcept does not mention about the convenience.

Product: All of them sell well-known and popular products. But, Palmconcept offers lower product variety, it sell only palm, than the others.

Security System: Both Kudson and Tohome offer the security system like encryption to ensure safety and explain about their security on their site, while Palmconcept does not mention about it.

Payment System: Both Kudson and Tohome offer variety of payment systems, while Palmconcept does not mention it on the site.

Money management: In this case, only Tohome offer money management. However, this can be considered less important issue comparing to the other attributes, since not many people use it.

Low price product: Both Kudson and Tohome offer low price products while Palmconcept does not mention that its product is low price.

Sales promotion: Both Kudson and Tohome offer sales promotion. Kudson also offer a discount when using SCB (Siam Commercial Bank) virtual card, a free delivery

cost for a purchasing of 300 Baht and over, and many more, while Palmconcept does not offer anything.

After sales service: All of them offer warranty and E-mail contact for services.

Logistic: Both Kudson and Tohome evidently claim that they will send the product to the customer's home/office, while Palmconcept does not explicitly mention about it.

The summary is shown is Table 7.1.

Table 7.1: The comparison between Tohome, Kudson, and Palm concept

Core	Tohome	Kudson	Palm concept
Unique visitor (22 Feb 2002)	1066	705	17
Online Retailer	True	True	True
Benefits			
Inexpensiveness	True	True	False
Convenience	True	True	False
Attributes			
Product	Popular product	Popular product	Popular product but low variety.
Security System	Encryption, Split the credit card number.	Encryption	No
Payment System	Variety	Variety	Does not mention. (You have to contact them by e-mail for more information
Money management	True	False	False
Low price product	True	True	Does not mention.
Sales promotion	True	True	False
After sales service	True (Warranty and e-mail contact)	True (Warranty and e-mail contact)	True (Warranty and e-mail contact)
Logistic	Delivery service	Delivery service	Does not mention. (You have to contact them by e-mail for more information

In this case, you have to offer these attributes as much as you can. You will find that the successful website offer most of these attributes.

7.1.4 ESTABLISHING THE BRAND IDENTITY

The establishing of brand identity allows customer to remember and notice the website. Firstly, the name should be selected according to the rule of proper name and the brand map. Try to make the name related to the positive associations or remind of its positive attributes. Apart from the name, you can use Kotler's tool to build brand identity to strengthen the positive association. According to Tohome, its name is conformed to most of the rule of proper name. Tohome also conforms to Kotler's tool to build brand identity as follow.

Owned word: Tohome is linked to convenient and cheap.

Slogan: Tohome's slogan is shopping 24hrs, lowest price.

Colours: Tohome always uses blue and white.

Symbol and Logos: Tohome's logo uses the word Tohome to illustrate the feeling of shopping at home.

7.1.5 RUN PROMOTION CAMPAIGN

In order to run an advertising campaign to communicate the benefit of the site as well as to establish customer familiarity, we should examine the guide in running the campaign below.

- A brand that has high familiarity but low esteem is a troubled brand. This means that people know the brand of the product, but he does not know the benefit he will get from the product or the product does not offer a good benefit. In this case, we should go back to step examine step 1,2,3 in this guideline.

- A brand that has high likeability but low familiarity needs heavy advertising campaign. Even though a website offers a good benefit, if the customer does not know that the site exists, he/she will not use it.

- A brand that has high vitality but low stature needs heavy advertising campaign. Even though a website offers a good benefit, if the customer does not know the benefit that the site gives, he/she will not use it.

- A brand whose differentiation and relevance are slipping will start losing esteem and then familiarity. The site that losing the differentiation will finally lose esteem and then familiarity. We should examine the site by examining the step 1,2, and 3 in this guideline.

Apart from offline advertising, it seems that the most popular tools are an advertising banner and an E-mail marketing. As for advertising banner, it seems that the good locations to place the banner are at the top of the page and mix with the text in the middle of the page. The bigger banner is better but it should not make the page look ugly. Try to make an animate banner and avoid using pop up window. For E-mail marketing, only send the mail to the target person only and description on the mail should be attractive.

You will find that Tohome is a new brand. It offers good benefit. But, it lacks of familiarity and stature. So, it needs advertising. You will also find that Tohome uses both offline and online promotion channel. And finally, you will find from the questionnaire that Tohome can communicate the benefit to the customer, since the customer thinks positively toward Tohome.

7.1.6 CONCLUSION

You can find that the steps of the guideline similar to Kotler's steps. The summary of the difference between the guideline and Kotler's steps is illustrated in Table 7.2.

Table 7.2: The difference between the guideline and Kotler's step

The guideline	Kotler's steps	Reason
1. Define target group and product that we want to sell on Internet	-	Not every product can be sold on Internet as well as not every people use Internet nowadays. In Kotler's step, it does not mention about this step. However, we have to examine the product and the user. Otherwise, the web site may fail as you can find in the example.
2. Positioning the product	Choose a broad positioning, a specific positioning, and a value positioning	The same with Kotler, but the reason to buy can be delivered from brand map in Figure6.1 because the research show that people shopping on the Internet are concerned with the attributes in brand map shown in Figure6.1.
3. Use brand mapping model to examine the website offering	Develop a total value proposition	To find out the reason to buy the product, Kotler compares between product offering and cost for acquiring. We have known from the research that people shopping on Internet are concerned with the attributes in brand map shown in Figure 5.7. This section will analyze each attribute to illustrate the reason to buy the product.
4. Establishing the brand identity	Choose a brand name, Building brand identity by using tools for building brand identity to encourage the positive associations.	The idea for establishing the brand identity is the same for online and offline. We can adopt the suggestion from Kotler in the guideline. However, the law of proper name can also be used to make the guideline more effective.
5. Run promotion campaign	Advertising	The main reason for advertising is the same for online and offline. The conclusion from Young and Rubicam that exhibit the idea to run advertising are concerned with four situations. We can adopt this conclusion in the guideline. However, we have to be concerned with the new media: E-mail marketing and Online advertising banner.

7.2 CONCLUSION

In order to develop a brand name for Thai commercial websites, every step in the research procedure are followed. Firstly, The study of related literature and book could be found in the literature survey and the brief introduction of brand name management theories as presented in Chapter 2. In order to apply the brand name management theory with the commercial websites and establishing a guideline to formulate a strategy to build a successful commercial website, the study of characteristics of Thai's commercial websites is established. It is done by studies the Internet User Profile of Thailand and establishes a questionnaire. We have found that most of Internet users are from IT and commerce area. The popular products sold on the Internet are books, IT products, and electronic devices. Then, we select Tohome as a case study to find out the important factors in developing a brand name. After considering the main steps in developing a strong brand name from Kotler (1999), the way to establish a brand name is concerned with three factors, product offering, building brand identity, and promotion. The study of a case study as well as the use of a questionnaire allows us to create a guideline for product offering. Then the product offering can be used to establish brand identity. The study of case study shows that the effective ways to promote the website are to use both offline and online advertising. According to an online advertising, the widely use methods are an advertising banner and an E-mail marketing. The questionnaire is used to find out the way to use these methods properly. After considering the case study, Kotler's guideline (1999), and some other marketing theories, the guideline in establishing brand name for Thai commercial website is created. You will find that it is quite similar to Kotler's guideline (1999) except the product offering is a little different. Since the other two factors are use to communicate the benefit to the customer, this allows the way to create brand identity is nearly the same. You will find that NIKE products offer the same identity, logo when it is online and offline. The use of advertising channel is different since it also has the online

channel and two methods of online advertising are examining in this research. Finally, the guideline is established.

7.3 LIMITATION AND SUGGESTION FOR FURTHER IMPROVEMENT

This research allows you to understand the customer behavior toward the use of commercial websites, as well as the way to building brand for commercial websites. However, there are some limitations due to the scope of commercial websites, target product and customer group specified in this research. This is based on Internet User Profile of Thailand 2000 (NECTEC, 2001). So, we can conclude that

- The guideline is only for online-retailer. The other kinds of websites may not properly use this guideline.

- The research is based on the opinion from the survey of the people in science, IT, technology and commerce area.

- The research is based on the opinion from the survey of the people in Bangkok and suburbs area.

- The research is based on the opinion from the survey of the highly educated people. (Bachelor degree and over)

- The research is based on the opinion from the survey of the people in the age of 20-39 years.

The further improvement can be done if the changing in marketing trend occurs as follow.

- The research about customer perception toward the other kinds of websites can be done to find out the guideline for building a brand name for other kind of websites.

- Since most of Internet user nowadays are limited to the IT and commercial related field. In the future, the people from the other groups may increase.

This allows us to do a research based on the new target groups. This will also affects the target product groups.

- In the future, the use of Internet may expand to the up country areas. This enables us to do research concerning the sample from the up country area.

- In the future, the under bachelor degree's person may shop on Internet more. This enables us to do a research concerning the sample from these groups of people.

- In the future, the person from the other ages may shop on Internet more. This enables us to do a research concerning the sample from the other ages.