

Development of a Value Creation Model for Teak Wood Products among Entrepreneurs in Phrae Province, Thailand

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Abstract

Value addition has become a critical strategy for enhancing competitiveness in the wood product industry of Thailand, particularly as market competition shifts from cost-based to value-based paradigms. However, existing research has largely examined the roles of product identity, marketing strategy, design quality, and perceived value in isolation, with limited integration of these factors into a unified structural model—especially within the context of teak wood products in Phrae Province of Thailand, a major teak production and processing hub in Thailand. This study aims to develop and empirically test a structural model of value creation for teak wood products by examining the direct and indirect relationships among product identity, marketing strategy, design quality, perceived value, and value addition. A sequential explanatory mixed-methods design is employed, comprising a quantitative survey of approximately 400 consumers with experience in purchasing or using teak wood products, analyzed using Structural Equation Modeling (SEM), followed by in-depth qualitative interviews with 15–20 entrepreneurs, product designers, and marketing experts to contextualize and enrich the quantitative findings. The study is expected to contribute a comprehensive structural model that elucidates the mechanisms of value creation for culturally based products, while offering practical guidelines for entrepreneurs and policy recommendations for strengthening Thailand's creative and teak wood product industries.

Keywords

Value Addition; Product Identity; Marketing Strategy; Design Quality; Perceived Value.