

Guidelines to Create Opportunities for Upgrading of the Original Equipment Manufacturer to the Original Brand Manufacturer

By

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Abstract

The original equipment manufacturer faces the problem of increasing production costs, the number of production base relocations has increased, and a lack of ability to create brands which leading to the need to upgrade to brand ownership. The purpose of this research was to study the approach of guidelines for creating opportunities of the original equipment manufacturer to the original brand manufacturer; mixed-methodology research; quantitative and qualitative research employed in this study. The quantitative data: from a questionnaire of 500 the Thailand Trust Mark Certify using statistical tests of descriptive analysis, inferential analysis, and multivariate analysis. This research shows guidelines composed of 4 aspects. The most important item of each aspects are as following: 1) Brand Commercial ($\bar{X} = 4.67$), 2) Marketing Ecology ($\bar{X} = 4.60$), 3) Product Innovation ($\bar{X} = 4.54$), and 4) Transformation Process ($\bar{X} = 4.43$) The analysis of the developed structural equation model showed that it was in accordance and harmony with the empirical data and passed the evaluation criteria. Its Chi-square probability level, relative Chi-square, the goodness of fit index, and root mean square error of approximation were 0.056, 1.124, 0.947, and 0.016, respectively.

Keywords: Structural Equation Modeling, Brand Building, OEM, OBM

Introduction

The International Institute for Management Development (IMD), which ranks 63 nations' competitiveness globally in 2022, indicates a decline in the nation's competitive ability which Thailand is ranked 33rd in terms of competitiveness, a 6-rank drop from 2021, particularly in terms of economic performance, which has fallen 13 ranks as a consequence of issues with both domestic and international trade (IMD, 2022). In addition, the international situation is evolving more rapidly and complexly than in the past. The "Middle Income Trap" is one of the elements influencing the economic structure in particular. Thailand has historically been considered as a nation with a middle-income status. The country's economy as a whole also failed to advance to the level of a high-income country. More than USD 12,235 is the Gross Nation Income per capita or GNI per capita (approximately 428,225 baht per capita per year, Calculated at an exchange rate of 35 baht to one US dollar). In addition, Thailand is categorized as a Developing Country, which normally demands a per

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capita national income of \$766 to \$9,375 (World Bank, 2021).

Hence, in accordance with the strategic goal of transforming Thailand a high-income nation, government agencies have established a policy in National Strategy in order to enhance the nation's competitiveness (Office of the National Economic and Social Development Board, 2018). A strategy for the development of the Thai Industry has been developed by the Ministry of Industry with the objective of fostering and growing entrepreneurs' capability to be powerful and competitive on the global market. This is the key to achieving the government's objectives of high-income nations by 2027 (Ministry of Industry, 2019). Nevertheless, a number of issues have hampered the competitiveness of Original Equipment Manufacturer (OEM), including a rise in the minimum wage (Ministry of Labor, 2021), an increase in fuel costs (Ministry of Energy, 2021), and the cost of raw materials (Ministry of Commerce, 2021), as a result, international investors relocated their manufacturing plants from Thailand to countries with cheaper production costs (BOI, 2021). In addition, the potential to establish a Thai branded product is insufficient. This is demonstrated by the fact that only eight Thai brands have been recognized among the most prominent brands in Asia (World Brand Lab, 2021). It demonstrates that the capacity to construct a Thai brand is insufficient, resulting in a lack of opportunities for product innovation development (Lee, Song, & Kwak, 2015). As a result, Original Equipment Manufacturer OEM needs to transform and upgrade their model to Original Brand Manufacturer (OBM). According to Stan Shih (1996), under the Smiling Curve model, the Original Brand Manufacturer (OBM) may generate more added value by branding themselves in order to develop future competitive opportunities.

There was a knowledge gap that was not discovered by Mix Methodology Research, which employed the Structural Equation Model (SEM) approach to analyze the path analysis of the variables of Marketing Ecology, Transformation Process, Product Innovation, and Brand Commercial.

As a result, the researcher comes up with the idea of researching the elements and developing a structured equation model of guidelines to create opportunities for upgrading of the Original Equipment Manufacturer to the Original Brand Manufacturer.

Literature Review

This research contains concepts, theories, and research on the elements of the Original Brand Manufacturer, it is comprised of the following elements:

1. Marketing Ecology

The contemporary business environment has shifted (Tiffany & Peterson, 2022), the manufacturing and merchandising are in highly competitive marketplaces or red oceans (Kim & Mauborgne, 2015), leading consumer demand is less than supply, as a result, organizations require understand the factors of demand and customer satisfaction by analyzing and assessing market environment elements. Furthermore, organizations that want to be successful in marketing should have data or marketing information (Zanella, Cillo, & Verona, 2022) in order to benefit the organization in terms of strengthening its capabilities in comparison to competitors, establishing guidelines for the organization's strengths and future problems, and appropriately preparing marketing plans and marketing mix methods (Shen, Yeh, & Lin, 2022).

Marketing environment is divided into two primary groups as are the following details (Kotler, Keller & Chernev, 2022):

1) Internal Environment, it is a circumstance that arises within an organization which may be controlled and has an effect on operations, consists of:

1.1) Marketing Mix; *Product*: An item that provides to meet the demands of its customers, it should stand out above competitors, *Price*: Customers' worth as well as a reflection of an organization's ability to generate profits, *Place*: A delivery of products and services so that consumers may obtain them conveniently and speedily, *Promotion*: A marketing strategy that use a variety of advertising communications.

1.2) Other factors: *Staff*: The one who substantially contributes to the organization's operation by applying skills, knowledge, and the potential to undertake activities in order to achieve organizational goals; *System*: Focusing on operational procedures that satisfy customers' requirements is crucial for businesses to maintain steady, enduring relationships with customers. Modern technology and operational procedures should be applied in product creation and manufacture; *Efficiency*: An organization's performance is determined by its ability to establish a competitive advantage. Creating a competitive advantage depends on a number of elements, including financial stability, product development and research capability, organization image, operational implements, logistics, and locations.

2) External Environment: The environment is dynamic and out of the organization's control, consequently, the organization needs to be managed properly, which includes;

2.1) Micro Environment (Biginas, et al., 2022): which including *Suppliers*: It is accountable for obtaining adequate inputs for the products in terms of quality, timing, and quantity, which will delivering sufficient quantities to customers on time, *Marketing Intermediaries*: It serves as a connection in the distribution system between the organization that owns the brand and the customer, which the market middleman assists in assembling, selling, marketing promotion, capital, and economics of scales, *Customer*: an organizations should examine demographic, psychological, social, religious, and cultural attributes, *Competitor*: who will have an impact on the organization's operations; therefore, the organization should evaluate its competitors' numbers, strategies, and resources, *Publics*: It is a group outside the organization that may be impacted by how the organization does its business.

2.2) Macro Environment, (Macioszek & Ciesla, 2022) which includes *Demographic*: An organization's target market should be carefully defined in order to presenting the product to the right, *Economics*: Consumer purchasing power is affected by economic conditions which including income levels, savings, cost of living, household debt, and so on, *Natural*: Due to severe disease outbreaks, increased production costs, and climate change, organizations are experiencing a scarcity of production resources, *Technology*: Consumer behavior has changed through time and gotten more complicated as a result of the advancement of information and communication technologies, thus, the organization should develop the system, *Political and Legal*: The organizational operation have to adhere to legal regulations governing organizational management, *Sociocultural*: Culture is the collection of knowledge, beliefs, values, practices, arts, morals, talents, and habits that influence the behavior of people from the same culture. These environments will have an impact on the organization's marketing activities. (Loudon, Stevens, Stevens, & Wrenn, 2005)

2. Transformation Process

Competitive challenges and changing environments have prompted organizations to change and redesign (Mosca, Gianecchini, & Campagnolo, 2021), changing to new ideal

conditions and influence how people function (Nudurupati, Garengo, & Bititci, 2021). Changes could be planned or unplanned (John Newstrom, 2014). When internal and external factors emerge, most businesses develop. (Moradi, Jafari, Doorbash, & Mirzaei, 2021)

Organizational Change are divided into two distinct types; incremental change, and radical change (Balogun & Hope Hailey, 2008; Brandt, Andersson, & Kjellstrom, 2019; Siddiqi, Mirani, Nasim, & Raza, 2022). Furthermore, it was discovered that the types of change are classified according on their coping, they are classified into two types: Reactive Change and Anticipatory Change (Smit, Burton, IKlein, & Wandel, 2000).

There are two types of forces that lead organizations to change:

1) Internal Pressures refers to *Productivity Gap*: The capability and productivity of the remainder of the company and may be leveraged to further develop the organization. *Corporate Life Cycle*: The organization encounters various external factors at different stages while depending on organizational strategies and resources to survive and grow.

2) External Pressures: The organization operates in complicated and rapidly changing environments. As a result, numerous external circumstances have become a driving factor for organizational transformation. Additionally, Johnson and Scholes (1996 cited in Nalakath, & Koshy, 2019; Singh, & Srivastava, 2018) employ PESTLE model, which is the organization's external driving force, comprises of politics (Pan, Chen, & Zhan, 2019), economics (Matovic, 2020), social, technology (Fosher, 2018), legal (Lim, 2020), and eco-environmental factors (Patil, 2018) such as Corporate Social Responsibility (CSR) (Sisaye, 2021) or Green Supply Chain Management (Saeed, et al., 2018).

Robbins and Coulter (2017) stated that organizational change has been divided into three categories: (Option 1): Changes in organizational structure which cover in authority and decentralization or centralization. (Option 2) Changes in Technology which encompasses in process and procedures of work, as well as changes in working equipment, and (Option 3) Changes in Human Resources, which involves changing in attitudes, expectations, perceptions, and behaviors.

Additionally, according to Verhulst and DeCenzo (2021), human resource management should begin with recruiting new employees and continue through employee retention as follows: *Recruiting*: human resource planning, recruitment and selection, probation, and placement; *Training*: It contains a variety of activities which including Orientation: which refers to preparing employees to know and grasp policies, vision, company culture, guidelines, and fundamental procedures, Training: which refers to the development of employees to have work-related knowledge, skills, attitudes, and capacity enhancement. This may be accomplished through both on-the-job and off-the-job training; *Development*: formal education, job experience, relationship, and assessment of personality and ability that prepares the organization for its present operations and future business model modifications, which developing personnel to have specific knowledge and skills in a particular subject (Hollenbeck, Noe, Wright, & Gerhart, 2018); *Career*: Personnel development is the process of preparing employees to advance along a professional path (Career Path) in order to prepare them to work at a more advanced level (Advance) that needs specialized expertise (Specialist); *Motivating*: It begins with evaluating individuals in order to determine their requirements utilizing motivation theory. For example, Abraham H. Maslow's Hierarchy of Needs (Cited in Lussier, 2019) or the Expectancy Theory proposed by Victor H. Vroom (Cited in George and Humphrey, 2021). Accordingly, it may be used in incentive planning to recognize employees for their conscientious, diligent, and disciplined work. (Errida, & Lotfi, 2021); *Employee*

Retention: It refers to the significance of personnel's life and health, (Fahim, 2018). Moreover, personnel communication (Baharin, & Hanafi, 2018). Lastly, as a consequence, the organization will be able to accomplish its goals more successfully (Armstrong, & Mitchell, 2018).

3. Product Innovation

Innovation has become a culture that organizations should employ as a tool to compete and create a competitive advantage over competitors in order to survive (Trott, 2016). Effective innovation management may be identified as an indicator of retaining an organization's position, engaging new customers, and establishing a competitive advantage (Haleem, Kumar, & Luthra, 2018).

An indicator of product innovation (Carayannis, Samara, & Bakouros, 2014) comprises of 1) market demand, 2) customer feedback level, 3) availability of resources and technology to create innovative products, 4) price and value of the product are compared to the pricing of the competitor, 5) it should also comply with all applicable safety, occupational health, and environmental standards, 6) the benefit and function of the organization's product innovation with the products of rivals, 7) product innovation affect the original product 8) the ability to meet the demands of the customer's product usage, and 9) design of the product's exterior packaging in line with the image of product innovation.

The new product development is sub-activity of innovation (Marion, & Fixson, 2021). It is crucial for both customers and organizations, according to Armstrong and Kotler (2016). Since it might assist customers solve problems and satisfy their lives while also being a significant element in business success. As Cooper (2017) discussed the process of generating a new product in a similar way: the process of transforming a new product concept into something that the buyer can afford. The development of new products is thought to generate sustainable business opportunities for manufacturers.

The process of developing new products towards innovation, according to Roberts, Palmer, and Hughes (2022) suggested the co-creation in creating innovative products. Applying the Change Management Theory, which comprises of Step 1: Unfreezing: Preparing the Organization for Change (Nadikattu, 2020); Step 2: Moving: Co-Creation Activities are actions that emphasize the relevance of cooperation among individuals or organizations in order to produce product innovations, as well as collaboration with stakeholders (Leonidou, Christofi, Vrontis, & Thrassou, 2020; Shams, et al., 2020); Step 3: Institutionalizing: It is the process of presenting a new product to the market, introducing an innovative position that is challenging in innovation management, and providing an opportunity for companies to be market leaders (Roberts, Candi, & Hughes, 2017). In addition, Armstrong, and Kotler (2016) outlined the New Product Development process as follows: 1) Creating new concept and idea: The source of new ideas and products comes from the big data (Jagtap, & Duong, 2019) 2) Concept screening: It refers to the process of narrowing down a large number of product concepts to one that is optimum and most likely to create profits; 3) Concept development and testing 4) Marketing strategy development 5) Business analysis: It refers to the evaluation of product costs, sales forecasting, and profit estimating 6) Product development: It refers to the process which the R&D department designs and produces prototype products or models (Iqbal, & Suzianti, 2021) by considering the product's cost, production capabilities, customer safety, and attractive value (Cooper, 2019) 7)Market testing 8) Commercialization, this stage's tools are: advertising, press conferences, sales tests, and post-launch analysis (Seclen-Luna, & Regalado, 2020).

4. Brand Commercial

Branding has evolved into one of the most important strategies for providing organizations with a competitive advantage. A brand serves at least two key functions: 1) A brand represents an organization's commitment to guaranteeing product quality, and a brand helps buyers recall a product when they are looking for a specific product; 2) Brands are responsible for differentiating an organization from others. Moreover, customers can experience the brand by communicating with the Integrated Marketing Communication tool, for instance, advertising, public relations, word-of-mouth, salespeople, and packaging, which after recognition to the brand, the aggregate of impressions is known as Brand Image (Green & Keegan, 2020).

Though, Kotler, Keller, and Chernev (2022) defined the brand's function. It is divided into two sections: 1) Brands' Role for Consumer, 2) Brands' Role for Firm. Building a brand with brand power over other brands by employing Integrated Marketing Communication (IMC) that has become a communication tool between the brand and the consumer. Integrated Marketing Communication is essential in developing brand identity and brand equity in order to be sustainable until it becomes imperative for firms to pay attention and accomplish (Keller, 2013; Belch & Belch, 2021).

David A. Aaker (2012) stated that it consists of three steps: *Step 1: Brand strategy analysis* consists of Consumer, Competitor, and Self-Analysis; *Step 2: Brand Identity Control* which consists of Core Identity, refers to what distinguishes a brand from a competitor's brand, whereas Lastly, *Step 3: Brand Identity Implementation System* consists of 1) Brand Position, where the brand has an advantage over other brands in the same product group; 2) Presenting the brand position through Proactive communication and integrated communication tools; and 3) Tracking and branding evaluation.

Additionally, Kotler, and Keller (2021) mentioned that the process of establishing a great brand, *Step 1: Proposal development* which includes broad brand selection and positioning, brand specific selection and positioning, brand value selection and positioning, and overall brand proposition value development; *Step 2: Branding* which includes brand name selection, developing or defining a brand promise, and managing customer interactions with the brand (Brand Touch).

There are four key elements to brand success (Hunt, Mello, & Deitz, 2021; Kapferer, 2012: 213). 1) Providing the worth of a product in order to gain the positive attention of consumers by using efficient Integrated Marketing Communication techniques (Percy, 2018), 2) Formulating brand image that corresponds to the sentiments of consumers, 3) Forming brand message that is consistent with the brand image through material that is brief, easy to recall, and reminds 4) Follow-up feedback.

Research Methodology

This study is the mix methodology research;

Step 1 Qualitative research: An in-depth interview technique, the population is made up of nine key informants who are divided into three groups: a group of entrepreneurs that were recognized as Exporter Award winners (PM Award) 3 persons, a group of government sector and associated organizations that encourage businesses with brand building 3 persons, a group of academics who have experience teaching brand building 3 persons. The study's scope and subject matter were four elements: Marketing Ecology, Transformation Process, Product

Innovation, And Brand Commercial.

Step 2 Quantitative Analysis: The population consists of 1,280 business executives from organizations that have been certified with the Thailand Trust-Mark symbol (Department of International Trade Promotion, 2021). The criteria of the study kind of elemental analysis or structural equation modeling are used to determine sample size. The sample group size was selected to 500 samples at a Very Good level (Comrey & Lee, 2013). By applying a Multi-Stage Sampling Approach (Babbie, 2020), which includes Cluster Sampling: by dividing business of Original Brand Manufacturer (OBM) into two categories as Durable Goods and Non-Durable Goods. Using Probability Sampling in combination with Simple Random Sampling (Silcharu, 2020).

Instruments for survey research (Survey Research). The researcher developed a questionnaire that is divided into seven steps, which are as follows:

- 1: To study information from books, documents, journals, and relevant research results, including the results of in-depth interviews with nine Key Informants. The content was then analyzed (Content Analysis) to serve as a guideline for creating questions (Item).
- 2: To determine issue and scope of the inquiry based on the study objectives and advantages.
- 3: To construct an initial draft of the questionnaire.
- 4: To distribute the draft questionnaire and evaluation form to five experts with relevant expertise and experience on the subject issue, to evaluate the questionnaire's quality by calculating the consistency index between the question and content or Item-Objective Congruence: IOC approach. The examination of the Conformity Index or IOC values between the questions and the objectives of this research. The IOC value appears to be between 0.80 and 1.00.
- 5: To take the revised draft questionnaire, as proposed by experts and approved by the research adviser, was used to test (Tryout) on populations that are comparable to the population of this research, but not the sole population, with 30 sets of studies (Silcharu, 2020).
- 6: The researcher examined the Discrimination the draft questionnaire that was utilized to perform the experiment (Tryout). The standard deviation analysis in the checklist questionnaire section is between 0.30-0.98. In the section of the question with a rating scale, the correlation coefficient analysis technique (Corrected Item-Total Correlation) is utilized with a value ranging from 0.58-0.93. Furthermore, the Cronbach's alpha coefficient (reliability) is 0.994.
- 7: To revise the questionnaire so that it meets the criteria before using it for data collection.

Step 3: Qualitative research: By utilizing Focus Group Discussion methodologies to validate the model. This study's population consisted of industry professionals who were chosen using a specified sampling process 11 persons with purposive sampling.

Statistical Tools for Analysis

1. Qualitative Research: By conducting in-depth interviews, preparing content analysis.

2. Quantitative Research: This research will analyze general data using Descriptive Statistics, inference statistics with IBM SPSS Program, and structural equation modeling (SEM) will be analyzed via IBM SPSS AMOS Program as follows:

2.1 Descriptive Statistics Data Analysis and Check-List questionnaires, employing frequency technique and then summarized as a percentage for the Rating Scale, utilizing the

mean method, and Standard Deviation (S.D). The open-ended questionnaire applies Content Analysis to summarize the results into a frequency value.

2.2 Structural Equation Model Analysis employs Multivariate Statistic Analysis or Structural Equations Modeling (SEM) development, as well as the sophisticated statistical analysis tool AMOS. Adjustment, he consistency of the model was assessed (Evaluation of Data-Model Fit) until each element or Latent Variable was consistent with the empirical data and met all criteria. Moreover, improving the model using Modification Indices (M.I.), as proposed by Arbuckle (2016), by considering the value of the program results with theoretical theory to exclude some of the incorrect observational variables one by one and then completing a new model processing. Arbuckle (2016) suggested four model evaluation criteria that should be considered: CMIN-p greater than 0.05, CMIN/DF is less than 2, GFI is greater than 0.90, and RMSEA is less than 0.08.

4. Result

4.1 The structure and operational features of an Original Brand Manufacturer was discovered, as demonstrated in Figure 1.

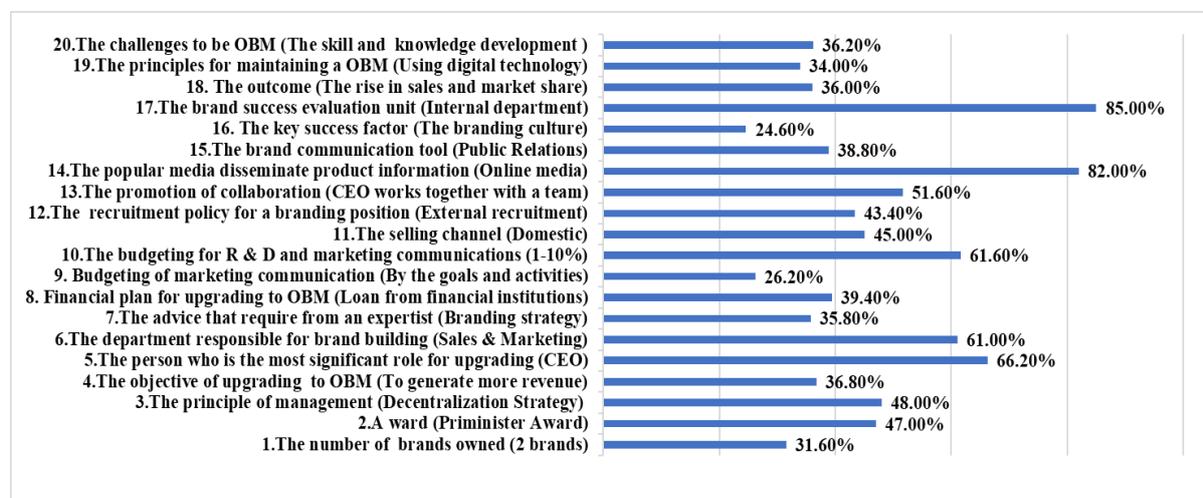


Figure 1: Percentage of the structure and operational features of an Original Brand Manufacturer

4.2 The Significance Level of elements of guidelines to create opportunities for upgrading of the Original Equipment Manufacturer to the Original Brand Manufacturer, in each aspect, which can be sort the scores from highest to lowest.as follows: 1) The element of brand commercial (\bar{X} =4.67; 2) The element of the Marketing Ecology (\bar{X} =4.60) 3) The element of Product Innovation (\bar{X} =4.50) 4) The element of Transformation Process (\bar{X} =4.43), respectively.

4.3 The results of the structural equation model analysis on guidelines to create opportunities for upgrading of the Original Equipment Manufacturer to the Original Brand Manufacturer, which found that the Root Means Square Error of Approximation (RMSEA) of 0.046 was qualified. However, for Chi-Square Probability Level 0.000, Relative Chi-Square (CMIN/DF) was 2.061, and GFI was 0.691 which were not yet qualified for the empirical data conformance evaluation. As a result, the researcher modified the model by considering Arbuckle's Modification Indices (2016), evaluating the value of the packaged program results with the theoretical theory to exclude some observable variables one by one and reprocess the

model, repeat until you have a model with all four statistical values, then, the structural equation model is considered to be complete and harmonious with the empirical data. After the model was modified, the Chi-Square Probability Level was estimated to be 0.056 more than 0.05, and the relative chi-square (CMIN/DF) was 1.124 less than 2. A Level of Goodness-of-fit index (GFI) of 0.947 which was greater than 0.90 and the Root Means Square Error of Approximation (RMSEA) of 0.016 is less than 0.08, respectively. As a result, it is probable to conclude that all four statistics passed the assessment criteria that was consistent with empirical data. It illustrated in Figure 2, Figure 3, Figure 4, and Table 1.

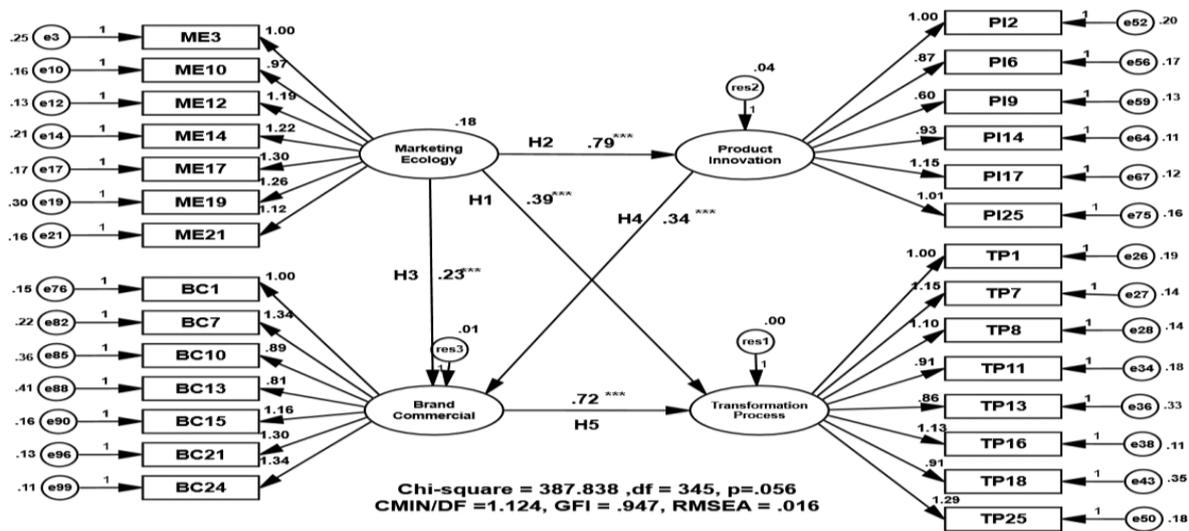


Figure 2: Structural equation model in Unstandardized Estimate mode after model improvement

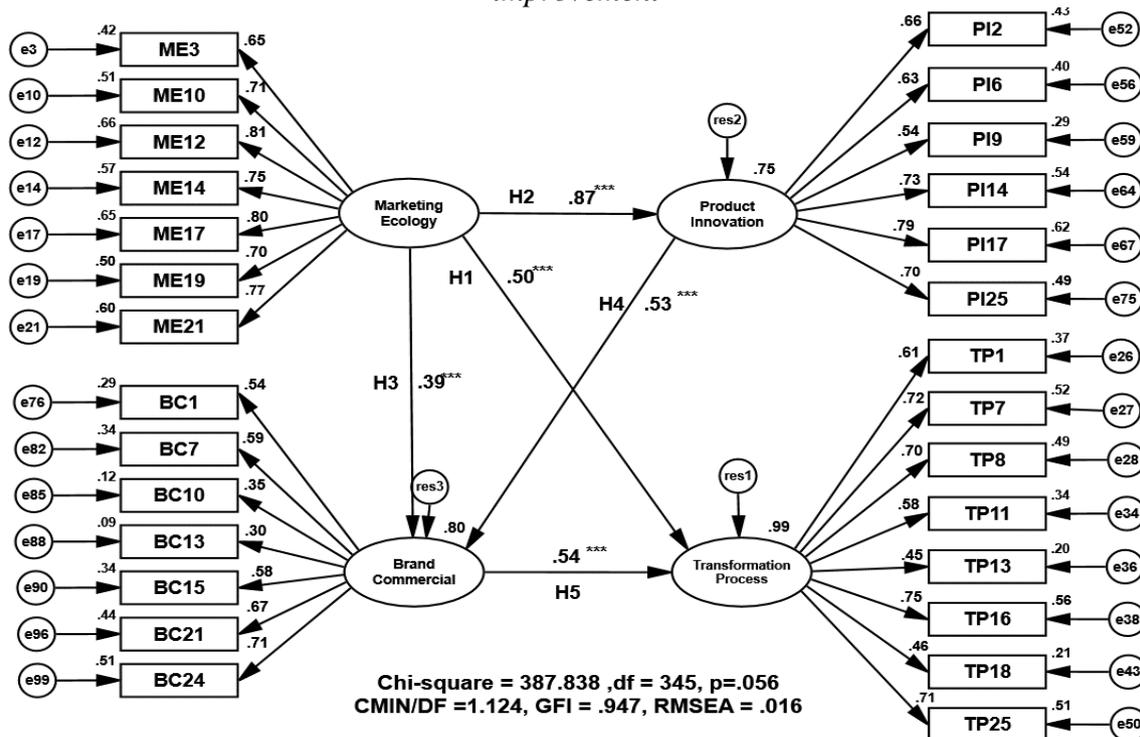


Figure 3: Structural equation model in Standardized Estimate mode after model improvement.

Table 1: Means and weighted values of the observed variables in the structural equation model. (n=100)

Code	Observe Variable	\bar{X}	Estimate		C.R.	P
			Standard	Unstandard		
Marketing Ecology ($\bar{X} = 4.60$)						
ME3	Follow the movement of consumerism and the demands of the target market.	4.55	0.65	1.00		
ME10	Determine competitor brand weaknesses and utilize them as a guideline to satisfy customer satisfaction.	4.61	0.71	0.97	14.05	***
ME12	Consider the effects of trade policy and trade barriers.	4.61	0.81	1.19	15.55	***
ME14	Apply the key success factors of competitors to the organization.	4.54	0.75	1.22	14.74	***
ME17	Investigate the new normal as a guideline for developing a brand in response to the scenario.	4.52	0.80	1.30	15.46	***
ME19	Recognize the issue of religious and ethnic harassment, which may have an impact on branding.	4.42	0.70	1.26	13.91	***
ME21	Seek for prospects for branding with artificial intelligence (AI) technologies.	4.59	0.77	1.12	15.00	***
Transformation Process ($\bar{X} = 4.43$)						
TP1	Define the vision, mission, and goals of your brand-building firm.	4.66	0.61	1.00		
TP7	Create an online employee network to discuss brand ideas.	4.65	0.72	1.15	13.39	***
TP8	Create a clip to describe or explain the brand's viewpoint so that everyone in the organization understands it correctly.	4.66	0.70	1.10	13.08	***
TP11	Create a company culture in which all workers physically, verbally, and mentally agree with the brand's commitments.	4.65	0.58	0.91	11.39	***
TP13	Train staff to think about and comprehend brand stories.	4.53	0.45	0.86	9.14	***
TP16	Examine your workers' understanding of the brand's position.	4.68	0.75	1.13	13.75	***
TP18	Allow staff to make judgments and handle client problems within the scope of authority.	4.53	0.46	0.91	9.24	***
TP25	Distribute organizational development strategies to workers and acknowledge them in order to prepare for the transfer to your own brand.	4.59	0.71	1.29	13.19	***

Table 1 (continued)

Code	Observe Variable	\bar{X}	Estimate		C.R.	P
			Standard	Unstandard		
Product Innovation ($\bar{X}=4.54$)						
PI2	Examine the risks associated with manufacturing innovations.	4.64	0.66	1.00		
PI6	Use a just-in-time raw material ordering system to keep up with production and avoid accumulating raw materials.	4.66	0.63	0.87	12.49	***
PI9	Apply digital technology to assist in the development and creation of innovative products that can assist in the resolution of customer problems.	4.75	0.54	0.60	10.74	***
PI14	Prepare the product design process to be in the form of information in order to be a prototype according to the stated criteria, such as a handbook showing the product design process, etc.	4.69	0.73	0.93	14.07	***
PI17	Set up a standard handbook for product design, manufacture, quality assurance, storage, and delivery in compliance with international standards.	4.67	0.79	1.15	14.99	***
PI25	Focus on providing comments on product performance in order to improve future offerings.	4.62	0.70	1.01	13.64	***
Brand Commercial ($\bar{X}=4.67$)						
BC1	Create an identity for the organization's executives that is unique and different from competitors.	4.77	0.54	1.00		
BC7	Integrate both online and offline media to display a brand with the target of reaching a larger audience.	4.62	0.59	1.34	9.98	***
BC10	Having an influencer helps to spread the word about a firm and influence consumer choice.	4.53	0.35	0.89	6.82	***
BC13	Specify font style and brand tones for effective application and cohesiveness	4.51	0.30	0.81	5.98	***
BC15	Organize marketing activities to stimulate clients' attention and draw them into brand interactions.	4.69	0.58	1.16	10.02	***
BC21	Launch a brand demonstration center for customers to visit.	4.72	0.67	1.30	10.86	***
BC24	Create a brand story by providing agents with a charming appearance and style to grab attention.	4.73	0.71	1.34	11.37	***

*** statistical significance at level 0.001

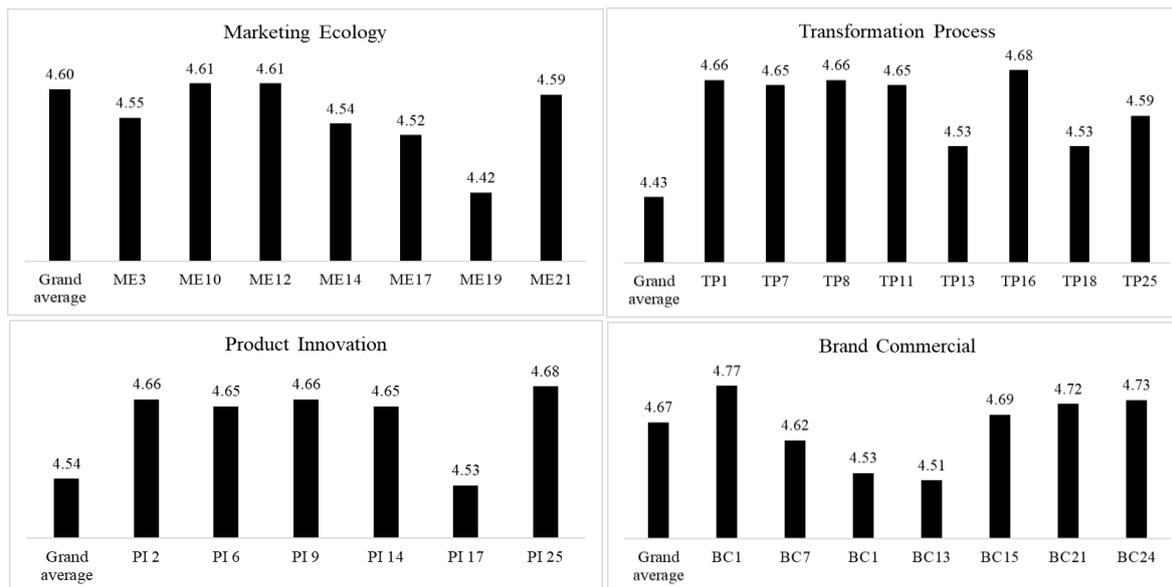


Figure 4 Mean of Latent variable and Observed variable after model improvement.

Conclusion and Discussion

1. The Brand Commercial element was the highest average of 4.67. In terms of Upgrading to the OBM, the organization should focus on brand communication if they want to be recognized by their target audience, as well as building experiences and relationships between brands and present customers. By utilizing integrated marketing communication channels, this will result in brand loyalty (Belch and Belch, 2021), through the following characteristics: 1) Face-to-face contact, 2) Online communication using social media platforms to establish two-way communication between companies and customers, 3) Advertising in different media which advertising helps raise awareness of the product, helps staff connect effectively with target consumers, 4) Public relations, this will increase the product's attractiveness to the general public, 5) Engaging in local and international trade exhibitions by displaying items for clients to examine and learn about in order to generate trial purchases and brand recognition, 6) Sales promotions include discounts, free gifts, free samples, stamp collection, and special price packages; 7) Marketing promotion at the point of sale, 8) Seminars or business observing opportunities are aimed at providing target customers with knowledge and information about the product's features, including technical information, 9) Supporting activities both local and regional levels, 10) Package design which will assist customers make good purchase selections at the point of sale. This is consistent with the research results of Dwivedi and McDonald (2020) on examining the efficacy of brand social media communication, the study found that businesses and brands communicated on social media that may help a company quickly become well-known. It also contributes to the growth of brand quality awareness, and, most importantly, social media communication influences consumer behavior in terms of willingness to pay a price premium for a brand and enhanced consumer brand trust. Moreover, according to the results of a research conducted by Sulaeman and Kusnandar (2020) on Integrated Marketing Communication Model in shaping brand equity and business performance in the industries. The study's results, developing a strong brand is measured in four areas: brand recognition, brand awareness, brand association and brand loyalty that is the consequence of brand promotion with a combination of marketing communication tools. Furthermore, the research found that adopting marketing communication

technology to strengthen brands may help enterprises sell products faster, resulting in increased market share. It also encourages investors who are keen about bringing the brand to market and are prepared to invest in the company. In addition, this is similar with the results of a research on Integrated Marketing Communication and Brand Value Creation conducted by Rahayu and Hendrayati (2021), that studying about Original Equipment Manufacturer and Original Brand Manufacturer employ integrated marketing communication techniques to promote brands to enhance sales and profitability. In other words, when people learn more about the brand, they have a better understanding of it. It also provides customers trust in the company since they are familiar with the brand identity and increases customer satisfaction with branded products over non-branded products. In terms of contributing value to the business, the brand will continue to grow customer loyalty since customers notice the value in the brand as well, leading to higher profits for the business because there is no need to engage in marketing activities by lowering product pricing. They can also establish a premium pricing. Furthermore, it was in accordance with the results of a study conducted by Cvjetkovi, Cvjetkovi, and Stepanov on the role of marketing communications in brand building and organizational empowerment (2021).

2. New Knowledge

As a consequence of the study results, a model for Guidelines to Create Opportunities for Upgrading of the Original Equipment Manufacturer to the Original Brand Manufacturer was developed. Figure 5 indicates how it appears.

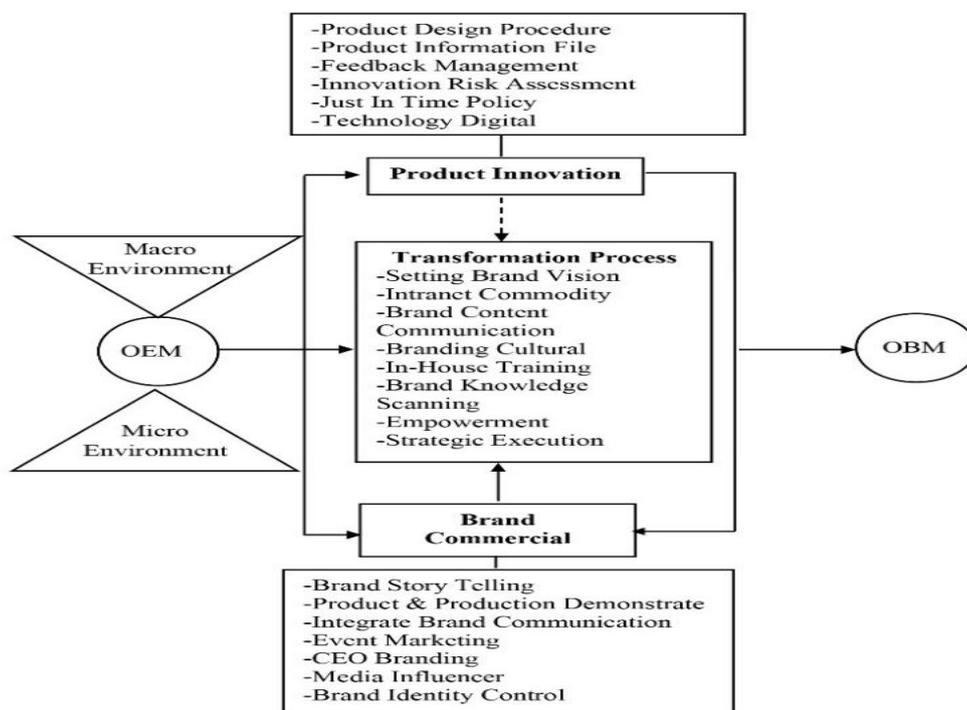


Figure 5 A model for Guidelines to Create Opportunities for Upgrading of the Original Equipment Manufacturer to the Original Brand Manufacturer.

According to figure 3, it represents a model derived from research results. The upgrading of the Original Equipment Manufacturer to the Original Brand Manufacturer which should study the influence of the Marketing Ecology that consists of Micro Environment: Suppliers, Marketing Intermediaries, Customer, Competitors, Publics; Macro Environment: Demographic, Economic, Natural, Technology, Political and Legal, Sociocultural elements (Kotler, Keller & Chernev, 2022; Loudon, Stevens, Stevens, & Wrenn, 2005). The external environmental factors have a direct influence on the development of product innovation which

the product should be able to satisfy daily living demands to be more convenient, or of alleviating physical difficulties, or of improving human life quality to be higher than previously (Armstrong & Kotler, 2016; Cooper, 2017), and then have to take into account the availability and suitability of resources to be used in the development of innovative products to create competitive advantages (Grodgangunt, Lata, & Silpcharu, 2022). In addition, Upgrading of the Original Equipment Manufacturer (OEM) to the Original Brand Manufacturer (OBM), the remarkable new products should be developed (Zhu, Xu, & He, 2019). In terms of internal changes or the Transformation Process, in order to transition into a new organizational model as intended, businesses are frequently forced to adjust their approach to managing and monitoring their resources as a consequence of challenges and market situations (Techakana, 2019). Personnel training and development (Wantanakomol & Silpcharu, 2020) are required for the organization to operate in a stable and sustainable manner (Sananwatananont, Techakana, & Silpcharu, 2022; Johnson & Scholes cited in Nalakath & Koshy, 2019; Singh, & Srivastava, 2018; Pan, Chen, & Zhan, 2019; Matovic, 2020; Patil, 2018; Fosher, 2018; Lim, 2020; Sisaye, 2021; Saeed, et al., 2018). Meanwhile Organizational development towards sustainability requires the development of management processes. human resource management and technology development to create competitive opportunities and corporate sustainability. (Wattanakomol & Silpcharu, 2022). Furthermore, building a commercial brand, brand power, and a focus on developing a brand that stands out from the competitors. An Integrated Marketing Communications (IMC) solution is required, as internet advertising has a large influence on how product information is communicated nowadays (Phumsiri, Bua-In, & Silpcharu, 2020). Additionally, communicating the brand and delivering brand equity to customers, and increasing corporate asset value (Aaker, 2012; Keller, 2013; Keller & Swaminathan, 2019; Belch & Belch, 2021).

Limitation

1. This study is the study of durable goods manufacturing and non-durable manufacturing businesses only.
2. This study only looked at businesses that had a need to upgrade from OEM to OBM. Therefore, the model developed was a specific model for businesses as manufacturers who wanted to have their own brand.

Suggestion for future

1. Subsequent studies should add to the hypothesis of testing the invariance of structural equation models such as business type or size.
2. The developed model should be tested by businesses that want to own a brand.
3. To continue the study from the results of this research. By applying the model developed by Future Research to be a tool to predict, predict and identify potential future trends using the Ethnographic Delphi Future Research: EDFR ethnographic method, and write a summary of guidelines for creating opportunities of the original equipment manufacturer to the original brand manufacturer scenario.

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