DEPARTMENT OF MANAGEMENT AND MARKETING

CREATING AND MANAGING OF BUSINESS STRATEGIES TO ENHANCE BRAND AWARENESS FOR SMES, PARTICULARLY FOR THE HANDICRAFTS SECTOR IN LAOS

BY

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A thesis submitted in partial fulfilment of the requirements for the degree of Master of Business
Unitec Institute of Technology, New Zealand

2015
DECLARATION

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This thesis entitled: “Creating and managing of business strategies to enhance brand awareness for SMEs, particularly for the handicrafts sector in Laos” is submitted in partial fulfilment for the requirements for the Unitec degree of Master of Business.

Candidate’s declaration

I confirm that:

- This thesis project represents my own work.

- The contribution of supervisors and others to this work was consistent with the Unitec regulations and policies.

- Research for this work has been conducted in accordance with the Unitec Research Ethics Committee Policy and Procedures, and has fulfilled all requirements set for this project by Unitec Research Ethics Committee.

Research Ethics Committee Approval Number: 2014-1050

Candidate signature:..................................................Date:..............................

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ACKNOWLEDGEMENTS

The realisation of this master thesis would not have been possible without the assistance and support of a number of people and organisations and I would like to sincerely thank them.

First and foremost, I would like to express my sincere gratitude to my principal supervisor Dr. Andries Du Plessis, whose encouragement, guidance and support as well as his valuable comments from the initial to the final level enabled me to develop and accomplish this research. In particular, his guidance helped me during the time of the research and writing of this thesis. I also would like to thank my secondary supervisor Dr. Asoka Gunaratne for his supports and contributions throughout my study and the research.

Besides my supervisor, my deep appreciation goes to the New Zealand ASEAN Scholars Awards (NZAS) for providing me a great opportunity to pursue a master degree at the Unitec Institute of Technology, New Zealand. This study would not be completed without this support. In addition, I would like to thank to the Unitec staff and professors, especially at the Department of Management and Marketing, the Unitec Learning Centre and the International Student Office for providing me professional and persistent support in many aspects through my academic life. Moreover, I definitely would like to thank the owners or managers of SMEs in the handicrafts sector in Laos who participated in the research which has made important contributions to the completion of the field study research.

I also would like to thank my fellow mates including Lao friends for all the difficulties and the fun we have experienced in the last two years in New Zealand.

Last but not least, I would like to express my heartfelt gratitude to my family including my parents, sisters and brother for their support and encouragement throughout my whole life.
ABSTRACT

In today’s competitive business environment, possessing a strong brand and reputation all become fundamental aspects in all industries and come with the best guarantee of a long-term success. Besides, brand management is as a means to building a strong brand and enhancing business performance of organisations. Yet, effective brand management entails a great effort and long-term process associated with consistency and continuous communication. It requires a considerable amount of resources to implement. This is a significantly challenging issue encountered by many companies particularly small and medium-sized enterprises (SMEs), as it is more difficult for them to cover relevant resources for creating and managing a brand.

This research project is aimed to investigate how brand management is exercised in SMEs in Laos especially in the handicrafts sector and to identify obstacles in building a successful brand for the SMEs. In addition, this research aims to find out what the potential brand strategy is that should be applied by the Lao SMEs in practices. In order to accomplish the purpose and objectives of the research, this study employed a semi-structured interview as a data collection method for a qualitative research approach. A total of 10 participants (the owners or managers of the SMEs) were interviewed in Laos.

Based on the empirical findings, the study has found that commonly SMEs in Laos create their brand identity through the visions and values of business owners. Also, unique and quality of the products and the country of origin are as the key aspects for building and developing brand identity. A majority of the SME entrepreneurs do not have a particular knowledge relating to branding and brand management. The SMEs still face a number of difficulties when creating, developing and managing their brands due to a scarcity of budget and a lack of human resources. Importantly, this research study tested branding practices for the SMEs. As a result, six branding guidelines including a new guideline found by this study are confirmed. These guidelines have the potential to be employed by the Lao SMEs in practice.

Finally, this study has answered all the research questions and achieved the research objectives along with demonstrating the managerial implications, and provides recommendations for SME entrepreneurs and directions for future research.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEC</td>
<td>ASEAN Economic Community</td>
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<td>ASEAN</td>
<td>Association of South East Asian Nations</td>
</tr>
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<td>Lao PDR</td>
<td>Lao People’s Democratic Republic</td>
</tr>
<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>SMEs</td>
<td>Small and medium-sized enterprises</td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS

DECLARATION ........................................................................................................... i
ACKNOWLEDGEMENTS ............................................................................................. ii
ABSTRACT ................................................................................................................. iii
LIST OF ABBREVIATIONS ....................................................................................... iv
TABLE OF CONTENTS ............................................................................................... v
LIST OF TABLES AND FIGURES ............................................................................. ix

Chapter One: Introduction ......................................................................................... 1
  1.1. Introduction ....................................................................................................... 1
  1.2. Background ..................................................................................................... 1
  1.3. Problem description ....................................................................................... 4
  1.4. The aims and objectives of the research project .............................................. 7
  1.5. Research questions ....................................................................................... 8
    1.5.1. Sub-research questions ........................................................................ 8
  1.6. The focus, scope and delimitation of the research ........................................ 8
    1.6.1. The focus of the research .................................................................. 8
    1.6.2. Scope and delimitation ...................................................................... 9
  1.7. Methodology and Data collection .................................................................. 9
  1.8. Structure of the thesis .................................................................................. 10
  1.9. Chapter summary ......................................................................................... 11

Chapter Two: Literature Review .............................................................................. 13
  2.1. Introduction ..................................................................................................... 13
  2.2. Small and medium-sized enterprises (SMEs) ................................................. 13
  2.3. The important roles of the brand ................................................................. 16
  2.4. The role of management towards branding .................................................. 18
  2.5. Brand building in SMEs ............................................................................ 19
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand identity creation in SMEs</td>
<td>20</td>
</tr>
<tr>
<td>Brand management and development</td>
<td>21</td>
</tr>
<tr>
<td>The concept of customer-based brand equity</td>
<td>21</td>
</tr>
<tr>
<td>Brand awareness</td>
<td>23</td>
</tr>
<tr>
<td>Brand image and brand associations</td>
<td>24</td>
</tr>
<tr>
<td>Designing brand marketing programs</td>
<td>24</td>
</tr>
<tr>
<td>Brand elements</td>
<td>25</td>
</tr>
<tr>
<td>Brand marketing communications</td>
<td>26</td>
</tr>
<tr>
<td>Secondary brand associations</td>
<td>27</td>
</tr>
<tr>
<td>Brand management challenges encountered by SMEs</td>
<td>29</td>
</tr>
<tr>
<td>Lack of resources and effective internal processes</td>
<td>30</td>
</tr>
<tr>
<td>Less attention on brand management of SMEs</td>
<td>31</td>
</tr>
<tr>
<td>Practices in brand management and building a strong brand for SMEs</td>
<td>32</td>
</tr>
<tr>
<td>Guidelines for building a strong brand for SMEs: the view of Keller</td>
<td>33</td>
</tr>
<tr>
<td>Guidelines for building a strong brand for SMEs: the view of Krake</td>
<td>35</td>
</tr>
<tr>
<td>Chapter summary</td>
<td>36</td>
</tr>
<tr>
<td>Chapter Three: Research Methodology</td>
<td>38</td>
</tr>
<tr>
<td>Introduction</td>
<td>38</td>
</tr>
<tr>
<td>Research studies on branding and brand management in SMEs</td>
<td>38</td>
</tr>
<tr>
<td>Research methodology</td>
<td>41</td>
</tr>
<tr>
<td>Research design</td>
<td>42</td>
</tr>
<tr>
<td>Quantitative and qualitative research approaches</td>
<td>43</td>
</tr>
<tr>
<td>Quantitative research approach</td>
<td>43</td>
</tr>
<tr>
<td>Qualitative research approach</td>
<td>44</td>
</tr>
<tr>
<td>Rationale for a qualitative approach to the research</td>
<td>45</td>
</tr>
<tr>
<td>Method of data collection and data analysis</td>
<td>46</td>
</tr>
<tr>
<td>Selection</td>
<td>46</td>
</tr>
<tr>
<td>Sample for semi-structure interviews</td>
<td>47</td>
</tr>
<tr>
<td>Selection processes of the participants</td>
<td>48</td>
</tr>
</tbody>
</table>
3.6. Data collection: Semi-structured interviews .........................................................48
  3.6.1. Pilot study ........................................................................................................49
3.7. Data analysis ........................................................................................................50
3.8. Validity and reliability ........................................................................................52
3.9. Ethical considerations ..........................................................................................53
3.10. Chapter summary ...............................................................................................55

Chapter Four: Empirical Findings ..............................................................................56
4.1. Introduction ...........................................................................................................56
4.2. Interviews analysis ...............................................................................................56
  4.2.1. The enterprise’s core values...........................................................................57
  4.2.2. Brand knowledge ...........................................................................................59
  4.2.3. Brand distinctiveness ......................................................................................61
  4.2.4. Brand elements ..............................................................................................62
  4.2.5. Management and Marketing activities ...........................................................63
  4.2.6. Branding barriers ..........................................................................................65
  4.2.7. Secondary brand knowledge and associations .............................................67
  4.2.8. Brand development .......................................................................................69
4.3. Chapter summary .................................................................................................73

Chapter Five: Analysis and Discussion of the Findings .............................................76
5.1. Introduction ..........................................................................................................76
5.2. Discussion and proposition development ............................................................76
  5.2.1. The enterprise’s core values.........................................................................77
  5.2.2. Brand knowledge .........................................................................................78
  5.2.3. Brand distinctiveness .....................................................................................79
  5.2.4. Brand elements .............................................................................................80
  5.2.5. Management and Marketing activities ..........................................................81
  5.2.6. Branding barriers ..........................................................................................83
5.2.7. Secondary brand knowledge and associations ........................................... 84
5.2.8. Brand development ................................................................................. 86
5.3. Chapter summary ...................................................................................... 94

Chapter Six: Conclusions and Recommendations ............................................ 97

6.1. Introduction .................................................................................................. 97
6.2. Conclusions ................................................................................................. 97
  6.2.1. Sub-research question one ................................................................. 98
  6.2.2. Sub-research question two ................................................................. 99
  6.2.3. Sub-research question three ............................................................... 100
  6.2.4. Sub-research question four ............................................................... 100
  6.2.5. Sub-research question five ............................................................... 101
6.3. Managerial implications and recommendations .......................................... 103
  6.3.1. Managerial implications ............................................................... 103
  6.3.2. Recommendations ........................................................................... 104
6.4. Limitations and Directions for Future Research ....................................... 106
  6.4.1. Limitations ....................................................................................... 106
  6.4.2. Directions for Future Research ....................................................... 107
6.5. Chapter summary ...................................................................................... 107

REFERENCES ................................................................................................. 109

APPENDICES ................................................................................................. 115

Appendix 1: Semi-structured interviews ....................................................... 115
Appendix 2: Information for participants ..................................................... 117
Appendix 3: Participant consent form ............................................................ 119
Appendix 4: Organisation consent form .......................................................... 121
LIST OF TABLES AND FIGURES

TABLES:
Table 1: The significant functions of the brand for the consumers and manufacturers........17
Table 2: Comparison of brand building and brand management in large organisations and
SMEs........................................................................................................................................28

FIGURES:
Figure 1: A model of the creation of brand identity and brand image of the SMEs in Laos...99
Figure 2: A conceptual model of branding guidelines or practices for managing and
developing the brand of the SMEs in Laos........................................................................102
Figure 3: A conceptual framework of the process for creating a strong brand for the SME.106
Chapter One: Introduction

1.1. Introduction
This chapter introduces the conceptualisation and area of the research study. It begins with a discussion of the background to the research title. Then, the problem of the research is illustrated and it is followed by the research aims and objectives as well as the research questions. In addition, the focus, scope and delimitation of the research are demonstrated. The chapter concludes with the data collection method and an outline of the thesis structure.

1.2. Background
In today’s competitive business environment, organisations always put their greatest effort to influence consumers into purchasing their products and services. In doing so, the organisations have to differentiate themselves from other brands and competitors; especially they need to convince the consumers that their products and services provide more values than other organisations. Keller (2013) illustrates that it is more difficult to persuade customers with traditional ways of communications than it used to be due to the vast number of available sources. Customers are finding it easy to consult and collect relevant information from advanced technology tools and media (Kotler & Keller, 2012). Another issue is the proliferation of new products and brands in the market. As a result, creating a strong brand has been extensively discussed, particularly the value and the significant impact the brand has on individuals and organisations (Ferrell & Harline, 2014; Kapferer, 2012).

As described by De Chernatory, McDonald, and Wallace (2011), brands are one of the most valuable assets of companies. Having a successful brand can increase profitability by adding value for the products and companies that entice and influence consumers to purchase. According to the American Marketing Association (2014) and Ferrell and Harline (2014), a brand is described as a ‘name, term, design, symbol, or any other feature that identifies one manufacturer’s product or service as distinct from those of other sellers’. Nevertheless, several practicing managers refer to a brand as more than creating a name, logo and symbol for a product, as the value of the brand is mainly related to creating a substantial amount of awareness, prominence and reputation in a marketplace (Keller, 2013). Also, Kapferer (2012) demonstrates that in recent years brand awareness, image, trust and reputation, have all
become fundamental features in all industries and come with the best guarantee of long-term success and future earnings for the business. Based on Ferrell and Harline (2014), the main advantages of creating brand awareness and having a reputable brand are highlighted as product identification, product acceptance, enhanced self-image and product loyalty.

Regarding the value creation of a brand, a reputable brand has a significant influence on customers’ decision making and can build a relationship with target customers (Keller, 2013). The customers will have emotional and attitudinal attachments to brands. In particular, brand loyalty is considered as one of the most common forms of customer brand value. Customers will have a positive attitude toward a brand and this influences customers to have a consistent preference for that brand over other competing brands (Ferrell & Harline, 2014; Kapferer, 2004). In essence, creating brand awareness and a strong brand brings a significant element for organisations as it increases values, profitability and competitive strength of the businesses.

Building a strong brand is a key element for several companies, given that the brand produces and increases a competitive edge and sustainable growth of the companies (Kotler & Keller, 2012). Brand management plays an essential role in building a strong brand, implementing marketing activities and enhancing business performance of organisations (Keller, 2013). However, effective brand management involves considerable aspects and components, and it requires a great effort and long-term process associated with consistency and continuous communication (Keller, 2008; Kotler & Keller, 2012). Due to the complexity of creating and managing the brand, it requires a considerable amount of resources to implement. This is a significantly challenging issue encountered by many firms, particularly small and medium-sized enterprises (SMEs) as it is more difficult to cover this amount of resources in creating and managing a brand. According to Krake (2005), SMEs play a crucial role in the development process for many countries, yet SMEs still face a number of difficulties associated with business development and brand management.

Small and medium-sized enterprises (SMEs) are distinct from large companies in terms of capabilities, resources and skills, as well as having their own particular characteristics and abilities to grow in a market. With regard to the key role of SMEs, SMEs play a significant role in enhancing national economic development in several nations, even more importantly in the least-developed countries such as Laos (United Nations, 2012). SMEs are fundamental
for poverty reduction and graduation from the least-developed country status. In Southeast Asian Nations including Laos or Lao PDR, SMEs in the region employ approximately 75-90 percent of the domestic workforce. They have strategic roles to play in the development of the private sector, employment creation and support to large enterprises (Tambunan, 2009). Salze-Lozac’h, Winijkulchai, and Wong (2014) argue that SMEs not merely play significant roles in employment generation, revenue creation and domestic investment, but they also have the capacity to innovate and develop new products that would continue to stimulate economic growth.

Bihler (2014) demonstrates that apart from the large companies in the mining and hydropower in Laos, currently SMEs are the key contributors to the average annual 8% GDP growth rate and particularly in 2013 they provided 63% of all employment. This significant point is also supported by Southiseng and Walsh (2010) underlining that having an increase of SMEs development leads to contribution of job growth and overall GDP growth of the country. However, approximately 80,000 enterprises in Laos of which more than 97% are SMEs, are less developed than SMEs of other ASEAN members (Bihler, 2014).

Management abilities and process including the role of employees and internal organisational structure are the key drivers to enhance entire performance of SMEs (Horan, O'Dwyer, & Tiernan, 2011). In particular, the owners or managers of SMEs play a vital role in determining and administrating the internal structure of their organisations (Krake, 2005). A case in point in SME management style in Laos, Southiseng and Walsh (2010) find that most of their management styles usually concentrate on short-term objectives as profit-based due to a lack of business skills, financial support and human resources. Gundala and Khawaja (2014) underline that the owners and managers of SMEs have a direct connection with the company brand. They frequently represent personification and identity of the brand and communicate the brand both internally and externally (Krake, 2005). Thus, in order to create and develop a successful brand, owners or managers should have a clear vision and direction. They need to build a strong brand to be able to effectively compete locally and internationally (Lassen, Kunde, & Gioia, 2008). This attempt could enhance business performance and achieve a long-term growth in a market.
When discussing about brand management issues in SMEs, it is broadly discussed in large companies and well-known brands, but not much attention is paid to SMEs (Berthon, Ewing, & Napoli, 2008; Krake, 2005). Branding and brand management is even more important for SMEs, particularly in the least-developed country such as Laos. It is believed that if SMEs have dynamics and effective practices of brand management, the expansion of customers and markets, the growth and development of their businesses could increase in speed. Moreover, it is also expected that the results of this study would bring practical and useful guidance for SMEs in Laos to achieve long-term success and sustainable growth in the marketplace.

### 1.3. Problem description

The Lao People’s Democratic Republic (Lao PDR or Laos) is in a period of dynamic change. Economic growth has been robust, averaging 7.5% since 2006. The government of the country has always put a great effort into moving Laos from the ranks of the least-developed countries (LDCs) to a developing country by 2020 (United Nations, 2012). In addition, Laos endeavours to advance on social development and accelerate substantial progress through a variety of developing activities in achieving the Millennium Development Goals (MDGs). Therefore, in an attempt to accomplish the development objectives, Laos has identified the country’s key potentials and then specially focused on five core sectors. Local handicrafts is one of the five (UNESCO, 2012). The handicrafts business sector has also been identified by the current Lao National Development Plan as being one of the priorities of the development plans and as having high economic potential that leads to sustainable economic growth.

In addition, the upcoming of an international integration as the ASEAN Economic Community (AEC) is of decisive importance for the economic development of Laos. The AEC could offer great potential for Laos by increasing the opportunities and developing the access to the regional and international markets (Das, Menon, Severino, & Shrestha, 2013). Nevertheless, the opportunities of the AEC also come with a number of difficulties for enterprises. Due to an increase of liberalisation of the community integration, enterprises will be faced with growing competition from advanced economies in the region (GIZ, 2014). It is required in the business sector in Laos to have greater awareness, product enhancement and extensive technical knowledge.
Currently, energy, natural and mineral resources are the main exports of Laos, but those only have limited and partial effects on local employment (Salze-Lozac’h et al., 2014). Likewise, according to OECD Development Centre (2014), although the resource-based economy of Laos, driven by forestry, agriculture, hydropower and minerals, is on an impressive growth pathway, relevant development has been uneven and the poverty rate remains widespread. The government has to adopt an inclusive growth model and implement sound strategies to reduce poverty and to ensure the sustainable growth of the country economy. SMEs are the vast majority of the total businesses in Laos and they have been considered as the key contributor to further development in the region (OECD Development Centre, 2014). Additionally, it is expected that fostering the development of SMEs would provide great leverage to ensure the national economy and the integration into the AEC more inclusive and generate sustainable growth (Salze-Lozac’h et al., 2014).

It is well recognised that small and medium-sized enterprises (SMEs) play a crucial role in enhancing socio-economic development in several nations, even more important in the least-developed countries such as Laos (United Nations, 2012). Sisounonth and Kongmanila (2014) illustrate that although the number of SMEs in Laos has been rapidly increasing over the past few years, many SMEs are still experiencing challenging issues in the adaptation to higher business competition and access to finance. Furthermore, most of the SMEs in Laos are not ready for the regional and international integration due to a scarcity of budget and limitation of human resources (Sisounonth & Kongmanila, 2014).

United Nations (2012) explains that in recent years even though new business registrations in Laos is increasing by approximately 20 to 30 percent per year, SMEs still need a sustained boost and need to address potential factors in order to enhance their product brands and competitiveness. This is because SMEs in Laos confront considerable obstacles such as a limitation of resources. For instance, in the studies of Kyophilavong (2008) and Southiseng and Walsh (2010), they identify that the main difficulties faced by the Lao SMEs comprise access to modern technology and finance and limitation of capital and entrepreneurial skills. Another critical issue is that several SMEs are run as family businesses and they pay less attention to the development of new products and managing brands. Thus, the main difficulties mentioned lead to limitation of competitiveness of the Lao SMEs in both domestic and foreign markets.
Definitely, several researches related to SME development issues in Laos have been studied, however the results could not show and confirm how the SMEs reacted to relevant impacts in different business subsectors such as the handicrafts sector (Kyophilavong, Chanthachone, Suvannaphakdy, & Ananthala, 2007). The findings of those studies do not demonstrate how SMEs in Laos develop and manage their brands in order to add more value to their products and to gain competitive strength in the market. Furthermore, although the Lao government has put a great effort into dealing with the related problems of SMEs by cooperating with relevant public and private organisations, attempts to develop products by creating added-value and brand awareness have not been particularly successful. This is due to the lack of adequate support, technical skills and effective strategy of both public and private sectors (Southiseng, 2012).

When looking at the concept of branding and brand management, a wide range of studies has only focused on multinational companies, whereas SMEs have received less attention from researchers (Berthon et al., 2008; Spence & Essoussi, 2010; Wong & Merrilees, 2005).

Indeed, a brand is considered as a crucial element of reputational assets of a company (Grant, Butler, Hung, & Orr, 2011). Yet, several previous studies rarely demonstrate how SMEs deal with branding (Abimbola & Vallaster, 2007; Krake, 2005). Krake (2005) points out that there is little research concentrating on brand management in the context of SMEs, in spite of the fact that a vast majority of the firms are SMEs. Similarly, when brand management is widely discussed in several books and papers, SMEs are certainly not mentioned as a separate article (Krake, 2005; Wong & Merrilees, 2005). Additionally, in the context of SMEs in Laos, managing the brand and creating brand awareness of local products has not been explored, despite the fact that creating the brand is an essential step for the long-term success of a business.

For the aforementioned discussion, researching brand management challenges in the context of SMEs is valuable and practical. It is apparent that SMEs would face a number of difficulties associated with brand management (Krake, 2005). Nevertheless, Berthon et al. (2008) contend that although SMEs encounter financial constraints, their managers and marketers can innovatively manage and leverage the full potential of their brands. Then, the common enquiry arises associated with which brand management principles and practices are most amenable to SMEs.
As a result, there is a need for additional research to investigate and determine the dynamics and potential practices emphasizing the development and management of brands in SMEs. In particular, it is imperative to study how SMEs manage their brands and the most effective approach to deal with the difficulties of brand management. It is expected that brand management processes would bring a key strength for SMEs in Laos to enhance values and profitability of the businesses. This also suggests which practices and activities of related government policy makers and private sectors should be considered to cope with problems in creating brand awareness for the SMEs in order to achieve a long-term success and sustainable growth in both regional and international markets. In this regard, a business problem is identified as:

“How can SMEs effectively develop practices of brand management in creating brand awareness, particularly in the handicrafts sector in Laos?”

1.4. The aims and objectives of the research project

The main aims of this research project are to investigate how brand management is exercised in SMEs in the handicrafts sector in Laos and to identify obstacles and inhibitors to building a successful brand for the SMEs. In addition, this research aims to find out what the potential brand strategy is that should be applied by the Lao SMEs in practice through the developing of a conceptual model of building and managing the brand for the SMEs.

Based on the aims mentioned above, the following aspects are identified as the main objectives of the research project:

a) To investigate how the handicraft SMEs create their brand identity locally and internationally.

b) To examine the understanding of SMEs’ entrepreneurs, particularly in the handicrafts sector in Laos of brand management.

c) To assess how brand management is currently implemented in the handicrafts sector in Laos.

d) To determine the relevant difficulties encountered by SMEs in the handicraft businesses in Laos when managing and developing the brand.

e) To explore the practices of brand management which are most amenable to the handicraft SMEs in Laos.
1.5. Research questions

In order to accomplish the aforementioned objectives, the main research question to be addressed in this study is:

“What practical strategy of brand development should be applied by SMEs in Laos?”

1.5.1. Sub-research questions

In order to achieve the above objectives and definitively answer the main research question, the following sub-questions to be answered are:

1) How do SMEs in the handicrafts sector in Laos create their brand identity?
2) What are the perspectives of entrepreneurs or managers of the Lao handicraft enterprises for enhancing brand management?
3) How is brand management currently implemented in SMEs particularly in the handicrafts businesses in Laos?
4) Which difficulties do SMEs in Laos confront when managing and developing their brands?
5) What practices of brand management could be employed for the Lao SMEs?

1.6. The focus, scope and delimitation of the research

1.6.1. The focus of the research

This research project concentrates on brand management in creating brand awareness for SMEs in the handicrafts sector in Laos. Also, it will study the primary areas of brand strategy for the SMEs, and then seek to identify the practical approach in managing brand and creating brand awareness.

The main reason for selecting the handicrafts sector in Laos to be the case of this research is that personally the researcher has some knowledge and working experience in the field of developing and promoting Lao products into domestic and international markets. Among other business sectors, the handicrafts sector has unique features, characteristics and abilities to grow in a market. This business sector has a fundamental role in presenting and sustaining the Lao culture through the products within their unique design and pattern.
Vallard (2011) demonstrates that the handicrafts sector is hugely important in terms of economic development in Laos. This business sector is also one of the priority sectors in enhancing the national economy to achieve a sustainable growth in both regional and international markets. Regarding the significant role of handicrafts towards the economic development, handicrafts are produced through transformation of indigenous materials into useful products and are supplied to markets. It provides ample opportunities for employment generation and plays a prominent role in attracting foreign buyers.

Nevertheless, this industry still faces a number of obstacles in increasing effectiveness of business performance because the entrepreneurs of this industry lack relevant skills on how to do business and pay less attention to the important role of branding. Therefore, due to the benefits of brand management and handicrafts in Laos, this research focuses on strengthening business performance through understanding brand management issues faced by Lao SMEs and practices in brand management and creating brand awareness. Taking this approach for this study, its results could make a contribution to the Lao economic development through enhancing the product brands and overall performance of the SMEs.

1.6.2. Scope and delimitation

As discussed above, this research study focuses on studying branding and brand management issues in the case of SMEs in the handicrafts sector in Laos. The respondents are managers/owners of the handicraft SMEs. Little research associated with branding and brand management in SMEs has been done, in particular, no research related to this field has been studied in the context of SMEs in Laos that the researcher is aware of. Thus, the secondary data may be limited. The findings of this research study could be practical and useful for SMEs in the handicrafts sector in Laos, but might not be representative of all SMEs or business subsectors due to their different business characteristics and industry.

1.7. Methodology and Data collection

This research study was conducted based on interpretivism (phenomenology) as a research paradigm. This study used a semi-structured interview as a data collection method of a qualitative research approach. The main reason for employing this research approach is that the researcher considered that the social world of business and management particularly about branding issues are too complex to investigate and measure. By using this research
method, it provided the researcher the ability to collect in-depth and quality data. Specifically, this approach gave more insight into a particular participant and to help the researcher obtain a profound understanding of specific issues concerned with branding and brand management of SMEs in Laos. A total of 10 participants were interviewed in Laos and are the owners/managers from 10 handicraft enterprises.

1.8. Structure of the thesis

The disposition of this thesis is presented in six chapters as following details:

- Chapter One: Introduction
- Chapter Two: Literature Review
- Chapter Three: Research Methodology
- Chapter Four: Empirical Findings
- Chapter Five: Analysis and Discussion of the Findings
- Chapter Six: Conclusions and Recommendations

Chapter One: Introduction—presents the conceptualisation and area of the research. It provides a discussion of the background to the research title and problem description as well as the focus of the study, demonstrating the reasons the researcher chooses the research area and a particular case to investigate. Then, the chapter highlights the research aims and objectives as well as the research questions.

Chapter Two: Literature Review—illustrates relevant theories connected to the purpose and research questions. In particular, the significant roles of branding and brand management in SMEs, the concept of customer-based brand equity and how it is formed is highlighted. Also,
this chapter demonstrates relevant issues of brand building in SMEs, brand management challenges encountered by SMEs, and branding practices and guidelines for SMEs.

Chapter Three: Research Methodology—demonstrates the methodology adopted for this research. This chapter discusses qualitative and quantitative research methods and the rationale for choosing a qualitative method. In addition, the choice of sampling and a data collection approach and semi-structured interviews are explained. It is followed by a discussion of how the data collection is implemented and the process and strategy for data analysis. The chapter ends with a discussion on validity and reliability of the research approach and ethical considerations.

Chapter Four: Empirical Findings—portrays and highlights the resultant findings that emerge from semi-structured interviews conducted with managers/owners of SMEs in the handicrafts sector in Laos.

Chapter Five: Analysis and Discussion of the Findings—provides a discussion, in-depth interpretation and critical analysis of the findings in line with addressing the research questions and objectives.

Chapter Six: Conclusions and Recommendations—provides conclusions and constructive recommendations to SMEs’ managers/proprietors, particularly in the handicrafts sector in Laos. Strengths and limitations of the study and some suggestions for future study are also identified in this chapter.

1.9. Chapter summary

This chapter demonstrates the background and problem description of this project study. The aims and objectives of the study and the research questions are highlighted. The chapter underlines that building a strong brand is a key element for several companies as the brand produces and increases a competitive edge and sustainable growth of the companies. In this regard, brand management plays an essential role in building a strong brand and enhancing business performance of organisations and achieving the long-term growth of small and medium-sized enterprises (SMEs). It is well recognised that SMEs are the key contributor to national economic development in several countries, even more important in the least-
developed countries such as Laos. But when looking at the concept of branding and brand management, a wide range of studies has only focused on multinational companies, whereas SMEs have received less attention from researchers. Thus, researching brand management challenges in the context of SMEs is valuable and practical.

The next chapter reviews relevant theories associated with the purpose and research questions. The important role of SMEs, branding and brand management in SMEs will be illustrated. Also, brand management challenges encountered by SMEs and branding practices for SMEs will be addressed in this chapter.
Chapter Two: Literature Review

2.1. Introduction

The previous chapter provided the introduction and the overview of this research study. The chapter demonstrated that small and medium-sized enterprises (SMEs) play a crucial role in enhancing national economic development in Laos. However, SMEs particularly in the handicraft enterprises still confront considerable difficulties in developing their products and business performance. In order to address this issue, managing and developing the brand is a key element for the enterprises that can increase a competitive strength and profitability.

This chapter critically reviews relevant theories connected to the purpose and research questions. The significant roles of SMEs and branding are presented. Then, the chapter demonstrates the management role towards branding and relevant issues of brand building in SMEs. Brand management including the concept of customer-based brand equity is highlighted. In addition, brand management issues encountered by SMEs and branding practices/guidelines for SMEs are addressed in this chapter.

2.2. Small and medium-sized enterprises (SMEs)

The definition of small and medium-sized enterprises (SMEs) varies from nation to nation in terms of the amount of employees and value of sales and assets. A case in point of SMEs in New Zealand, SMEs are a significant part of the New Zealand economy, they account for 97.2 percent of all companies in the country, amounting 455,907 from 469, 118 companies in total (Ministry of Business Innovation and Employment, 2013). New Zealand SMEs are categorized as the enterprises of less than 20 employees. They are generally owned and managed by a proprietor who makes most of the management decisions (The Small Business Advisory Group, 2012). Additionally, in Thailand for instance, the SMEs are defined relating to a number of employees in a variety of industry sectors. The industry sectors include manufacturing, retailing, service and wholesaling.

Regarding SMEs in Laos, according to the Laos Prime Minister's Office (2004), SMEs are classified into two size categories as small and medium enterprises. Small firms are identified as those having an average number of employees not more than 19 people and total assets not...
exceeding two hundred and fifty million Kip (approximately US$31,000) or annual income not over four hundred million Kip (approximately US$49,000). Medium-sized enterprises are those that have an average number of employees not over 99 people and assets in total not exceeding one billion two hundred million Kip (approximately US$148,000) or an annual revenue not more than one billion Kip (approximately US$124,000). Southiseng and Walsh (2010) demonstrate that the Laos economy is formed from only 5% percent of large companies, 16% medium-sized enterprises, 58% small enterprises and 21% micro enterprises. SME development plays a crucial role in national economic growth. However, its development goals are not easy to achieve since a number of constraints have been faced. The limitation and difficulties in SMEs include a lack of management skills of SME entrepreneurs, inability to access financial resources, no strategic long-term vision and a shortage of skilled workers (Southiseng & Walsh, 2010).

In Asian developing nations, Tambunan (2009) demonstrates that SMEs are considered as the engine of economic development, the backbone of national economies, the greatest employment creation, the potential source of exports, a means to poverty alleviation and essential support for large organisations. Likewise, Salze-Lozac’h et al. (2014) support that SMEs not merely play significant roles in employment generation, revenue creation and domestic investment, but they also have the capacity to innovate and develop new products that would continue to stimulate the economic growth.

As for Southeast Asian Nations, including Lao PDR, SMEs are the vast majority of the total businesses in Laos (Salze-Lozac’h et al., 2014). SMEs employ approximately 75-90 percent of the domestic workforce. They play a strategic role in the development of the private sector and support to large enterprises such as being the sub-contractors to large exporting companies (OECD Development Centre, 2014; Tambunan, 2009; United Nations, 2012). Thus, recognising the considerable advantages that SMEs bring to the country’s development and several obstacles that SMEs still confront, the government of Laos has attempted to deal with the relevant difficulties and enhance SMEs’ performance by identifying the key aspects and implementing activities for SMEs’ development. In this regard, according to the Laos Prime Minister's Office (2004) and Tambunan (2009), the Lao government issued the decree on the SMEs’ promotion and development which is comprised of the six main aims as to:

- Improve the regulatory environment.
- Enhance the competitiveness of business establishments.
- Expand domestic and international access.
- Improve access to finance.
- Encourage the development of business organisations.
- Enhance entrepreneurial attitudes and characteristics within society.

The Small and Medium Enterprise Promotion and Development Office (SMEPDO) which is under the Ministry of Industry and Commerce of Laos was set up by the Laos Prime Minister’s Decree with the key objective of promoting the establishment and sustainable development of SMEs in Laos (Kyophilavong et al., 2007).

Given the key contribution that SMEs make, they increasingly become a fundamental concern in terms of economic growth, a number of research studies relating to SME issues in Laos have been made. For instance, in the study of Kyophilavong et al. (2007), its aim was to find out the factor determining the performance of SMEs in Vientiane and other provinces. Some important findings of the study portrayed that domestic ownership and learning-from-school have negative impacts on the performance of SME, whereas availability of funds and workforce has positive impacts on their performance of SMEs. Nonetheless, the findings could not illustrate and confirm how SMEs reacted to these impacts in different business subsectors, for example in the handicrafts and wood processing sectors. In addition, the findings of their study and other papers have not focused on how SMEs, particularly the handicrafts sector in Laos create, develop and manage their brands to gain more competitive advantage in domestic and international markets.

In recent years, the Lao government has put in a great effort to deal with related problems of SMEs by cooperating with relevant public and private organisations, however, attempts to develop products by creating added-value and brand awareness have not been particularly successful. This is due to the lack of adequate support, technical skills and effective strategy of both public and private sectors (Southiseng, 2012). The United Nations (2012) further demonstrates that although new business registration in Laos is increasing by approximately 20 to 30 percent per year, SMEs still need a sustained boost and need to address potential factors in order to enhance their product brands and competitiveness. Kyophilavong (2008) and Southiseng and Walsh (2010) find that the main difficulties encountered by the Lao SMEs comprise access to modern technology and finance and limitation of capital and entrepreneurial skills. Another challenging issue is that several SMEs are run as family
businesses and they pay less attention to developing new products and managing brands. In this sense, the main difficulties mentioned lead to the limitation of competitiveness of the Lao SMEs in both domestic and foreign markets.

2.3. The important roles of the brand

De Chernatoury et al. (2011) demonstrate that brands are one of the most valuable assets of firms. A successful brand represents a name, symbol and design, and some combination of those elements recognizing a company’s products as possessing a competitive edge and sustainable growth. Having a successful brand can increase profitability by adding values to the products and companies that entice and influence consumers to purchase. This enables companies to develop products for new markets (De Chernatoury et al., 2011; Ferrell & Harline, 2014). Besides, Grant (2014) illustrate that a brand is a crucial element of reputational assets of a company. Especially, the values and the essential role of having a well-known brand is reflected in the price premium given that customers are not reluctant to buy branded products more than unknown brands (Grant, 2014; Keller, 2008). Kapferer (2012) and Keller (2013) underline that brands clearly offer considerable benefits and values to both consumers and companies.

To consumers, in particular, brands can identify the source or producer of a product and entail special meaning to consumers. Based on the past knowledge and experiences with the product and promotional activities, consumers can make assumptions and realise which brands satisfy their demands and which ones do not (Kapferer, 2012; Keller, 2008). Consequently, brands offer a means of simplification for decision-making of a product (Kotler & Keller, 2012). If consumers can recognise and have some knowledge about a brand, then they do not have to search for a lot of information to make the decision for the buying of a product (Ferrell & Harline, 2014; Kapferer, 2012). Hence, brands enable consumers to lower the exploration costs of products (Keller, 2013). In short, brands can change perceptions and experiences with a product, brands can also take on special, unique and personal meanings to the consumer. Given that lives of individuals or consumers become more rushed, the ability of a brand to minimize risk and simplify decision making is valuable (Kapferer, 2012; Keller, 2008).
Brands also definitely offer considerable advantages and valuable functions to companies or manufacturers. Brands provide a means of identification to simplify product handling and a means of legally protecting unique features or aspects of products (Keller, 2008). A brand can be protected through registered trademarks, copyrights and designs. These intellectual property rights guarantee that the company can safely invest in the brand and obtain benefits of a valuable asset (Kotler & Keller, 2012). In addition, Kapferer (2012) and Keller (2013) indicate that brands provide a product with unique meanings differentiating from other products and with the signal of a quality level to satisfied customers. This brand loyalty offers security and predictability for the company and creates entry barriers to be more difficult for other competitors in entering the market. In summary, to companies, a brand represents an enormously valuable element of legal property and it can be seen as a powerful means to influence customer behaviour, to sustain future revenue and competitive advantage. Furthermore, the price premium paid for several organisations is clearly justified by the opportunity to make profits from their brands and providing a great barrier and difficulty of building similar brands by rivals (Keller, 2008).

According to Kapferer (2012) and Keller (2013), advantages and significant functions of the brand for both consumers and manufacturers can be summarised in the following Table 1:

Table 1: The significant functions of the brand for the consumers and manufacturers

<table>
<thead>
<tr>
<th>The functions of the brand for the consumers</th>
<th>The functions of the brand for the manufacturers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification of product</td>
<td>Means of identification to simplify tracing</td>
</tr>
<tr>
<td>Risk reducer</td>
<td>Means of legally protecting unique characteristics</td>
</tr>
<tr>
<td>Practicality and search cost reducer</td>
<td>Indication of high quality performance</td>
</tr>
<tr>
<td>Promise, bond with manufacturer of product</td>
<td>Permanence, bonding and familiarity relationship</td>
</tr>
<tr>
<td>Guarantee and signal of quality</td>
<td>Source of competitive edge</td>
</tr>
<tr>
<td>Continuity and satisfaction</td>
<td>Source of revenues and returns</td>
</tr>
</tbody>
</table>

*Source: Developed by the author based on the research and adapted from Keller (2013)*
Nevertheless, despite the significant advantages of a successful brand, it is increasingly difficult to develop a brand and create brand awareness for a company (De Chernatory et al., 2011). In today’s high competitive environment, there is a wide spread of existing and new products that have brand names but many of them have not been successful due to a lack of effective practices and strategies as well as management teams and structures.

2.4. The role of management towards branding

Horan et al. (2011) note that the role of employees and the internal organisational structure should not be underestimated by owners or managers of SMEs because management abilities are the key driver to enhance the entire performance of the company. Kapferer (2012) further adds that the key role of managers is to create and develop the brand and their entire business activities as well. However, branding is frequently underestimated and misunderstood by a number of business managers. The managers do not precisely recognise what and how much goes into the process of branding (Gronlund, 2013). Hence, creating a distinct, compelling and strong brand are becoming more challenging issues for the managers.

In the particular context of SMEs, it is suggested that they should create and develop a framework associated with brand building that represents the identity of the company. In the funnel model of Krake (2005), it underlines that the owners or managers play a vital role in determining and administrating the internal structure of their organisations and this reflects on how much attention they provide to brand management. Particularly, the entrepreneurs or business directors can assign other managers and employees with clear responsibilities or specific tasks. Importantly, they should set explicit objectives and make organisations aware of the significant role of brand management.

Gundala and Khawaja (2014) propose that a proprietor has a direct connection with the brand. In order to create and develop a successful brand, owners or managers should have a clear vision and direction. The business owners frequently represent personification and identity of the brand and communicate the brand both internally and externally (Krake, 2005). Lassen et al. (2008) note that SME owners or managers need to build a strong brand to be able to effectively compete locally and internationally. It is also required that the owners can create and develop a competitive brand through learning from a set of guidelines and considering brand building as long-term process that needs consistent, continuous
communication to succeed. Based on the discussion of this section, it sheds light on sub-
questions (2) and (3).

2.5. Brand building in SMEs

This section explains and critically discusses the issues of sub-questions (1), (2) and (3). With
regard to the concept of branding and brand management, SMEs have been overlooked,
although small and medium-size enterprises (SMEs) are from a great majority of overall
companies. Krake (2005) and Centeno, Hart, and Dinnie (2013) criticize that even though
brands have been studied extensively, literatures and articles are mainly focused on the
brands of large firms brands rather than on SMEs. The type or size of organisation is one of
the key drivers for creating the brand and this possibly has a significant influence on the
specific approach on the basis of characteristics and context of the organisation. In particular,
large company brands are usually built on formal organisational structures, resource
efficiency, performance evaluation, expertise and long-term planning. On the other hand,
SME brands are frequently built in different ways, as they are often built on informal
structures, creativity, short-term planning and lack of financial resources and experience
(Centeno et al., 2013).

In the study of Horan et al. (2011), it reveals the findings that branding in SMEs is influenced
by four variables including characteristics of SMEs, the role of customer importance, the
management’s role and brand equity. Moreover, SME branding is affected by the main
factors including budget constraints, procrastination, desire for success and influence of a
business manager. According to the study of Centeno et al. (2013), it is contended that
branding in SMEs is built in a non-traditional manner and contrary to brand building of big
organisations, and that SMEs have limited resources and minimum brand planning. SME
owners or managers and employees engage in brand exploratory phases where they do
research and trial based on commitment, creativity and willingness to learn.

In spite of the fact that SMEs have key differences in brand building in comparison with
larger organisations, some academics suggest that brand building in SMEs may perhaps
develop in a similar approach to the context of the large organisations. The ways large
companies utilise to build their brands might also work for brand building in SMEs
(Abimbola & Vallaster, 2007; Centeno et al., 2013).
Centeno et al. (2013) demonstrate two major stages of brand building as a starting stage and a development stage, and the five key phases of brand building. The starting stage includes four phases in which each one of the brand identity dimensions is created as this stage comprises brand as a person, brand as a product and brand differentiation, brand as a symbol and brand as an organisation. The development stage is composed of one phase as brand identity development (and brand growth). Interestingly, it is found that the commitment of SME owners or managers has a significant influence on the brand building process as the owners not merely take an essential role within SMEs’ management, but also take a lifelong responsibility and develop a lifelong commitment to their organisations (Centeno et al., 2013; Krake, 2005). Several SME brands have close similarities with the brand owners or managers personalities. The personality is fundamental during the brand building process as this would encourage in developing potential brand strategies.

2.6. Brand identity creation in SMEs

This section sheds light on sub-question (2). Generally, brand identity is conceptualised as a brand element that the brand owner or manager aims to develop and is composed of four key elements - brand as a person, brand as an organisation, brand as a symbol and brand as a product (De Chernatony, 2006). Nandan (2005) points out that brand identity and brand image are fundamental for creating a strong brand. Brand identity is the creation of managerial activity, while brand image is the creation through perception of the customer. However, only a few brands can develop core brand identity and succeed to strike the balance of key features of brand identity and brand image. In addition to the crucial role of brand identity, Keller (2013) illustrates that the first stage in building brand equity is to develop a brand identity which is accomplished through a distinctive set of brand associations. According to Viot (2011), brand identity is imperative to better predict acceptance of brand extensions. It is commonly built through brand vision, brand positioning, personality and appearance.

Within SMEs, entrepreneurs or business owners are the visionary people who are the focal points for brand building and brand identity creation. The character of the entrepreneur should be clearly connected with the brand because the entrepreneur is the personification of the brand (Krake, 2005). This notion is also supported by Centeno et al. (2013) who demonstrate that SME brands have close similarities with the personality and personification
of the brand owner. Brand owner or managers instil some of their personality manners into their brands. Such personalities are essential during the process of brand building as this could encourage the enterprises to develop an effective brand strategy and brand identity, and then to increase brand values.

The study results of Spence and Essoussi (2010) portray that core values of SME brands comprise specific associations connected with the business founders’ beliefs and visions such as innovation and quality. This suggests that the visions and values of the founders are the primary source of brand associations utilised to develop brand identity. Spence and Essoussi (2010) further highlight that in terms of brand identity creation and brand value development in SMEs, the country of origin is an important secondary brand association to be employed. Also, seeing that SMEs have inadequate resources for brand building and brand identity creation, the country of origin or inspiration of the brand can be utilised as the secondary association to develop brand equity and the core brand value of the enterprises.

2.7. Brand management and development

2.7.1. The concept of customer-based brand equity

This section sheds light on the research sub-question (2) and (3) from the literature which is concerned with the key elements to implement and enhance brand management. Since branding and the business environment are significantly changing, the brand management of an organisation needs to be taken with adequate instruments, processes and frameworks (Fisher & Vallaster, 2010). Keller (2013) highlights that the process of strategic brand management is significantly concerned with the design and implementation of relevant marketing programs to build, measure and manage brand equity. The primary purpose of branding is to provide products and services with the strength of brand equity (Kotler & Keller, 2012). From this perspective, brand equity is a critical element for enhancing a business, and it is designed to reflect the real value of a brand (Keller, 2013).

In fact, there are many definitions of brand equity as each academic and marketer has a different view in relation to the way a brand name offers value-added to a product. Yet, they seem to perceive the meaning of brand equity either in financial considerations or in customer perception of a brand (Elliott, Percy, & Pervan, 2011). In this regard, Gronlund (2013) identifies that brand equity is referred to as the value of a brand as perceived by its target
customer base. Fisher and Vallaster (2010) and Keller (2013) further demonstrate that while the primary purpose of branding is to boost sales and increase customer loyalty, an organisation has to initially focus on building a favourable image with customers and a positive customer experience. In addition, Elliott et al. (2011) explain the common concept of brand equity that it is considered as the figure of the actual asset value of an enterprise. The asset value of the enterprise is the result of its brand equity and strong brand.

A strong brand becomes a crucial component of the asset value of an organisation (Elliott et al., 2011), however marketers and entrepreneurs still confront two fundamentally important questions as to what it does to make a strong brand and how does an organisation build a strong brand? So the concept of customer-based brand equity is introduced in an aim to elucidate the process of creating a strong brand (Keller, 2008). The customer-based brand equity concept presents a useful perspective on what brand equity is and how it should be effectively built, measured and managed (Kotler & Keller, 2012). The concept approaches brand equity from the customers’ viewpoints. Understanding the needs of customers (individuals or/and organisations) and devising products and business activities to satisfy them are at the heart of successful marketing (Kapferer, 2012; Keller, 2013).

Specifically to the term of customer-based brand equity, Keller (2008) supports that the power of a brand lies in what consumers have learnt, perceived and heard regarding the brand as a consequence of their real experiences. Enterprises need to ensure that customers have the right type of and compelling experiences with products and programs so that the feelings, beliefs, images, opinions and experiences become connected with the brand (Kotler & Keller, 2012). In this regard, the customer-based brand equity can be defined as “the differential effect that brand knowledge has on consumer response to the marketing of that brand” (Keller, 2013, p. 41).

In relation to the means for creating brand equity and its outcomes, Keller (2008) demonstrates that companies can create brand equity in three main ways such as through the choices of brand elements making up the brand, through development of marketing activities and support of marketing programs and through the leverage of secondary associations that connect the brand to other entities, particularly a firm, geographical area, person and another brand. With regard to the outcomes and benefits of brand equity, Kotler and Keller (2012)
underline that whenever companies can create a positive brand image through relevant programs and activities that register the brand in customers’ minds, such companies can realise considerable benefits for the brand. For instance, the outcomes include increased perceptions of product performance, more customer loyalty, greater trade cooperation, more brand extension opportunities and more inelastic customer response to cost increase (Keller, 2013).

Concerning the sources of brand equity, customer-based brand equity exists when customers have a high level of awareness and hold some favourable view of a brand, and unique brand associations in their memory. In essence, companies need to convince customers that there are significant differences between brands and that all brands in the category are not the same. Besides, building a positive brand image in a customer memory, favourable and unique brand associations are importantly related to creating brand awareness to build customer-based brand equity (Keller, 2013).

2.7.1.1. Brand awareness

Brand awareness entails the performance of brand recognition and brand recall (Keller, 2008). Brand recognition is referred to as the ability of customers to recognise the brand which has previously been seen, while brand recall means the ability of customers to recall the brand from their memory when given the product category or the customers require a similar kind of product (Keller, 2013). Commonly, establishing brand awareness means increasing the familiarity of the brand through repeated experiences (Elliott et al., 2011). The more customers experience a brand through seeing and hearing it, the more possibly they are to record the brand in their memory. In other words, individuals consider brand awareness as the core asset of brand equity, given that brand awareness has a great influence on customers’ decision making (Keller, 2013).

Keller (2008) demonstrates the benefits of creating a high level of brand awareness including learning, consideration and choice advantages. Learning advantages refer to brand awareness and has a significant influence on formation and strength of the associations of brand equity that frame the brand image. The first step in creating brand equity is to build a brand image by registering the brand in customers’ minds (Kapferer, 2012). With regard to consideration advantages, it means raising brand awareness to enhance the probability that the brand will
affect the consideration set of consumers. Furthermore, Choice advantages can have an influence on the choices among brands in the consideration set (Keller, 2013).

### 2.7.1.2. Brand image and brand associations

Building a positive brand image acquires marketing programs connecting to strong, favourable and unique associations to the brand in individuals’ memory (Keller, 2008). The meaning of customer-based brand equity is commonly related to the source of brand associations and the way they are created. This suggests that brand association can be formed in various ways to register in the mind of customers, in particular from personal direct experience, online surfing, information from relevant commercial publicity, word of mouth and assumptions that customers make about the brand itself (Keller, 2013).

The significant features of brand associations are related to strength, favourability and uniqueness (Keller, 2008). Strength of brand associations refer to direct experiences and brand knowledge having a significant influence on customers’ decision making and creating the strongest brand attribute and benefit associations through utilising marketing communication programs. This means that the more deeply customers consider regarding product information and relate it to existing brand knowledge, the resulting brand associations will be more strengthened. Favourability of brand associations are mainly concerned with the choice of associations that can satisfy customers’ needs from a brand. Additionally, uniqueness of brand associations relate to the significance of brand positioning that the brand has a unique selling proposition and a competitive advantage (Keller, 2013).

### 2.7.2. Designing brand marketing programs

From a branding perspective, Keller (2008) demonstrates ways that a brand can be effectively integrated into the marketing program to build brand equity. He points out that recently strategies and processes behind marketing programs have changed dramatically and significantly compared to the last few years because companies have to tackle considerable issues and changes in the external marketing environments. In particular, enormous shifts in the economic, technological and competitive environments have forced business owners or managers to fundamentally change the way they develop marketing programs and to embrace new tactics or approaches. Some of the changes include rapid technological developments,
growth of interactive and mobile marketing alternatives, greater customer empowerment and increased competition (Keller, 2013).

Keller (2013) indicates that integrating and personalizing marketing have become increasingly significant factors in creating and maintaining strong brands, given that firms attempt to utilise personally meaningful marketing to attract and win customers. There are several different ways by which products and services and marketing programs can build brand equity (Kapferer, 2012; Keller, 2008). Communication strategies, channel strategies, pricing strategies and other marketing activities can all develop and strengthen from brand equity. With regard to personalisation, the rapid and substantial expansion of the internet has brought the demand for personalising marketing into a strong focus (Keller, 2013).

2.7.2.1. Brand elements

Brand elements, or sometimes called brand identities, are those referred to trademark items that serve to identify and differentiate the brand (Keller, 2008). They generally include brand names, logos, slogans, characters, symbols and packages. The framework of the customer-based brand equity is advised that marketers or entrepreneurs should select brand elements to augment brand awareness and to facilitate the formation of strong, favourable and unique brand associations (Kotler & Keller, 2012). Keller (2013) suggests the criteria for selecting brand elements as particularly the ways in which to choose the best brand elements in order to create brand equity. Commonly, there are six criteria for brand elements as follows:

- Memorable: Easily recognised and recalled
- Meaningful: Descriptive and persuasive
- Likable: Fun and interesting, visual and verbal imagery, aesthetically appealing
- Transferable: Across product categories, geographic boundaries and cultures.
- Adaptable: Flexible and updatable
- Protectable: A legal and competitive sense

Keller (2013) demonstrates that the first three criteria as memorability, meaningfulness and likability are related to the use of an offensive strategy by marketers in order to build brand equity. The other three aspects—transferability, adaptability and protectability have a
defensive role to play for leveraging and retaining brand equity in dealing with relevant limitations.

2.7.2.2. Brand marketing communications

Keller (2013) illustrates that marketing communications are a means by which the brand build relationships with customers and are an important element to build brand equity. Advertising is not only an element of marketing communication programs, indeed there are a variety of communication options for the customer market. Marketing communication options include significant advertisements such as media advertising, direct response advertising, place advertising and point-of-purchase advertising, trade promotions, customer promotions, interactive, event marketing and sponsorship, mobile, word-of-mouth and personal selling (Keller, 2013). In particular, engaging with a company’s customers is essential for achieving the goal of branding to create loyal relationships with the target customers (Gronlund, 2013). The internet provides extraordinary chances to have a discussion with target customers as a result of its interactive capabilities.

Even though advertising alternatives and other communication options play different roles in the marketing program, one primary purpose they all serve is to contribute to build brand equity (Keller, 2013). Marketing communications can contribute to brand equity through creating brand awareness, linking points-of-difference associations to the brand customers’ mind. Nevertheless, designing marketing communications is a challenging task (Kotler & Keller, 2012). Currently, the media environment has changed dramatically as the digital revolution especially provides new ways for customers to learn and discuss issues regarding brands with other individuals (Gronlund, 2013; Kapferer, 2012). This changing media landscape has forced managers to re-evaluate and reconsider the ways they should best communicate with customers. Especially, in recent years many companies have launched new products, strengthened their brands and generated customer loyalty through utilising social media (Keller, 2013). In essence, due to the emerging of the new media environment, companies need to pay more attention to designing and implementing marketing communication programs as skilfully designed programs, careful planning and a creative knack is required.
2.7.2.3. Secondary brand associations

Brands may be connected to other entities having their own knowledge structures in the customers’ minds and perhaps customers infer that some associations that describe other entities may also be right for the brand (Keller, 2013). Kotler and Keller (2012) illustrate that secondary brand associations are related to those brand associations created by connecting to other entities and the entities of secondary associations are also the means of building brand equity. In short, leveraging secondary brand associations could be an indirect approach to building brand equity (Keller, 2013). Secondary brand associations are significant to building strong, favourable and positive responses if existing brand associations are incomplete or insufficient. In this regard, Keller (2013) suggests that entrepreneurs can build and leverage secondary brand associations by connecting the brand to the following:

- Organisations (through branding strategies)
- Countries or other geographic regions (through identification of product origin)
- Distribution channels (through channel strategy)
- Other brands (through alliances or co-branding)
- Characters (through licensing)
- Spokespersons (through employees and endorsers)
- Events (through sponsorship)
- Other third-party sources (through rewards)

The above entities can be explained by the first three that reflects source factors about who makes the product and where the product is created and purchased, while the remaining ones cope with relevant individuals, places and other things (Keller, 2013).
Table 2: Comparison of brand building and brand management in large organisations and SMEs

<table>
<thead>
<tr>
<th>Activity</th>
<th>Large organisations</th>
<th>SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand identity</td>
<td>Visionary management</td>
<td>Visionary individual (The entrepreneur)</td>
</tr>
<tr>
<td></td>
<td>Systematic procedure based on extensive market research, filling a gap in the market</td>
<td>Intuitive process based on the personality and values</td>
</tr>
<tr>
<td>Brand equity</td>
<td>Associations derived from customer research and connected with customer needs and products and features</td>
<td>Associations fabricated from the personality and values of the entrepreneur, customer needs and product features</td>
</tr>
<tr>
<td>Brand strategies</td>
<td>A variety and large number of strategies are being utilised locally and internationally, with the aim of maximizing market coverage and overlaps</td>
<td>A limited number of strategies are being employed</td>
</tr>
<tr>
<td></td>
<td>Corporate branding is part of overall brand strategy development</td>
<td>Collaborative strategies and corporate branding not common utilised</td>
</tr>
<tr>
<td>Internal organisational</td>
<td>Brand tasks spread over many departments and functions</td>
<td>Brand responsibilities held by the entrepreneur and the entrepreneurial team</td>
</tr>
<tr>
<td>structure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing programs</td>
<td>A broad range of highly visible and integrated mix programs</td>
<td>The main focus is on the product. A wide diversity of innovative and more or less integrated actions depending on the enterprise</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Look for low cost ways that would reduce the impact. Internationally, minimum national requirements should be met and local adaptations are left to horizontal partners</td>
</tr>
</tbody>
</table>

Source: Compiled by the researcher based on Spence and Essoussi (2010)
2.8. Brand management challenges encountered by SMEs

This section demonstrates and discusses the issues of the sub-question (4) – Which difficulties do SMEs in Laos confront when managing and developing their brands? Keller (2013) illustrates that even though branding is very important to businesses and to customers, brand management is more difficult than building it as commonly it involves complicated marketing activities and practices and poses significant challenges for entrepreneurs. Branding challenges are concerned with savvy customers, brand proliferation, media transformation, increased competition, increased relevant costs and greater accountability (Keller, 2013). Recently, it has been more difficult to persuade customers with traditional ways of communications than it used to be due to the vast number of available sources (Gronlund, 2013; Kapferer, 2012). Customers find it easy to consult and collect relevant information from advanced technology tools and media. Another issue is the proliferation of new products and brands associated with brand extensions as a brand name may be identified with diverse products with different degrees of similarity (Keller, 2013).

The crucial change and challenge in building a brand in a current business environment is about the emergence of interactive digital media and non-traditional media, a variety of promotions and other communication tools (Keller, 2013). The communication budget and media cost are devoted to advertising as entrepreneurs have to spend more on new and non-traditional forms of communication such as digital media, events, in-store advertising and mini-billboards. Furthermore, one reason that entrepreneurs have been forced to use considerable financial incentives is that the current business environment or marketplace has become more intense and competitive (Keller, 2013). Keller (2008) indicates that although companies have embraced globalisation as an effective way to expand the market and generate more income, this has also increased a number of rivals in existing markets. Besides, with regard to brand extensions, several enterprises have taken their existing brands and launched products with the same brand name into new product lines as these brands would become potential rivals in the marketplace and they could also provide formidable opposition to market leaders (Kapferer, 2012; Keller, 2013).

In particular for the case of the SME context, it is recognized that the functions and management style of SMEs are different from large companies, even the practices of SMEs to brand management differ considerably compared with the management in larger
companies (Berthon et al., 2008; Centeno et al., 2013). Commonly, the owner or manager of a SME is the key decision-maker and is responsible for the managing of relevant activities and functions in the enterprise, as mainly financial planning, advertising, recruitment and even purchases of stationery. Berthon et al. (2008) identify that the employment of experts such as recruitment and advertising agencies is less attentive and rare. SMEs are more likely to experience difficulties with resource constraints such as human, budget, technological and managerial resources, as such problems exacerbate the limitation of SMEs’ strategic business planning and practices of brand management (Centeno et al., 2013). In short, in terms of brand management in SMEs, lack of resources, ineffective internal processes and less attention on brand management of SMEs are identified as the main challenges for these enterprises.

2.8.1. Lack of resources and effective internal processes

According to Wong and Merrilees (2005), the main obstructions of brand management faced by SMEs are that SMEs have inadequate resources, time and processes to perform branding activities. Similarly, Abimbola and Vallaster (2007) demonstrate that new enterprises and SMEs have specific needs for building a reputation due to their lack of resources and lack of effective internal structure in order to attract customers. These constraints force SME entrepreneurs to concentrate on the short-term business plan in the way they usually do with daily tasks and receive profits in the short term. The short term focus can become a barrier for the firms in developing a long-term business success and branding strategy (Wong & Merrilees, 2005). Wong and Merrilees (2005) further add that a number of SMEs fail or are reluctant to fully invest in most business assets comprising advertisement, training and information technology and they also fail to perceive those investments as costs.

Apart from the aforementioned issues, lack of professional and skills of brand management is also a critical problem for SMEs. Boatwright, Cagan, Kapur, and Saltiel (2009) demonstrate that business managers and marketing officers realise that brands are only valuable when they provide value to their customers, then building a brand to satisfy customer value is a primary goal to accomplish and gain market share. Nevertheless, the obstacle for SMEs is how to create a brand identity that not merely meets the needs of existing and new customers, but also can be consistent with product attributes simultaneously. The SMEs’ managers or owners cannot achieve such goals because they lack brand management professionalism and
skills to examine practical methods to link between customer demands to their brands and products, and to recognise which customers’ needs fit the firms’ capabilities (Boatwright et al., 2009).

Krake (2005) points out that business owners or managers are the key human resource for building and managing the brand. They can take a leading role in creating a brand and brand management in an organisation, given that great involvement in brand building is definitely important for the process. Yet, although the owners and managers can play a significant role in building a brand, brand management is still difficult to implement because brand management should be getting involved with other employees not only managerial level (Krake, 2005; Ojasalo, Nätti, & Olkkonen, 2008). Ojasalo et al. (2008) further argue that most decision-making on branding issues in SMEs is made by just an owner or a few managers, while other workers are not involved. In a similar way, generally, the responsibility for building the brand and brand management is designated at the highest management level, while the low-level employees are not included. Nevertheless, brand management should be inclusive and involve every employee who works in the company (Krake, 2005; Ojasalo et al., 2008).

2.8.2. Less attention on brand management of SMEs

Another critical issue is related to less attention given on brand management of SMEs, Krake (2005) points out that proprietors or managers of companies should take the lead in brand management but they pay less attention regarding the concept of brand management. Also, they may pay no attention on brand management in their daily work and business strategy. The author also highlights that many SMEs are unsuccessful and immature in the market due to a lack of understanding of the significant role of branding. Wong and Merrilees (2005) argue that a variety of stores that are small businesses recognise the brand is significant for a business, but do not consider they themselves are a brand. Although some small businesses can perceive that they are the brand, they do not integrate and develop branding knowledge into their daily work and business plans (Merrilees, 2007). Likewise, even though they can recognise what the brand is and they have a brand name, they do not perceive that the brand can be the most important feature of increasing their business performance (Krake, 2005).

Bresciani and Eppler (2010) demonstrate that SMEs often pay more attention to production and financial issues, while brand management issues are paid less attention. The main reason
behind this is that the enterprises consider a good branding and communication strategy is not very important to commence a business. In a study by Merrilees (2007), it illustrates that most small companies still do believe that brand management is merely required by large firms such as reputable international brands, banks and famous companies. They assume that brand management is only for big firms that have got adequate resources and budget to implement relevant activities in order to gain competitive advantage. The big firms can fully invest in advertising on television, brochures and a wide array of promotional activities of branding, thus encouraging the big firms to increase the number of customers and build their brand image (Wong & Merrilees, 2005). Additionally, Bresciani and Eppler (2010) explain that several small enterprises still perceive that building and managing a brand is a considerable investment for them, given that the cost of improvement and changes for their business identity could be very high.

2.9. Practices in brand management and building a strong brand for SMEs

Different scholars have different perspectives towards the definition of brand management. Keller (2008) identifies that strategic brand management entails the design and implementation of marketing related activities to build and manage brand equity. Besides, brand management of a firm is integrated into the operation of a business on a daily basis. The implementation of brand management and a brand strategy does not come with one time effort, but it involves a regular marketing strategy and depends on the progress of a company.

Brand building is an initial step in brand awareness. The ways of creating brand awareness are based on the budget, resources and a business sector (Kapferer, 2012). Thus, Keller (2013) argues that creating brands is a great challenge for small enterprises due to their limitation of resources and finances. Given that limited resources are fundamentally concerned when creating the brands of small enterprises, small enterprises often make mistake and must design and conduct marketing activities much more effectively and carefully. To compensate for a limited budget, creativity is also paramount, particularly trying to find new ways to promote the new products’ concept. Furthermore, the enterprises must hold consistency in creating new ideas in marketing activities and brand marketing programs (Keller, 2008).
For instance about the ways for creating brand awareness and a strong brand, Price (2010) points out that several companies effectively utilise websites to create brand awareness. Those websites provide useful information and content that attracts visitors and this leads to customer loyalty and business opportunities. Keller (2008) also suggests that there are several success cases in existence of how enterprises have built and developed their small brands to become strong brands such as Vermont’s Green Mountain Coffee. However, Berthon et al. (2008) demonstrate that not many small firms pursue a reputation-building strategy and it is often limited to conducting a campaign in line with public relations. The process of creating brand awareness and brand management can involve a variety of activities. In addition, it is noted that the approach of SMEs to brand management and creating brand awareness differs from the ways and practices adopted by large companies (Berthon et al., 2008; Centeno et al., 2013).

Therefore, Krake (2005) and Keller (2013) propose meaningful guidelines for SMEs in order to create, develop and manage their brand to be successful in the market as shown below and this section relates to the main research question–What practical strategy of brand development should be applied by SMEs in Laos? Also to the sub-question (5).

2.9.1. Guidelines for building a strong brand for SMEs: the view of Keller

Keller (2013) suggests important branding guidelines for small enterprises as follows:

- Focus on building one or two strong brands.
- Focus a creatively-developed marketing program on one or two important associations, to serve as the source of brand equity.
- Employ a well-integrated mix of brand elements that fully support both brand awareness and brand image.
- Design creative brand building push campaigns and consumer engaging pull campaigns that attract attention.
- Leverage and broaden the brand as many secondary associations as possible

Focus on building one or two strong brands: Given that small enterprises have limited resources, tactically it is imperative to concentrate on building one or two strong brands.
Then, a corporate branding strategy could be fundamentally concerned in order to build brand equity (Keller, 2008, 2013).

*Emphasise the marketing program on one or two significant associations:* It can be assumed that small firms frequently must rely on one or two main associations as points of difference. The firms must consistently support and strengthen those associations within marketing program (Keller, 2008, 2013).

*Use a well-integrated mix of brand elements:* Strategically, it is essential for small companies to increase a contribution of the key elements to build brand equity. Especially, a unique and well-integrated set of brand elements would strengthen brand awareness and brand image. Certainly, brand elements should be memorable, meaningful and creative. For instance, innovative and unique packaging can be an alternative for advertising by grabbing attention at the point of purchase. In addition, appropriate names or family names are always described of small companies. Perhaps, these present some distinctiveness but may face the issue of pronunciation, meaningfulness and memorability. Thus, the companies need to look for other brand elements if they suffer these shortages (Keller, 2008, 2013).

*Design creative brand building push campaigns and consumer engaging pull campaigns that grab attention:* It is suggested that small enterprises design creative push and pull programs catching the attention of customers and other members of the public. This is a great challenge for those enterprises due to their budget constraints. Without a strong push and pull campaign creating product interest and convincing retailers of the product’s advantages, it is highly possible for retailers to not support the brand. Hence, creative and cost-effective push and pull marketing campaigns must maximize the visibility of the brand to entice both consumers and retailers to consider it. Furthermore, small enterprises often must rely on word-of-mouth to build strong, favourable and distinctive brand associations. However, public relations, low-cost promotional activities and sponsorship could be inexpensive ways to increase brand awareness and brand image (Keller, 2008, 2013).

*Leverage and broaden as many secondary associations as possible:* Small enterprises can build brand equity through leveraging as many secondary associations as possible. Secondary associations are frequently related to cost-effective and shortcut ways to build brand equity. The enterprises should consider any entity with potential associations, particularly those that
encourage the signal of quality and credibility such as a well-designed website (Keller, 2008, 2013).

2.9.2. Guidelines for building a strong brand for SMEs: the view of Krake

In accordance with the research of Krake (2005), the author tests and asserts the validity of some guidelines from the study of Keller in the year 1998 as the same details to the first three guidelines mentioned above by Keller (2013). Krake (2005) emphasises the functions and roles of entrepreneurs for developing and managing a brand, and then the author proposes additional three guidelines. Hence, the following branding guidelines would be good practice for SME entrepreneurs to follow in order to build a strong brand (Krake, 2005).

- Be logical in the enterprises’ policy and consistent in the enterprises’ communications.
- Ensure that there is a clear relationship between the character of the entrepreneur and that of the brand.
- Cultivate a passion for the brand within the enterprise.

**Be logical in the enterprises’ policy and consistent in the enterprises’ communications:** Entrepreneurs play a crucial role in the performance of SMEs and they exert significant influence on the internal processes, structure and culture of their enterprises. Krake (2005) further advises and explains the important roles of the entrepreneurs that entrepreneurs should be consistent in their business activities and policy, they should not turn left one day then turn right the next as they should concentrate on ‘repetition’ on their activities and policy. Regarding consistency in communications, the entrepreneurs should regularly observe and communicate to customers, this would register the mind of target customers (Krake, 2005).

**Ensure that there is a clear relationship between the character of the entrepreneur and that of the brand:** Entrepreneur needs to have a passion for branding within the company and a strong relationship between the characteristic of the entrepreneur and the brand. The entrepreneur has a great role in creating the brand recognition as a source of inspiration and organisational culture within the firm. Also, as entrepreneurs represent the brand, they should embody the brand in everything they do to convey the message as clear as is possible (Krake, 2005).
Cultivate a passion for the brand within the enterprise: Entrepreneurs should express and discuss issues regarding the brand that need to be transmitted to the organisation. Then, the entire organisation should express and exude an enthusiasm for the brand in everything the organisation does. A small, but passionate group of individuals could bring a great power to encourage building a strong brand for an organisation. Therefore, to do so, this is not just about products or the mouth of managers, but also the entrepreneurs or business owners would be about the brand (Krake, 2005).

2.10. Chapter summary

In this chapter, the researcher has reviewed relevant literatures relating to branding and brand management for companies, particularly for Small and Medium-sized Enterprises (SMEs). It can be summarized that the key themes that emerge from the theories and existing studies are as follows:

The first crucial theme is related to the role of the brand and branding in SMEs is that brands clearly offer considerable benefits and value to both consumers and companies. Having a successful brand can increase profitability by adding value for the products and the companies that entice and influence consumers to purchase. In the context of SMEs, branding is built in a non-traditional manner and contrary to the brand building of large companies due to a lack of resources. Importantly, SME owners or managers have a fundamental influence on the brand building process. The owners take an essential role within SMEs’ overall management and develop a lifelong commitment to their organisations.

The second theme is concerned with applying the concept of customer-based brand equity to address the relevant issues of strategic brand management. The framework of customer-based brand equity is aimed to perceive the significance of the customers in the creation and management of brand equity, given that the power of a brand lies in what consumers have learnt, perceived and heard regarding the brand as a consequence of their real experiences. The outcomes of brand equity include increased perceptions of product performance, more customer loyalty, greater trade cooperation, more brand extension opportunities and more inelastic customer response to cost increases. Strategically, enterprises can build brand equity in three main ways such as through choosing brand elements, developing marketing programs and leveraging of secondary associations.
The third theme relates to brand management challenges encountered by SMEs. It is undeniable that branding is very important to all enterprises, yet brand management is more difficult than building it. It involves complicated marketing activities and practices and that pose significant challenges for enterprises. Branding challenges are mainly concerned with savvy customers, brand proliferation, media transformation, increased competition, increased relevant costs and greater accountability. As far as brand management issues of SMEs are concerned, a lack of resources, ineffective internal processes and less attention on brand management of SMEs are identified as the main challenges for those.

The fourth dominant theme is related to the guidelines and practices for creating a strong brand for SMEs. According to the study of Krake (2005) and Keller (2013), the authors propose branding guidelines for SMEs which are comprised of the eight aspects in total and relates to the main research question and the sub-question (5). The guidelines would be good practices for SMEs’ entrepreneurs or managers to take into considerations and to follow in order to build a strong brand and to grow in the market.

In this regard, the researcher makes use of previous studies in order to determine and make a comparison with a particular case in this project. In order to acquire adequate and meaningful findings for this research study, the related interview questions are carefully designed based on the literature. Especially, the guidelines and practices for building a strong brand for SMEs are significant as a means to follow, compare and confirm all potential guidelines for the creation of a strong brand for SMEs in Laos.
Chapter Three: Research Methodology

3.1. Introduction
In Chapter Two, the literature review covered all the aims, objectives and the research questions relating to the topic fundamentals in branding and brand management for SMEs. In particular, the concept of customer-based brand equity, branding in SMEs, brand management challenges faced by them and the practices in building a strong brand for SMEs were discussed in order to support the findings and address the research questions of this research study.

The aim of this chapter is to illustrate the research methodology adopted for this project. This chapter begins with an overview of previous research studies on branding and brand management in SMEs. Then, it discusses qualitative and quantitative methods and the rationale for choosing a qualitative research method. Additionally, the choice of sampling and a data collection approach for semi-structured interviews are explained. This is followed by a discussion about how the data collection is implemented, and the process and strategy for data analysis. The chapter ends with a discussion on validity and reliability of the research approach and ethical considerations.

3.2. Research studies on branding and brand management in SMEs
It is widely recognised that brands clearly offer significant benefits to both consumers and firms. Companies that can win and survive in the twenty-first century will be those whose marketers or managers successfully create and manage brand equity (Keller, 2013). As a result, due to the benefits of branding, the concept of brand equity, brand building and brand management have been researched extensively and increasingly in an attempt to find effective ways to enhance products and services’ brands and then to increase profitability of companies. However, much of the literature has relied heavily on the context of large organisations or well-known companies rather than SME brands (Centeno et al., 2013; Krake, 2005). This argument is also raised up by Abimbola and Vallaster (2007) and Spence and Essoussi (2010) that brand management is a study field in which SMEs have received less attention from researchers, despite a majority of entire enterprises worldwide are SMEs.
With regard to relevant research inquiries and studies on branding and brand management in SMEs, qualitative methods are broadly used by a number of researchers in an attempt to gain in-depth understanding and achieve their research objectives (Krake, 2005; Spence & Essoussi, 2010; Wong & Merrilees, 2005). For instance, in order to profoundly understand the precise role of the managers or entrepreneurs and to address research questions, a qualitative approach based on in-depth interviews with some SMEs was carried out by Krake (2005) for the study title ‘Successful brand management in SMEs: a new theory and practical hints’. From this exploratory research, the author could gain and present outstanding results such as presenting about what the key role of brand management in SMEs and a new framework for brand management in SMEs.

In addition to branding research, Spence and Essoussi (2010) conducted the study title ‘SME brand building and management: an exploratory study’ with the main purpose to determine brand equity and brand management in SMEs through utilising in-depth interviews as an important means for a qualitative approach. This approach enabled their research to obtain insights into the study area and provided rich data from the natural context of SMEs.

Other outstanding studies related to branding in organisations and SMEs, Gronlund (2013) and Keller (2013) highlight that recently it seems many organisations would like to enhance their brands or conduct more branding, however their managers still do not precisely understand the key concept of branding and brand management. In this regard, Krake (2005) and Horan et al. (2011) demonstrate that proprietors or managers in SMEs are the key people who determine overall decision making and the internal structure of their enterprises. They play a strategic role in managing and communicating the brand to internal and external markets as the business structure has more influence on the role of brand management in SMEs more than it does in bigger organisations (Krake, 2005).

Moreover, some studies seek to investigate and identify the nature of brand management within the context of SMEs through comparing relevant practices to other large organisations (Berthon et al., 2008). Centeno et al. (2013) argue that the type or size of organisation is one of the key drivers for creating a brand, and this is likely to have an important effect on the particular approach of a company’s brand development. This indicates large company brands are often built on formal organisational structures, resource efficiency, expertise and long-
term planning. Conversely, SME brands are frequently built in different ways, as SMEs are often built on informal structures, creativity, short-term planning and lack of financial resources (Centeno et al., 2013).

Nevertheless, Berthon et al. (2008) contend that in spite of the fact that SMEs face human resource and budget constraints, they can still productively manage and leverage the full potential of their brands in order to achieve sustainable values and growth of their products and companies. As a result, relevant guidelines and practices of branding and brand management are presented by several articles for organisations and SMEs. At the same time, common inquiries arise about which brand management practices and branding strategies are most amenable to SMEs. Then, some branding guidelines are proposed by several researchers. However, Keller (2013) argues that although brand management requires consistent application of the guidelines in line with the marketing program, the rules and guidelines are not fixed and able to be broken. This is because each branding circumstance and application is distinctive and requires proper scrutiny regarding how best to apply the guidelines (Keller, 2013). Hence, smart and effective managers could examine and take advantage of potential tools and devise new ones in their relentless ways of brand development activities.

From the aforementioned discussion, the significance of the roles of branding and brand management in SMEs can be conceived and also the gaps of previous studies. Therefore, this research project focuses on brand management in the context of SMEs, and in particular the handicrafts sector in Laos is chosen as the case study for this research. SMEs have distinctive characteristics comparing to larger companies in terms of internal structures and business efficiency and effectiveness. As well, it is assumed that each business sector in different countries, or in Laos, has its own unique framework, strengths and limitations to create and manage their brand. Especially, the handicrafts business sector has even more unique features of products, management and activities compared to other business industries. Importantly, it can be said that a branding practice and guideline that works for an organisation, may be not able to apply for another enterprise or other business sectors.

Thus, there is a need to conduct research in this particular context for the SMEs in Laos. Research for this topic area has not previously been undertaken in Laos, and as a result of this
research study it is hoped to be able to find potential practices of brand management for the SMEs in Laos. It is also anticipated that the research will assist the SMEs become aware of the significant roles of branding and brand management which could encourage their businesses to gain more competitive advantage in regional and international markets.

3.3. Research methodology

This research project has paid attention to a selection of the research methodologies and methods in order to shape a coherent research strategy and ensure that the choice selected could properly and adequately reflect the core assumptions of the paradigm. Methodology refers to devising an approach that would be effective and appropriate for conducting a research project (Collis & Hussey, 2013; Curwin & Slater, 2008). The methodology involves approaches to the research study process and methods used for data collection and analysis. In other words, in the relationship between the method and methodology, the method is the technique or process that researchers utilise to conduct their research, whereas the methodology is connected with the discipline or body of knowledge that employs the method (Collis & Hussey, 2013). In addition, Adams, Khan, and Raeside (2014) illustrate that research method and research methodology are not the same. Research methodology is mainly related to the science and philosophy behind all studies, while a research method is a way of implementing research.

It is suggested that researchers need to carefully consider which research method would be the most appropriate for their study projects in order to obtain reliable and valid results (Curwin & Slater, 2008). Besides, one of the key tasks for a methodology is to justify and select the particular methods that would be employed in a given project (Adams et al., 2014; Clough & Nutbrown, 2007). It is advised that a researcher should choose a methodology reflecting the philosophical assumptions of the researcher’s paradigm, given that a paradigm could guide how a research project should be carried out (Collis & Hussey, 2013). Once a researcher has identified a research paradigm, the researcher can commence to consider the research strategy. By knowing and selecting a suitable method, the researcher should make clear the precise aim and objectives of the research and the type of the data required (Curwin & Slater, 2008; Ng & Coakes, 2013). In this regard, the researcher realised the important role of research methodology as it would guide the researcher to determine which paradigm,
approach and strategy that would be employed and the most suitable for this research project based on its objectives.

3.4. Research design

This research study was conducted based on interpretivism (phenomenology) as a research paradigm. This is essentially inductive and refers to the qualitative approach. The approach is concerned with in-depth understanding of people experiences and the ways that individuals react under particular situations (Bryman, 2012; Mukherji & Albon, 2009). Saunders, Lewis, and Thornhill (2012) demonstrate that the key point in research design is to decide and choose a research paradigm. A research paradigm is referred to as a framework suggesting the ways a research study should be implemented, based on philosophies and assumptions of individuals regarding the world and the nature of the knowledge (Saunders et al., 2012). Collis and Hussey (2013) illustrate that there are two main paradigms namely positivism and interpretivism. Additionally, in terms of the ways of collecting and analysing the data, researchers will find a variety of methodologies and methods, thus it is imperative that researchers select those that match the philosophical assumptions of their paradigms.

With regard to positivism, it generally refers to quantitative methods, and it is basically deductive and concerned with logic and arithmetic (Curwin & Slater, 2008; O’Gorman & MacIntosh, 2014). Positivism is underpinned by the belief that reality is independent of people and the aim is the finding of theories based on empirical research as observation and experiment (Collis & Hussey, 2013). Researchers who conduct the project under positivism as a paradigm will also focus on theories to clarify and predict social phenomena. The theories offer the basis of explanation consisting of building causal relationships between the variables by establishing causal laws and connecting them to a deductive approach (Collis & Hussey, 2013; Saunders et al., 2012). Variables are the attribution and expectation of a phenomenon that is able to be measured. Hence, given that it is assumed social phenomena can be measured, positivism is connected with quantitative methods. As a result, this research study was not based on positivism because the researcher did not focus on investigating the relationship between variables, measuring and frequency of certain occurring phenomena.

As opposed to interpretivism that is underlined by the belief that social reality is not objective but highly subjective as it is formed by people’s perceptions (Collis & Hussey, 2013).
Interpretivism emphasises investigating social phenomena with an expectation to obtaining interpretative understanding, while positivism concentrates on measuring social phenomena. Collis and Hussey (2013) highlight that interpretivists adopt various methods that look for describing, translating and then acquiring the terms of meaning, not the frequency of certain happening phenomena. Significantly, under the interpretivism approach it is highly suitable in the case of business and management research, in particular in the fields of marketing and human resource management (Saunders et al., 2012). This is not only due to the complexity of business situations, but is also because of their unique function at a specific time.

Therefore, based on the important characteristics of interpretivism and the purpose of this research study, the study focused on the interpretivism approach because the researcher considered that the social world of business and management particularly about branding issues are too complex to investigate and measure. More importantly, according to the suggestion by Collis and Hussey (2013), under an interpretive paradigm, the researcher would gain in-depth and quality of the data collected regarding a phenomenon, and rich in detail and levels of meaning.

3.4.1. Quantitative and qualitative research approaches

3.4.1.1. Quantitative research approach
Quantitative methods emphasise the measurement, numerical analysis and analysis of causal relationships between variables, not processes (Babbie, 2013; Williams, 2007). Curwin and Slater (2008) explain that quantitative methods will emphasise the collection of numerical data and draw conclusions from the data. A quantitative approach can be applied in a wide range of situations and problems, especially when a large number of participants are involved in surveys. In the study of Morris (2008), it clarifies that the quantitative methods are broadly used to investigate hypotheses and theories based on previous studies. Also, the procedures and processes of the methods are deductive. Besides, the methods are systematic in data collection, which develop relationships and inference (Curwin & Slater, 2008; O’Gorman & MacIntosh, 2014).

However, the limitation of the quantitative research approach is that the results of this approach are superficial because a lot of participants involved in the research and researchers may be overwhelmed with information collected (Rubin & Babbie, 2010; VanderStoep &
Johnson, 2009). It is more structured than most qualitative methods and it frequently relies on self-response questionnaires containing structured formats (Zikmund, Babin, Carr, & Griffin, 2010). Furthermore, a quantitative approach will provide less detail on feelings, behaviours and attitudes of participants within a subject area (Rubin & Babbie, 2010; VanderStoep & Johnson, 2009). Thus, the quantitative approach was not used for this research project because it did not match with the purpose and objectives of the research as this research did not focus on measurement, numerical analysis and analysis of casual relationship between variables.

3.4.1.2. Qualitative research approach

This research project was conducted through a qualitative research approach. Traditionally, qualitative research approach is designed to demonstrate perceptions and behaviour of target participants in a specific subject (Myers, 2013). This approach is entirely appropriate if researchers would like to study in-depth a particular topic. It is especially suitable for exploratory research when the particular subject is new and there is little previously published research (Harwell, 2011; Myers, 2013). Also, this research type is identified by Flick (2014) and Braun and Clarke (2013) that it is the most important approach to collecting and interpreting data, and demonstrating the paradigm. The paradigm refers to the assumptions, beliefs and practices of researchers. Besides, qualitative research often emphasizes an inductive approach to gathering data through taking extensive observation then drawing conclusions (Bryman, 2012).

One of the significant advantages and motivations for implementing qualitative as opposed to quantitative methods is importantly concerned with an in-depth understanding of the thoughts of a target audience (Donley, 2012; Myers, 2013). Given that this research area is new and is aimed at studying a particular context in-depth, obtaining in-sight and clear understanding through interviews of SME owners, or managers, on brand management is paramount. Also, it is often useful to gain deep insight of a phenomenon, particularly through the approach of interview data collection. This allows researchers to obtain more and precise details in research inquiries by assisting them to gain a profound understanding from rich narratives (Zikmund et al., 2010). This approach allows the participants to talk and further express their views in a conversation, and enables a researcher to engage respondents and collect detailed information by recognizing their perspectives, behaviours and interactions. However, the
qualitative approach, on the contrary, is subjective which leads to procedural problems. In addition to its challenging issue, it is complex and difficult to analyse the data collected; and since it involves flexibility, it may be criticized as having lack of structure (Mukherji & Albon, 2009).

Based on the aforementioned discussion, it can be seen that quantitative and qualitative research approaches have different features and both have advantages and disadvantages. In accordance with the characteristics and significant advantages of the qualitative approach, and the objectives of this research project, it seems a qualitative approach is suitable for this project to address research questions and achieve the objectives of the study. This is because the objectives of the research are to gain an insight into branding and brand management issues within particular context of SMEs in Laos, and particularly to investigate how SMEs’ proprietors or managers perceive about the role of brand management. As well, this study is aimed at determining difficulties encountered by the SMEs when managing their brand and identifying the practices of brand management which are most amenable to the Lao SMEs. As a result, the researcher employed a qualitative approach to conduct the research project. This approach would enable the researcher to gain in-depth information and better understanding of this title area.

3.4.2. Rationale for a qualitative approach to the research

Due to a scant research on brand management and branding in SMEs, particularly no research in the context of SMEs in Laos, personal face-to-face interview as a means of a qualitative approach is suitable for the data collection method for this research. This is expected to enable the researcher to gain an in-depth and precise understanding regarding the current situation that SMEs in Laos have encountered, and to obtain insight into relevant branding matters of the SMEs. As proposed by Spence and Essoussi (2010), given that branding in SMEs is an emerging area of research, a qualitative approach provides for better understanding and the development of insights into the phenomenon to be researched. Besides, this allows the target audiences to talk and further express in a conversation, and also enables the researcher to engage with the respondents and collect detailed information by recognising their perspectives, behaviours and interactions as suggested by Myers (2013).
Specifically, Chandler and Owen (2002) elucidate that qualitative research is commonly practised and uniquely positioned to assist with the researching of branding and brand development because brands are complex issues to study and have a number of dimensions of their meanings and roles towards people’s perspectives. The qualitative research is the specific techniques that can assist in data gathering and analytic processes, the researcher can attain greater understanding and knowledge through interviewing individuals (Chandler & Owen, 2002). In addition, Spence and Essoussi (2010) reveal that there are a number of academics and researchers that have utilised qualitative methods such as interviews for their studies on branding and brand management in SMEs. This approach offers rich and in-depth data founded on contrast from the nature and context of SMEs, and from which practices and behaviours can be perceived rather than measured (Spence & Essoussi, 2010).

Thus, to achieve a sound understanding and in-depth information in line with the research area as branding and brand management issues in the handicraft SMEs in Laos, qualitative research seems to be the most suitable and practical approach to utilise for this research. The researcher could learn from the previous studies and expects that this approach provides more comprehensive answers and minimize risk of misunderstanding of the questions by the participants.

3.5. Method of data collection and data analysis

3.5.1. Selection

The sample size for this research is determined as a purposive sampling. The purposive sampling relies on the judgement of the researcher associated with the goals of the research project and target organisation focused to study (Tracy, 2012). Purposive, or judgmental sampling, is a sampling strategy that is suitable for researchers who would like to select a specialised population and a particular case to conduct research. This helps researchers to address their research questions and achieve objectives (Neuman, 2005; Saunders, Lewis, & Thornhill, 2007). In accordance with the objectives and methodology of this research, purposive sampling seems to be the most appropriate sampling for this study, given that the aim of the research is to investigate and gain a deep insight into branding and brand management within a particular context of SMEs in the handicrafts business sector in Laos.
3.5.2. Sample for semi-structured interviews

Based on the purposive sampling, the researcher selects potential participants based on the purpose of the research and tasks and positions of participants. The potential participants should be in the position of owners or managerial levels in handicraft enterprises in Laos. In other words, the potential participants would hold positions as key people who have essential roles in making decisions regarding implementation of their businesses and marketing activities. Therefore, at the beginning, the researcher expected to interview at least eight to maximum of twelve (depending on their roles in the business) potential participants who meet the criteria for this research.

Indeed, there are a number of handicraft enterprises in Laos, but many of them are family businesses, and not SMEs. In connection with the purposive sampling, the researcher focuses on SMEs in the handicrafts sector in Laos that have experience in both domestic and foreign markets. As a result, and based on the researcher’s knowledge of the target businesses, personal research and also having been a consultant with the Lao Handicraft Association, primarily the researcher intended to select 12 potential companies as participants. Those companies were anticipated to have some ideas and knowledge of relevant issues as mentioned in the research title and the main research question. This would help the researcher to gain useful and adequate data from the interviews. Moreover, not many employees work in handicraft enterprises and it seems only owners or managers have key roles in managing and dealing with all activities of their businesses. Hence, participants (an owner and / or a manager) were from each handicraft enterprise and there were a total of 12 participants that were initially expected to be selected to conduct semi-structured interviews for this research.

However, during the real practice of recruitment procedure in Laos, 2 participants could not participate in this research due to their tight working schedules. As a consequence, 10 participants took part in this research study. All 10 participants represented 10 SMEs in handicrafts sector in Laos and they met the criteria of the research as they all held the positions as owners and/or managers of this business sector.

According to Saunders, Lewis, and Thornhill (2009), with regard to the sample size of purposive and non-probability sampling, there are no fixed rules. The essential things and aspects are significantly concerned with focusing on the purpose, research questions and
objectives of a project as well as having validity and availability of resources. Thus, it was considered that this sample size of 10 participants would be suitable for the purpose and objectives of this research and sufficient for conducting semi-structured interviews as data collection for a qualitative research approach.

### 3.5.3. Selection processes of the participants

Regarding the selection processes that were used to recruit the participants for this research study, initially the researcher contacted the targeted handicraft enterprises in Laos via email and telephone for permission to conduct interviews with owners or managers of their companies. Relevant information of this research as information for participants in both English and Lao language was also attached for their prior consideration before data collection was conducted. The information letter asked for an interview with an owner or a manager of each enterprise and if they agreed to participate in this study they were requested to send the organisational consent form, or a permission letter, to conduct the research to the researcher. Moreover, the potential participants were informed and required to sign on the participant’s consent form when undertaking interviews in Laos. By this means, the adoption of purposive sampling in this research was deemed to be practical and sufficient to study and gain in-depth information on branding and brand management in a unique case of handicraft SMEs in Laos.

### 3.6. Data collection: Semi-structured interviews

Semi-structured interviews as a data collection method were employed to implement for this research study. Rabionet (2011) identifies the main advantage of semi-structured interviews is that it allows researchers to narrow down some topics or issues that they would like to ask target people. Through a means and characteristic of semi-structured interviews, researchers have a list of specific inquiries or issues that need to be answered (Bryman & Bell, 2007; Ng & Coakes, 2013). If the answers are not clear or the interviewees do not understand some inquiries, additional questions can be raised to interviewees in order to probe for in-depth information and to explore the why and how of their decision making, not only what, where and when (Glenn, 2010; Rabionet, 2011).

The advantages of the approach of semi-structured interviews comprise an ability to address more specific issues and inquiries. Responses are often easier to interpret than other
qualitative methods (Zikmund et al., 2010). Under this approach, researchers can commonly prepare the questions in writing beforehand, and this approach can be moderately cost-effective. In this regard, by following and utilising the semi-structured interviews, this allowed the researcher to simply prepare related questions by dividing them into each section. Respondents were likely to discuss and express their opinions in line with this study area. All in all, this approach was expected to provide more insight into a particular participant and to help the researcher to gain profound understanding of specific issues relating to branding and brand management of SMEs in Laos.

With regard to the real practice of interviews, face-to-face interviews were conducted during July 2014 in Vientiane Capital, Laos. Each interview took place at the venue of each participative handicraft company. In order to make the data collection appropriate for this study and according to the method of semi-structured interviews, a list of interview questions was carefully designed and categorised based on each objective of the research before the potential participants were interviewed.

The interviews were carried out in the Lao language and also voice recorded and then transcribed into English by the researcher. The duration of the interviews was approximately 45 minutes to 1 hour. In addition, the researcher did not provide any inducement or gift to the participants. The names of their companies and the participants were anonymous in this thesis to minimize harm and keep confidential the information they provided.

### 3.6.1. Pilot study

Before undertaking the official interviews with the participants at their enterprises, the researcher did three pre-test interviews through discussing the interview questions with some Lao entrepreneurs to ensure that the questions were easy to understand and appropriate for this topic area within the Lao context. The pre-test practice received constructive comments and some interview questions were adjusted. Furthermore, in order to enable all potential participants have the chance to read and perceive relevant details of this study, the information sheet in both English and Lao language were sent to those participants. As a result, the interview questions were quite efficient and useful during interviews. This also helped the researcher to have the ease to naturally express the questions when interviewing.
3.7. Data analysis

For this research study, it was decided to use an inductive approach as data analysis. The inductive approach is a means to collect data and then investigate and analyse them to perceive which themes to follow up, focus on and create a conceptual framework (Saunders et al., 2012). Commonly, data analysis is referred to as the process of transforming and revealing raw data into results (Braun & Clarke, 2013). Data analysis enables the meaningful data collected and patterns to be identified (Bradley, 2013). In an attempt to analyse qualitative data and present its meaningful findings, it is suggested that researchers need to decide a particular technique that is appropriate for reducing and restructuring the data in a form (Collis & Hussey, 2009).

There are a wide range of methods and techniques which can be employed to analyse the data such as thematic analysis, interpretative phenomenological analysis and grounded theory (Braun & Clarke, 2013; Flick, 2014). However, it is imperative for researchers to select the data collection and analysis method in a certain way and utilise certain tools in order to minimize related difficulties and constraints of data analysis in practice (Bradley, 2013). Accordingly, researchers need to consider which method they are going to utilise in order to effectively analyse data.

This research study employed the thematic analysis method as the certain way to analyse data. This analysis method was considered to be a suitable and invaluable tool in managing and analysing the data collected from the interviews. The thematic analysis refers to a method for identifying categorizing, analysing and reporting themes and patterns of meaning across textual data (Braun & Clarke, 2013). In strategies for thematic analysis, the process of coding is significantly focused on analysing the data. Adams et al. (2014) and Flick (2007) describe that coding is the most suitable process if the data is gathered by interviews and focus groups.

Coding is a process of labelling and classifying aspects of the data as representing a type of phenomenon which may refer to a theme, concept and belief (Braun & Clarke, 2013; Tracy, 2013). Besides, codes are often related to numbers, words and short phrases. In the relationship between coding and codes, codes are referred to as rules for interpreting,
categorizing and recoding data in the coding process. The actual numerical or character symbols are assigned to raw data (Zikmund et al., 2010).

Tracy (2013) portrays that there are two main activities of coding which are called open coding by grounded theorists or primary cycle coding and secondary cycle coding. Open coding is an initial stage that researchers attempt to take on meaning of data as descriptive codes. The data may be examined and coded more than two times throughout this stage. As for the secondary cycle coding, this stage moves beyond the initial codes to the level of analytic and interpretive codes. In other words, this secondary coding enables researchers to critically determine the codes that have been already identified in the open coding and to commence categorizing and synthesizing the codes into the interpretive concept (Tracy, 2013). Thus, coding would be a significant analysis tool for this research in order to help the researcher to effectively identify information collected, meaningful concepts or themes and to gain in-depth understanding of the subject area.

In connection with the process of coding, this research also utilised memoing as a technique in the method of data analysis. The memoing refers to the work of writing down the meaning of data. The main purpose of memoing is to assist researchers to identify goals, feelings and assumptions as those that relate to a research project (Maxwell, 2013). In this regard, utilising a practice of memoing helped the researcher to record the main ideas when implementing interviews and identifying codes, and to conceptualise the meaning of data. Hence, regarding the actual practices and data analysis methods for this research, the following steps were implemented for analysing the data collected.

- **Compiling data:** According to utilisation of semi-structured interviews, the interviews were all voice recorded and transcribed into English manuscript as compiling data.
- **Developing key categories and themes:** The researcher interpreted the compiled database, then classified and grouped connecting information into categories, themes and concepts by utilising coding and memoing techniques mentioned above. In other words, the data in this study was formatted, modified and coded for analysing the key themes in order to address the research questions and objectives.
Since there was a total 10 interviewees representing 10 handicraft SMEs, the words and numbers as H1 to H10 were used as coding for representing the participants who were interviewed. This helped the researcher to easily manage and analyse the data to identify key concepts and themes. This was also considered to be an appropriate way to keep the anonymity of all participants.

- Creating the conceptual frameworks: The conceptual frameworks would be created based on the findings and implications of the data analysis in order to draw conclusions.

3.8. Validity and reliability

Validity and reliability of the study’s findings were deemed as a significant issue that the researcher took into consideration. The researcher attempted to conduct related activities to ensure that the process of this study was implemented based on proper consideration and evaluation, and this would not contain false assumptions. This research would be reported in its section in a completely transparent way. As suggested by Saunders et al. (2012), reliability is a key characteristic of research quality and several researchers seriously take research quality as a very important issue if they wish other individuals to accept their studies as trustworthy and credible. In addition, validity is referred to as the extent to which a researcher has obtained access to knowledge and experience of participants (Saunders et al., 2012).

Nevertheless, to be sufficient in ensuring of a quality research, various elements of validity need to be identified. As described by Collis and Hussey (2013), validity is concerned with the extent to which the results of a project study precisely reflect the phenomena. The common way in which the validity of a study can be assessed is mainly engaged with the tests or measures utilised by researchers actually measure what they are supposed to measure. Particularly in semi-structured interviews, a high level of validity is possibly attained due to careful implementation within the scope of the questions (Saunders et al., 2012). In this regard, this research process has clearly thought through the following matters:

The interviews were carefully arranged before conducting data collection in Laos by the researcher. All related documents about the project including the information sheet and the consent form were sent to all participants to consider whether they could and were willing to
participate in this study. Based on Saunders et al. (2012), this could enhance validity and reliability of the research study, given that the participants could consider the information about the study and then they could prepare before the interviews were conducted.

All the interviews were taken in suitable places, such as their offices and the board rooms of the participants’ companies, and the interviews were voice recorded. This was to ensure that voice recording and note taking during the interview were of high quality and kept confidential. Through utilising voice recording during the interviews, this helped the researcher to keep original data and could listen again to receive accurate and unbiased data. Based on the researcher’s knowledge and experience with regard to the trade and marketing promotion activities in Laos, this allowed the researcher to demonstrate credibility and motivate the participants to give their opinions and in-depth details of the study area. Both the researcher and participants were relaxed and the researcher was confident to ask questions and the participants could express their opinions.

The researcher began the conversations and discussion by greetings and using common words to make them feel comfortable. Then, the participants were kindly provided with brief details regarding the purpose and objectives of this project study once again. In particular, it was explained to the participants about the consent form and asked they were asked to sign in the form if they agreed to participate in this study. This was to make sure that they clearly understood the project’s aims and they would feel relaxed before starting conversations with other questions. Furthermore, the researcher respected the participants’ opinions and stayed focused with their reactions.

In short, this research study has recognised that validity and reliability was considered as a fundamental issue in ensuring and assessing the quality of the research. The researcher paid more attention to this issue through preparing the research process and relevant information or documents for the participants before conducting interviews.

3.9. Ethical considerations

Ethical consideration was also important for this research study. Researchers need to vigilantly consider ethical issues in each process for implementing a research project in order to avoid causing harm and deception, and to ensure privacy and confidentiality to relevant
participants (Oliver, 2010; Tracy, 2013). Tracy (2013) further highlights that practising ethics in qualitative research is essential for the quality of a project as it encompasses the importance of accurate data and refers to the consent by protecting respondents identity and privacy. In this respect, the conduct of this research project was essentially based on the guidelines of the Unitec Research Ethics Committee (UREC, 2010) and the researcher carefully considered the research design to ensure that this study would minimise harm and deception to all participants and their organisations.

To be specific, in order to ensure that this study covered ethical principles and to get ethical approval from the UREC, the researcher wrote a formal ethical application based on the UREC guidelines. After receiving the approval from the UREC, the researcher sent relevant letters such as the information for participants including the details of the aims and objectives of this study to the targeted handicraft enterprises in Laos to inform them of and to ask their permission to conduct research through interviews. All potential participants had the opportunity to read and consider the information provided prior interviewing them. Also, before travelling to conduct data collection, the researcher had received the permission letters or organisational consent forms from the targeted enterprises.

The process of data collection was implemented in Laos. Laos or Lao PDR is a country that has several minority groups, but the researcher did not focus on any specific ethnic groups and nationality. Also, cultural and social sensitivity issues were not specifically identified for this research. Study of branding and brand management issues of SMEs in Laos was specifically emphasized for this research. In order to guarantee the participants’ anonymity, the researcher attempted to protect the rights and privacy of the participants through the provision of confidentiality and ensure that they would not harmed by the actions of this research project. The researcher attempted to avoid asking questions relating to commercially sensitive information. The researcher gathered and utilised data only for the purpose of the research and the data collected were kept in a secure place and would not be distributed to unrelated people.

With regard to the accessibility of the data collected, only the researcher and the supervisors have access to the data. All relevant data were kept in the secure areas under lock and key at the Department of Management and Marketing of Unitec and on the researcher’s password protected computer. The relevant data will be kept in the secure areas for five years and after
that they will be physically destroyed. The researcher received the ethic approval application: 2014-1050 for conducting this study. This research could commence for the period from 26 June 2014 to 26 June 2015. From the discussion mentioned of ethical issues, it can be said that this research project carefully considered ethics as a significant concern. The researcher addressed related ethical matters and sensitive information, and strictly followed the UREC guidelines.

3.10. Chapter summary

This chapter provides a discussion of the methodology and method used in this research study. An overview of research studies on branding and brand management in SMEs was demonstrated. It highlighted that branding and brand management have become an increasingly critical issue. Nevertheless, many of the existing literatures heavily relied on the context of large organisations or well-known brands. Also, branding practices and guidelines that were proposed by researchers might not be able to effectively apply for the case of SMEs in a different business sector or in a different region. Due to the critical role of branding and the gaps and limitations of previous researches, it is imperative for new research to focus on the context of SMEs in a particular business sector. Thus, this research study focused on branding and brand management in SMEs in the handicrafts business sector in Laos as this area has not previously been researched.

For this research study it was decided to use the interpretivist paradigm and qualitative approach, and it also provided fundamental reasons why a qualitative approach was suitable to choose for this research. Besides, semi-structured interviews were employed as the data collection method with 10 managers or owners of handicraft SMEs in Laos. Furthermore, this chapter illustrated the sample selections process followed for the participants’ recruitment and the thematic analysis for the data analysis method used in this research. Validity and reliability and ethical considerations were also important and elucidated by the researcher.

The next chapter, Chapter Four will portray the data results and findings of the semi-structured interviews with the 10 participants from 10 handicraft enterprises in Laos. The chapter will present the viewpoints and understanding of the participants regarding the actual practices of branding and brand management in their enterprises.
Chapter Four: Empirical Findings

4.1. Introduction
The previous chapter demonstrated and justified the qualitative research approach for this research study. Selection procedure for the participants was highlighted. Also, the research method employed for data collection and for data analysis was discussed. Moreover, validity of the results and ethical considerations were illustrated.

This chapter presents a summary of the empirical data which were collected from 10 participants (owners or managers) in the handicraft SMEs in Laos through using a qualitative approach involving semi-structured interviews. This research was aimed at finding out the potential brand strategy and brand management processes that could be applied by the SMEs in practice. Thus, to do so, this research focused on investigating the understanding of the SMEs’ owners and managers toward branding and brand management, how brand management is exercised in the handicraft SMEs in Laos and to identify obstacles and inhibitors to building successful brands for the SMEs.

With regard to the demonstration of the interview results, the findings are presented and conceptualized into eight key themes or sections associated with the theoretical background in the practices of branding and creating the brand image for SMEs. The eight key themes include the enterprise’s core values, brand knowledge, brand distinctiveness, brand elements, management and marketing activities, branding barriers, secondary brand knowledge and associations, and brand development. Based on the outcomes, the study could gain more understanding about the new concept of branding and brand management in the particular context of SMEs in Laos.

4.2. Interviews analysis
Since there were a total of 10 participants from 10 handicraft enterprises in Laos involved in this research study, code letters and numbers of H1, H2, H3, H4, H5, H6, H7, H8, H9 and H10 were used to represent the 10 participants or interviewees. The participants’ names and the names of their enterprises are anonymous in this research study to avoid personal identification and to ensure that there is no harm to any of the participants and their
businesses. Additionally, in order to answer the research questions, the interview questions were carefully designed from general to specific questions, and also based on the theoretical background and each research objective. However, in practice during interviews, some terms and questions were still relatively difficult to understand for some participants, the researcher then further elucidated questions or some terms to ensure that they clearly understood all inquiries, and consequently they could express their opinions.

The participants chosen as being the owners or managers of 10 handicraft enterprises in Laos (one participant per one enterprise) were interviewed and asked questions revolving around topics fundamental in branding and brand management, along with the attitudes of the SMEs’ entrepreneurs or managers towards the role of brand management in the SMEs. In particular, the interview questions comprised asking about how they perceive the role of branding and brand management and how they commonly promoted and developed their brands into regional and international markets. Also, the interview questions included asking about their resources, limitations and the particular challenges that their enterprises encountered when developing and managing their brands, as well as the potential practices of brand development that could be considered by the SMEs. Therefore, based on the emerging data collected and the theoretical background in the practices of brand management and brand building for SMEs, the presentation of the findings are conceptualized into eight key themes or sections as follows:

4.2.1. The enterprise’s core values

This theme is highlighted to address the first fundamental question that customers commonly ask about the brand such as ‘who are you?’ or they refer to the company’s brand identity. Likewise, the initial step for creating brand equity and achieving the brand management process is essentially related to identifying the core values of the company and brand identity (Keller, 2013). Thus, in connection with the key concept of the company’s core values, this answers the sub-research questions (1), (3) and (5), and accomplishes the research objectives (a), (c) and (e).
The findings showed that the entrepreneurs or owners of the SMEs do not only want to sell their products into a market, but they also have a passion with this kind of business. They have visions to present and promote the Lao culture through the design of handicraft products and the production process. This could be considered as the core value and brand identity of the companies. From this aspect, the theme is alluded to by the following interviewees who demonstrated that:

“We try to preserve Lao product design or traditional design. Also, we try to encourage and motivate Lao citizens and foreigners to recognize about the story of Lao culture through our products.” [H8]

“We are presenting and producing our own products from the beginning process until finished products. We also promote natural dying and organic concept. Actually, we do not only improve our brand to be recognized in Laos, now we are also working with an international company in an attempt to promote the Lao silk organic yarn...” [H10]

Similar views were also expressed by other interviewees as follows:

“We were taught from my mother on how to do this kind of products or textiles since we were little girls. I would say our company has unique and quality of products, and we know about the story of the pattern design, as well as all the production process. We would like to promote this traditional skill and product to be recognized both locally and internationally. Then, we also teach people how to produce silk textile, and we write the book about Lao handicrafts and textile as well.” [H7]

“....I would say in each piece of handicraft product or textile, it can demonstrate a story and Lao culture, and I think we can develop our company brand more reputable than other handicraft firms in another country, because we possess more stories, unique and quality of products.” [H5]
4.2.2. Brand knowledge

It is imperative to perceive brand knowledge structure of the enterprises because it contributes to the creating and management of brand equity, and consequently could lead to brand benefits or brand loyalty (Keller, 2013). In this regard, the questions asked within this theme were expected to understand how the SMEs’ owners or managers perceived about branding and brand management. In essence, this theme enables the study to accomplish the sub-research question (2) and the research objective (b).

All interviewees agreed that brand image and branding are fundamental for the business growth and development. Most of the interviewees stated that recently their handicraft enterprises are quite well-known in the domestic market, and some enterprises thought that their businesses are also well recognized in foreign markets. This is because they established their businesses for many years and developed services and a variety of products with good quality and honesty. Also, these experiences could enable their businesses to be more reputable in the country. Importantly, it was found that the term ‘quality’ and ‘unique design’ regularly appeared in their answers. Some of their explanations are as follows:

“Brand image or branding is very important for business development. Branding is referred to something that it is not only about appearance, but it’s connected with people’s mind. Brand items that people choose can tell what they are and their characteristics. It is very important, it’s about emotional connection” [H5]

“Yes, of course, it is important for all businesses. We need to make our company more reputable for customers: the company should be reliable and produce quality products for customers as well as we need to have something specialty particularly the unique product design to attract customers. However, I think it is difficult to have a good brand image.”[H3], [H8]

“Brand image is important, it is very important. We need to do business with honesty to customers and we pay more attention to all processes of production. These make customers believe in our honesty and quality of product brand.” [H9]
With regard to the participants’ opinions toward brand management in their companies, many of them were concerned that brand management was only about implementation of advertisement for their products such as advertising through the company brochures and magazines. The respondents explained that:

“I ever promoted and advertised our products through brochures and magazines. Then, this made customers to recognise my company, and I decided to stop doing advertisement because it required a lot of budget. I may continue developing my company brand through advertisement in the future. I think we still need to develop it to be more successful.” [H2], [H5]

“I think that brand management in my company is successful, but it’s not much developed, as the company is still not positioned in the top of the market. I still need to develop my brand more effectively; it would be developed based on the trend and through advertisement and improving service to satisfy customers.” [H1]

Some interviewees said their companies are not successful in terms of brand management due to the difficulty of product development and a lot of competitors. The following respondent statements indicate:

“Although my company is quite well-known in Laos, we still cannot penetrate into foreign markets, and we still need to develop and enhance our company brand all the time.” [H3], [H9]

“I think it is not successful. We still struggle with product development and we want the company to be more well-known but we still face difficulties, particularly there are a lot of competitors in the market.” [H6], [H4]

Surprisingly, only two interviewees perceived about brand management as not only concerned with advertisement activities. The interviewees are concerned that brand management is associated with the issues of preserving the Lao product design, protecting their company reputation and producers. In this respect, the interviewees explained:
“I think you have to improve it all the time, you cannot stop at once. But also at the same time, you need to protect yourself from other people because we have many customers using our brand, oh our products, our name, they have to follow our guidelines and give permission from us. We also have to protect our producers when we are talking about branding, we need to be able to recognise what their works. For example, we have many approaches that can you use our logo, I always got back and ask is it your design?, if you are not designing it so we cannot do that. Then, somehow they have to recognize, it has to be co-branding if they want to use our brand, if they want to sell our products. We have to make sure that we protect our brand as well. You know, it takes many years to build my company brand.” [H10]

“Normally, we foster on advertisement to make people know more about the company. Given that our products are connected with Lao traditional design and modern industry, we also would like to influence and motivate Lao people to preserve Lao pattern design and to know story of Lao culture. Recently, there are a lot of copied Lao pattern products in the market and they sell with cheaper price than Lao textile products because they don’t use cotton or silk same as Lao traditional textile.” [H8]

4.2.3. Brand distinctiveness

Within this theme, the researcher found that all of the respondents frequently illustrated that the quality, identity and unique design of the products are the main factors that distinguish them from other competitors. Significantly, all of the enterprises emphasize the producing of quality items for customers, and they believe that having good quality of products could promote their reputation and attract more customers, in spite of high product pricing. These are also referred to as their points of difference compared with other brands. Through this theme, it accomplishes the sub-research question (1) and the research objective (a). This theme was indicated by the respondents as follows:

“I think each company has each own identity. When talking about our strengths and distinctiveness, first of course, it is good quality of products of our company. Then, it is about product design including shade colors and pattern that are exclusive. Customers can order products with special design pattern at the company...” [H5]
“First, quality is significantly concerned. Secondly, unique and distinctive pattern design of products. I think each company has each own style. Principally, we can make special products for customers; this means we can make products according to what a customer wants.” [H4]

“It has to be important. Our products have to pass the quality test before we sell it. If the products do not pass it, we cannot tell others that these are quality.” [H10]

“I think product quality and pricing have an effect on a company’s brand. Despite of the fact that customers may complaint about a high product price, they still buy it because the product is high quality and they believe in good quality of material and my company’s brand. My customers were asked by others about my products that ‘where did you buy these products, they’re very beautiful’. This makes customers to be proud and happy that they get nice and high quality products from my company. Some of my products are quite high cost because it takes a long time to finish, but many customers still often order the products, they may understand for this matter. Also, this is perhaps because they would get nice and high quality products from my company.” [H2]

4.2.4. Brand elements

The theme completes the sub-research questions (3) and (5), and the research objectives (c) and (e). According to the interviews’ results, many of the companies have logos, but they do not have a slogan. Besides, the meaningful terms and the owner’s name are generally used as the company’s name and brand logo because these are easy to remember. Furthermore, all of the companies have never employed a professional organisation for the designing of their brand logo due to budget constraints. Commonly, they designed the brand logo and the company slogan by themselves and they have used it since establishing their companies. The respondents’ views are explained as follows:

“Yes, we have a company’s slogan but we do not put the slogan in the logo because it is quite long slogan. I think having the slogan will make customers to see our company brand. They compare about the real business activities or products and slogan are significantly connected.” [H8], [H6]
“No, I never employed other companies to design a brand logo. We created and used our own logo since establishing the company. My company doesn’t have a slogan and I think other companies in the country do not have slogan as well, so I think it is not necessary to have a slogan in my brand logo.” [H1], [H3], [H9]

“About the name and logo of my company, my father made both of them. To me, it is quite complicated of my company’s logo, so I just use the name of the company as my mother’s name. I think this name is easy to recognize and remember for others.”[H4]

4.2.5. Management and Marketing activities

It is recognized that an effective managerial team and relevant marketing activities are an important means for undertaking the brand management process (Keller, 2013; Krake, 2005). The findings under this key theme reflect the fact that the SMEs actually apply their existing resources and elements to create and develop their brands. These activities are commonly used to promote their companies, and indicate how much attention they provide to a process of brand management. In this regard, the theme responds to the sub-research questions (3), (4) and (5), and carries out the research objectives (c), (d) and (e).

Based on the interviews, the findings show that almost all of the participants still considered that brand management is mainly related to advertising activities. They pointed out that their businesses are not a big industry and they still manage the businesses in a simple and traditional manner. Furthermore, all of the enterprises do not have any employees who are specifically responsible for brand management activities due to their lack of resources and budget. Also, all of the enterprises have not ever employed any professional agent to promote their brands. The opinions were expressed by the interviewees as follows:

“Recently, we do not have any employees who are particularly responsible for this kind of works, as I just told that we lack resources as effective employees and budget” [H1], [H2], [H3], [H4], [H5], [H6], [H9]
“We have not employed particular professional organisations to promote our company’s brand. We just do advertisement on magazines and newspaper, in particular on in-flight magazine. It’s good to advertise on the magazine because many people can recognize my company through the magazine.” [H3], [H8]

With regard to the current activities for promoting the product brand of the enterprises, almost all of the enterprises rely on word-of-mouth and publications, while online tools are less used. This notion was exemplified by the participants as follows:

“Normally, our customers will recommend and promote my products to other people through word-of-mouth. I sometimes promote my products through fashion magazines in Laos. By advertising my products through magazines, this makes customers recognize my new products and they contract my company.” [H1], [H3], [H7], [H8]

Similar viewpoints were indicated by the participant, as follow:

“Commonly, our company and products are promoted through customers to customers or word-of-mouth. Customers will tell others about our good quality products. For example, when our customers wear our products and go to a wedding party, a lot of people will see our products and ask where you bought these items. We used to advertise our products through some magazines. We also have a webpage, but we have not updated any information into the web since last year. We do not have time to update information on the web. However, I think internet and social networking is significant for business development in recent years, online tools are cheaper than other advertising tools. We plan to update it. We need time and to carefully think with relevant employees about information and products to present into the online tools.” [H5]

“Now, we don’t have website and social networking sites, but we plan to have it in the future...For promoting our products, normally, our customers will promote and advertise the products for us, they will suggest my company to others. For example, when our foreign customers travel back to their home countries, they will suggest
and recommend our company to their friends or colleagues who will come to work in Laos.” [H6]

Some companies just stopped doing advertising because they thought that their businesses have been established for many years, other people would already know their companies. It might be assumed that they consider either advertising is less effective or required a considerable resource to conduct this all the time. This view was pointed out by the respondents, as follows:

“Currently, we have not advertised the company because the company was established for many years and many people have known our company. Mostly, our customers will advertise and promote products to others. I think if we have the nice and quality products, it is not very difficult to promote products.” [H9], [H2], [H4]

4.2.6. Branding barriers

In order to build a strong brand and manage the brand, SMEs need to have effective and adequate resources (Keller, 2013). Thus, the participants were asked about resources, their particular challenges and limitations. This theme answers the sub-research question (4) and achieves the research objective (d).

Based on the empirical data, it is not surprising that SMEs have scarcity of budget, inadequate marketing activities and limitations of human resources as demonstrated in Chapter 1 and 2. In particular, all participants agreed that budget constraints restricted their enterprises from investing towards building and managing their brands.

Furthermore, the study found that only a few companies pay more attention to creating awareness among customers through marketing activities. Some companies have stopped implementing advertising activities of the products because they thought that they were quite well-known in the market. Hence, this can be implied that a majority of the SMEs’ owners or managers do not have knowledge about branding and brand management. In other words, they underestimate the important role of brand management. These could limit the SMEs from creating, developing and managing their brands. The following interviewee statements specify:
“We will do promote and advertise our products based on our capability as we do not invest a huge amount of budget for advertisement. One good thing is that our main customer base is Lao people as it is easy to communicate with them. I think that if we have more budgets, we can promote and advertise our products more effectively. We will be also able to know and follow new fashion trend, as well as we can buy new materials to develop new products. [H1], [H3]

“About constraints, it would be budget as the main problem. We need more budget to do advertisement. Building a brand needs relevant development such as packaging, and we plan to develop this thing as well.” [H7]

“Now, we have not paid much attention to this task (development of the company brand), we lack resources. Normally, we used to attend the exhibition to promote our products in Germany once a year, but nowadays we cannot, we have not attended the exhibition at there for about three years because of a significant increase of relevant costs.” [H6]

Similar opinions were provided by other respondents as mainly referred to a limitation of staff, as follows:

“Workers are the main issue; we lack eligible and experienced workers. Our products are hand-made, and to finish a product with nice design and good quality it takes a long time. So, we need particular skilful workers to make products for us.” [H9]

“It is about a lack of employees, we lack employees. Now, it is easy for them to move to other working places. So, to motivate them to work with us and more effectively, I pay them additional amount such as bonus money, but this impacts my company in increasing our product price.” [H4]
Some companies have stopped conducting marketing and advertising activities, as the following views and reasons indicate:

*I used to advertise on some magazines, newspaper, television and brochures, but I have stopped doing those now.... For example, I do not like one thing about advertisement on TV, my company used to be presented on one TV show; this made others copy my products. This disappointed me. So later on I denied them to come to my shop in order to record video of my products. Furthermore, I have seen other firms that display products on Facebook, this makes other people copy the products. I have learnt from this issue. I still don’t want some people to copy my product design.* [H2]

*We used to advertise our products through some magazines. We also have webpage, but we have not updated any information into the web since last year. We do not have time and employees to update information on web.* [H5]

*Currently, we have not advertised our company for about last 4 years because I think the company was established for about 20 years and many people have known our company and products.* [H9]

### 4.2.7. Secondary brand knowledge and associations

A discussion in this section answers sub-questions (3) and (5), and achieves research objectives (c) and (e). The interviewees provided additional opinions and knowledge in relation to branding, brand associations and brand management in their enterprises. A majority of the participants agreed that it is essential for the business to register the brand name associated with the country or geographical region. This aspect was exemplified by the respondents as follows:

*“Yes, it is significant that brand name should be associated with a country or a region. This will tell others that where the product are from. Especially, talking about handicraft items in comparison with other business industry, these items are mainly related to fine arts, unique piece and then to be prototype of one another product.”* [H7]
“Definitely, it is very important. We want people to recognize where our products come from, and who make those products. The story behinds the products are the most important. Products can come from any country and everywhere, but when they pick up the products they will know this is from Laos. We even use Lao character writing, not just where it is made from. We need to do that because you literately produce the products in this country, they should recognize the origin of the products, and we should be proud that the products come from Laos.” [H10]

“It is important because we stay here in this region and if some people use our products, they want to know where the products come from, and from Laos. This would also create reputation to the country.” [H9]

Another aspect within this theme is associated with co-branding as a means for brand extension. The findings showed that although most of the enterprises considered that co-branding is as an effective way for brand extension, in real practice they have not had the experience of co-branding with other brands. They also stated that they might cooperate with other firms or brands if those would have the same or similar business direction to develop products together. For instance, the respondents pointed out:

“I do not have this kind of experience and knowledge about brand extension and co-branding. Previously, we just create and promote our own brand. However, I think if another firm is a reputable brand and then we can trust and cooperate with them; this might be able to develop our brand and business performance more effectively.” [H3]

“Absolutely, if one another brand has the same or similar vision with us, we do not deny to co-branding with them. This would certainly create more values for our company. It does not matter whether another brand will be well-known brand, we will concern that we can share vision or have similar vision and we have same direction in doing business together.” [H5]
“I think it is a good way that an enterprise will practise co-branding with reputable companies, especially when the enterprise wants to penetrate into international markets. However, the companies need to discuss and negotiate with potential business partner to avoid conflicts.” [H6]

In relation to the leverage of secondary associations to build the brand, this theme is associated with the origin of the product, and this was alluded to by the respondents who pointed out:

“At first, I want customers to see and associate with my company as having good quality and unique products presenting the Lao traditional design which are different from other products or firms.” [H2], [H3]

“I think people or customers often come to my shop because they want to get the real Lao items including unique design from other products or other countries. My company focuses on Lao silk and natural dying; we promote these essential things, so we want them to associate my company with these aspects.” [H6]

“The strength of our company is that we use raw material found in Laos, natural dying for our products, and we can mix Lao traditional design to modern product design. Also, our products are good quality products. For example, some customers ever bought other products made by another country with cheaper price, but later on they returned to my company because our products have better quality and could be used for a long time.” [H8]

4.2.8. Brand development

This theme is discussed to answer sub-research questions (3) and (5), and accomplish research objectives (c) and (e). The participants expressed some aspects about important elements for brand development including the leading role of the business owners or managers in branding and brand management, and connecting the brand image with the character of the business entrepreneur (Krake, 2005). In accordance with the data results, almost all of the participants agreed that business proprietors or managers should take the
lead and pay more attention to branding and brand management (Horan et al., 2011; Krake, 2005), as reported by the following participants:

“Definitely, although you or the business owners delegate this work to someone else, you need to understand it. Brand is referred to your face, whatever you put out that is how people will see you. They, managers or proprietors need to understand what the brand stands for and how they are, because literately people will look at the brand first. It is like the words “they judge you by the cover first”. So, you need to understand what your company brand is. Yes, definitely, I mean even though you delegate that work to your staff, at last you still should have to take control over understanding of the brand, where you are heading, where you are going to go with the brand and how you want people to see you. So, this is quite important.” [H10]

“It is significant that proprietors or business owners should know the business direction and should take a lead to do overall business activities and brand management. Even about materials, managers or proprietors should know which ones are effectively used and the most suitable for their companies. For example, an owner should take a lead to other managers regarding working processes of a company and products.” [H1], [H7]

In addition to the concept of brand development, the respondents explained that in order to create and develop the brand, it is imperative to connect the brand image with the character of the business owner or entrepreneur. This notion was alluded to by the respondents, who pointed out:

“I think it is important to have a brand image associated with the character of the business entrepreneur. For myself, I create my products from my heart, I intend to do this and I love to do this. I think creating a brand is really connected with our selves. I think that if anyone knows my company’s brand they would know my name as well. We cannot separate company’s brand from the owner, they are really connected.’ [H1]
“Actually, we have not started managing our brand yet, we just do as traditional business style. I would say that this company was established based on the owner’s taste. So, this brand is mainly connected with the owner characteristic.” [H5]

Moreover about developing the brand through online environment, even though digital tools are perceived as the significant approaches to creating brand awareness and attracting more customers, many of the enterprises still do not have the website and social media sites. This is due to a lack of a financial support, particular skills and IT staff, as the following participant statements indicated:

“In my company, there is no one who is good at IT tasks. Now, my company does not have these online tools. I think social media is very famous and important, I recognise that other firms can promote and sell products via these online tools. Actually, in the future, I plan to hire some people to create these online tools for us, but we need to have time to talk about this. About finding our customers’ needs, we still use general ways, particularly customers will come to meet us directly and they will tell and order products as they want.” [H1]

“We have the website but recently we have not updated information into the website. We plan to develop and update the website but we still need budget to develop it and employ a firm to teach us how to upload information and pictures into the website.” [H3]

“Actually, we have our company’s website but the website has not been updated and developed. We lack IT staff. We plan to improve and update the website in the future when we have enough budgets.” [H8]

Since many of the enterprises do not have the website and social media tools, generally they receive relevant feedback and comments from customers through the email and direct communication with the customers.

“About receiving comments and suggestions, normally my business is ordered of the product and suggested directly from customers. We also receive email from customers, but mostly the customers prefer coming to my shop and talking with us
about what they really want us to make for their special product or particular order. This makes me to know their ideas and also receive their recommendations.” [H2]

“Generally, we just use email to take order from customers and to contact customers…I think customers prefer coming to the shop to discuss and suggest us about my products.” [H6]

Another aspect for developing the brand associated with the entire performance of all employees, the findings suggested that it is difficult to motivate all staff in the company to get involved in developing the brand due to a limitation of knowledge and capability of the staff. The finding also showed that since the companies always focus on quality of products, the owners and managers suggest and teach their technical workers about how to produce good quality of products. However, the workers still do not know much regarding their company’s brand, and they just do their daily tasks as suggested by the owners or managers.

“We often give advice to our workers about how to make our products. We tell them that we focus on nice and good quality products.” [H6]

“All workers need to be trained on making our products, as we pay more attention on good quality products. But it is hard to organise official training for them because many of them are not high educated. I just try my best to support and motivate them to work for my company.” [H4]

Essentially, the respondents expressed their views about potential practices and activities that would be suitable for their enterprises to create brand awareness and develop their brand. From this perspective, they demonstrated that the main activities and practices to create their brand awareness and develop their brand included utilisation of technology such as the website and social media tools, extension of business branches, development of new product lines and participation into international exhibitions to increase brand awareness and grab more customers. The following respondent statements indicated:

“I think it would be mainly concerned with technology, definitely effective website. If we have it we could have more opportunities to access more markets, given that the market that we are looking at it is quite high end market. Co-branding would be also
another big thing to go for us, particularly partnership with our suppliers. I think now technology is everywhere, for instance in New Zealand and Australia, everything is related to internet or online such as buying items through mobile apps, I think we should go for this. Maybe not in Laos right now, but we need to improve it in the future.” [H10]

“We should participate in the international exhibitions to attract more people. We want to focus more on international markets, so participating in the international exhibitions would be more effective for us.” [H6], [H3], [H1]

“I think the most effective way or the fast way for creating brand awareness would be extension of business branch in both domestic and international markets.” [H7]

“We need to do advertisements through all channels or ways. We have new product line to support our existing products. However, to do this we need to have adequate budget and employees to assist us. Indeed, we will not stop our product development to existing traditional products.” [H5]

4.3. Chapter summary

This chapter portrayed the results and important findings of the semi-structured interviews in the study of the topics fundamental in branding and brand management in the particular context of the SMEs in Laos. The findings are illustrated and conceptualized into the eight key themes which are highlighted as follows:

- **The enterprise’s core brand values**: The visions, passion and direction of the founder or business owner would be representing as the core brand identity and brand values of the enterprise.

- **Brand knowledge**: Although a majority of the enterprises agree that branding and brand image are very important for business growth and development, they still do not have particular knowledge about branding and brand management. Also, they underestimate and pay less attention to the significant role of branding and brand
management. In addition, brand management from their perspectives is mainly limited to advertising, indeed its process is more than that.

- **Brand distinctiveness**: The quality, identity, unique design and origin of the product are the main factors that distinguish their businesses from other competitors. These are also referred to their points of difference in comparison with other brands. Especially, they frequently focus on quality of the products. They believe that this could encourage their reputation and attract more customers.

- **Brand elements**: Almost all of companies have logos, but they do not have a slogan. Meaningful terms and the owners’ names are generally used as their companies’ names and brand logos because these are easy to remember. The companies have not employed any professional organisation for designing of their brand logo due to budget constraints. Commonly, they designed their logos and slogans by themselves and they used it since establishing their companies.

- **Management and marketing activities**: The enterprises still manage their businesses in a simple way and traditional manner, and they have not implemented marketing activities relating to promoting the brand. They heavily rely on word-of-mouth to promote and create their brand awareness.

- **Branding barriers**: The SMEs have a scarcity of budget, an inadequacy of marketing activities and limitation of human resources. Particularly, budget constraints restrict their enterprises from investing towards building and managing their brands. In addition, a majority of the participants do not have knowledge about branding and brand management, and they pay less attention to the important role of brand management. Thus, these barriers could limit the SMEs from creating, developing and managing their brands.

- **Secondary brand knowledge and associations**: Registering the brand name associated with the country or geographical region is the important aspect to brand building and brand development. Furthermore, although a majority of the participants considered that co-branding would be an effective way for brand extension, they still have not had this kind of experience.
- **Brand development**: The participants agreed that business proprietors or managers should take the lead and pay more attention to brand management processes because they are the ones who are responsible for the ultimate business decision making. They also highlighted that it is significant to connect the brand image with the character of the business entrepreneur. Moreover, it is rather difficult to motivate all staff to get involved with development of the company brand due to their lack of knowledge.

In essence, this chapter four reveals the outcomes of the interviews in line with addressing the sub-research questions as follows:

- The ways the handicraft SMEs in Laos create their brand identity.
- Understanding of the SMEs’ entrepreneurs on brand management.
- The ways and approaches that the SMEs commonly use to implement brand management.
- Recognition of relevant difficulties and obstacles that the SMEs are facing when managing and developing the brand.
- Relevant activities of brand management which are considered as the potential and challenging issues for the SMEs to undertake in practice.

These key findings and themes will be discussed further in the next chapter with the support of the related literature.
Chapter Five: Analysis and Discussion of the Findings

5.1. Introduction
Chapter Four has demonstrated the data results from the semi-structured interviews with 10 participants from 10 handicraft SMEs in Laos. This chapter aims to utilise the theoretical framework that was reviewed in chapter two to shed light on the empirical findings. Within this chapter the key findings are discussed and structured based on the eight key themes identified earlier in the Chapter Four, including the enterprise’s core value, brand knowledge, brand distinctiveness, brand elements, management and marketing activities, branding barriers, secondary brand knowledge and associations, and brand development. These key themes are critically discussed to respond to the sub-research questions with suggestions of propositions.

5.2. Discussion and proposition development
This research study has examined the relevant branding and brand management issues in SMEs, particularly in the handicrafts sector in Laos. As brand management and brand development are significantly concerned with building brand identity and managing brand equity, this study also explored the creation and development of brand identity, and the management of brand equity among the SMEs. It was demonstrated in the previous chapter that SME brands are built in simple and traditional ways. They were found to have a limitation of branding activities and planning, and resource constraints. Given that there is scant literature on brand management in the SME context and particularly that no research within this title area has been done in Laos before, the research could contribute to this field by portraying which strategies and practices could be applied by the SMEs in Laos.

Based on the empirical findings, in order to accomplish the research aims and objectives the eight key themes are conceptualised and critically discussed in conjunction with the proposition development as follows:
5.2.1. The enterprise’s core values

One interesting finding was that the enterprises’ owners or managers did not only want to sell their products into a market, but they also had a passion within this business. They attempted to present and promote the Lao culture through their handicraft items and production process. Especially, they highlighted that the pattern of the product was unique and nicely designed with the demonstration of a story through traditional skills used. Also, throughout their experience and vision in the handicraft production, they tried to use raw materials found in the country and sustain traditional design and techniques of production. As a result, these attempts would create core values, brand identity and image of the business and the country. These findings further support the notion of Keller (2013) suggesting that identifying brand positioning and brand values including the key concept of core brand association, is an initial step to create brand equity and accomplish brand management processes.

In addition to this concept, it is relatively consistent with the literature of Krake (2005) studying on brand management in SMEs, explaining that SME brands are considered as the continuation of the vision, beliefs and values of the founder or entrepreneur. Commonly, the founder or business owner instills a passion for the brand to their family members and employees. The founder perpetuates and enhances their values to ensure the growth, longevity and brand reputation of their enterprises (Kapferer, 2012; Krake, 2005). The study result also corroborates the ideas of Spence and Essoussi (2010), who suggested that the core values of the SME brand identity comprise specific associations connected with the founder’s belief, history and visions such as creativity, innovation and quality. In this regard, this theme answers sub-research questions (1), (3) and (5), and achieves research objectives (a), (c) and (e). Then, this leads to the first set of propositions as follows:

**Proposition 1a:** In the SMEs, the visions and values of the business owner or entrepreneur are the primary source of brand associations employed to develop core brand identity and create brand equity.

**Proposition 1b:** In the SMEs, the entrepreneur or business owner has a great role in creating the brand image and brand recognition as a source of inspiration and organisational culture within the enterprise.
5.2.2. Brand knowledge

The findings of this study show that the respondents definitely agreed brand image and branding were essential for business success and development. For instance, they explained that branding was referred not only to appearance, but it was about emotional connection and linked with people’s minds. Furthermore, they concentrated on producing a good quality product and service, and conducting business with honesty to customers. With such a focus and taking that approach, these attempts could enable them to be renowned in the domestic market and in some foreign markets.

Importantly, the study found that the words ‘unique design’ and ‘quality’ frequently appeared in the interviewees’ answers. Especially, they considered that quality is the key aspect for business development. In the meantime their businesses and products have the image of high quality. Therefore, it can also be assumed that quality is one of the most significant brand associations to those enterprises. From this perspective, the results are in keeping with previous observational study of Homer (2008), which underlines that the role of quality and image have a powerful effect on customers’ buying decisions and brand preferences. This concept is also supported by Kotler and Keller (2012) who demonstrate that the meaning of customer-based brand equity is importantly related to the source of brand associations and the way they are created. This suggests that brand association is aimed to be formed to register in the mind of the customer, particularly from personal direct experience of the customers (Keller, 2013).

Moreover, in relation to determining the perspectives of the SMEs’ owners or managers toward brand management in their enterprises, there is no doubt that almost all of them consider brand management as only about advertising activities such as brochures and magazines. Indeed, brand management activities are comprised of other aspects and more complex than advertisements (Horan et al., 2011; Keller, 2013). Thus, this data result implies that a majority of the enterprises do not have a particular knowledge about branding and brand management. Nevertheless, what is surprising is that only two enterprises perceived brand management as not only concerned with advertisement activities, but also as the issues of preserving the Lao product design, protecting the company reputation and producers. This could be because their products are importantly associated with cultural and traditional identity. This result has not been particularly highlighted in previous research. Hence, this
theme responds to sub-research question (2) and research objective (b); accordingly, this leads to the suggestion of the following propositions:

**Proposition 2a**: In the SMEs, brand management is mainly concerned with advertisement activities due to a limitation of brand knowledge.

**Proposition 2b**: In the SMEs, brand management could also be related to presenting of traditional production skills and preserving of the originality of product design.

**Proposition 2c**: In the SMEs, the quality is one important brand association to be used for the creation of a strong brand image.

### 5.2.3. Brand distinctiveness

Brand distinctiveness plays a crucial role in brand development of SMEs. It is concerned with what and how it makes products of SMEs unique and attractive to customers (Keller, 2013). The results of this study portray that most of the enterprises have not achieved marketing programs and strategies to position their brand competitively due to their lack of resources and branding knowledge. Hence, in order to position their brand effectively and competitively, they significantly focus on good quality and unique design of products, but they do not really compete with others on pricing.

It was found that quality of products and unique design are related to their identity, and these are also the main features that distinguish them from other competitors. The concept of quality is directly connected with the study of Homer (2008) and Aaker (1991) identifying that perceived quality is one of the main dimensions used for determining brand equity. Perceived quality can be referred to as the judgment and perception of the customer regarding the superiority and excellence of a product or service. Homer (2008) and Kotler and Keller (2012) also prove that a positive image and perceived quality have a powerful effect on brand preferences. Based on the findings, most of the enterprises influence the alternatives of customers by affecting perceived quality through producing special designs and exclusive items. In order words, they focus on building stronger customer relations and maintaining consistency of product quality. The enterprises believe that having good quality products could promote their reputation and attract more customers, in spite of high product pricing.
With regard to unique design, within the framework of Marangkun and Mat (2011), it is about the determinant of brand equity for handicraft in Thailand, and the authors highlight that unique design is a key feature for gaining a competitive advantage and developing brand equity. From this aspect, the study found that each enterprise created and developed its own identity and products in a distinctive manner. For instance, some might present the product with the combination of contemporary and traditional design, while others might present the product with uniquely traditional design. On the whole, all of the enterprises made exclusive and unique product designs based on a particular order from the customers. These are also importantly referred to in their brand image and points of difference compared with other brands and business rivals. According to the theme discussed above, this answers sub-research question (1) and completes research objective (a). Then, the following proposition is postulated:

**Proposition 3a:** For the SMEs, perceived quality has a considerably positive effect on the creation of brand identity, equity and brand preferences of the customer

**Proposition 3b:** For the SMEs, unique and quality of product is the key aspect to build brand identity and develop brand equity in order to gain competitive advantage.

5.2.4. Brand elements

The researcher aimed to perceive more understanding regarding the SMEs’ perspectives toward branding and why they chose the names, logos and slogans for representing their brands. In accordance with the findings, almost all companies have logos, but they do not have slogans. The meaningful terms and the owner’s name are generally used as their companies’ names and brand logos because these are considered to be easy to remember and connected with what they focus on. Additionally, the companies have not ever employed any professional organisation for the designing of their brand logo due to a limitation of budget. In common, the brand or company logo was designed by the owner or the founder since establishing their businesses.

The concept of the role of brand elements toward branding is supported by Keller (2013) who highlights that in order to create customer-based brand equity which is the key aspect of strategic brand management, entrepreneurs should select suitable brand elements to augment
brand awareness and to facilitate the formation of strong, favourable and unique brand associations. Consequently, the six criteria for choosing the best brand elements to effectively create brand equity are suggested, including memorability, meaningfulness, likability, transferability, adaptability and protectability (Keller, 2013; Kotler & Keller, 2012). This suggests that the effective and best brand elements might require both professional knowledge and experience, and this depends on whether the SMEs possess relevant resources and can afford to implement marketing and branding activities. So, due to a limitation of budgetary and human resources, it can be presumed the enterprises may not be able to pay special attention to the choosing of the elements to be strong and favourable associations similar to big organisations.

Therefore, choosing the brand elements of the enterprises interviewed would be limited to some extent to the criteria mentioned above. This is likely to only connect with two criteria as being memorable: easily recognised and recalled and being transferable: across product categories, geographic boundaries and cultures. As a result, this theme answers sub-research questions (3) and (5), and achieves research objectives (c) and (e). As a result, the following proposition is suggested:

**Proposition 4:** For the SMEs, brand elements would be mainly concerned with being memorable and transferable.

### 5.2.5. Management and Marketing activities

The findings indicated that the enterprises have inadequate resources to implement relevant marketing activities in order to communicate with customers and develop the brand. All of the enterprises do not have any particular employees who are responsible for brand management activities due to a scarcity of resource and budget. Most of the decision making tasks belong to their owners, directors or managers. On the other hand, in spite of the fact that some enterprises have marketing managers, such managers have not had duties and experiences to deal with brand management issues in particular. Thus, in an attempt to create brand awareness and brand equity through relevant marketing activities in line with a limitation of resource and budget, emphasis on advertising as publications and word-of-mouth are essential approaches for those enterprises.
According to Keller (2008) and Kapferer (2012), marketing communication activities are a means by which the brand builds relationships with customers and are a crucial element to create brand equity. In addition to communicating tools with customers, there are a variety of marketing activities and alternatives to promote and interact with customers based on the resource availability and purpose of the business (Gronlund, 2013; Kapferer, 2012). In accordance with the data results, those SMEs’ managers and owners provided their opinions that due to the significant shifts of technological and business competitive environment, more advertisements, communication and online environment tools are very important components to promote the business and create an awareness of the brand. However, in actual practice, the means of advertising for many of them is usually related to magazines, television and the company’s brochure, while other media and digital tools are not of much concern or used. This is possibly due to their limitation of resources and brand knowledge. Thus, those enterprises concluded that they would undertake advertisement and other communication tools based on their actual capabilities, budget availability and necessity in a period of time.

In terms of implementation of public relations for the brand, a majority of the enterprises heavily rely on word-of-mouth to be the key to promote their companies and products into the market. The SME entrepreneurs explained that their enterprises and products were commonly promoted through customers to customers or word-of-mouth. Once the customers receive the product and service with good quality from their enterprises, they often return to the enterprises again and also recommend the company to others. This concept seems to be consistent with the literature reviewed thus underlining that small enterprises often must rely on word-of-mouth to build a strong, favourable and distinctive brand association, and public relations, promotional activities and sponsorship could be inexpensive ways to increase brand awareness and brand image (Keller, 2008, 2013).

Based on the above discussion of the finding within this theme, it suggests that brand management is mainly limited to advertising activities. The advertisements and promotional activities are generally concerned with the magazine and the company’s brochure when discussing branding and marketing activities.

Thereby, the researcher infers that due to a lack of a clear understanding of those enterprises on the role of branding and brand management and due to the resource constraints, these
deficiencies could restrict investing in relevant branding and marketing activities to develop the brand and communicate with customers. The results discussed are in agreement with the findings of Wong and Merrilees (2005) and Abimbola and Vallaster (2007). Furthermore, the findings revealed that some marketing programs and activities could not be successfully undertaken due to the management and budgetary issues. As a result, this theme responds to sub-research questions (3), (4) and (5), and accomplishes research objectives (c), (d) and (e). Then, this leads to the following set of propositions:

**Proposition 5a:** In the SMEs, marketing activities for branding is a lack of special attention and adequate execution.

**Proposition 5b:** For the SMEs, word-of-mouth is a powerful means of marketing activity to influence the creation of brand awareness and brand image.

**Proposition 5c:** In the SMEs, some brand marketing programs and activities may not be able to be effectively undertaken due to resource issues and the management direction in the organisation.

### 5.2.6. Branding barriers

One of the most obvious findings to emerge from the analysis which is identified by several researchers is that budget constraints and inadequate human resources are the main issues that deter the management and development of the SME brand (Abimbola & Vallaster, 2007; Horan et al., 2011; Wong & Merrilees, 2005). The empirical results described that the main reasons SMEs hamper their brand development and management are a scarcity of budget, a lack of staff and a limitation of marketing activities. Particularly, all of the respondents agreed budget constraints restricted their enterprises from investing towards developing and managing their brands.

In addition to challenging issues of branding, the study results showed that only a few companies paid attention to creating awareness among customers through marketing activities. Some companies have stopped implementing advertising activities for their products and companies because they thought that their companies were established for many years and they were quite well recognized in the domestic market. This could imply that a
majority of the enterprises do not have knowledge with regard to branding and brand management, and they underestimate the important role of brand management. These barriers could limit the SMEs from creating, developing and managing their brands.

The findings observed in this study mirror those of the previous studies, particularly the ideas of Krake (2005) and Merrilees (2007) that underline that SMEs’ owners or managers should take the lead in brand management, but they always pay less attention to brand development and management in their daily tasks and business activities. The primary reason making many of SMEs unsuccessful and immature in the market is not only because of their lack of financial support, but this is due to a lack of precise understanding of the significant role of branding and brand management. Thus, this theme specifically answers sub-research question (4) and completes research objective (d). Also, the following propositions are advised:

**Proposition 6a:** In the SMEs, a scarcity of budget and a limitation of human resource are the main barriers when developing and managing their brand.

**Proposition 6b:** In the SMEs, the business owners or managers may pay less attention to brand management and brand development activities due to a lack of understanding of the important role of branding and brand management.

### 5.2.7. Secondary brand knowledge and associations

The concept of secondary brand association is demonstrated by Kotler and Keller (2012) emphasizing that brands could be connected with other entities, and the entities of secondary associations are frequently related to shortcut ways to build brand equity. Small enterprises can build brand equity through leveraging as many secondary associations as possible. However, the enterprises should consider any entity with potential associations (Keller, 2013). It is interesting to note that connecting the brand name with the country of geographical region would be considered as the entity of potential brand association to create and develop the SME brand. Especially for the handicraft items, the items are essentially related to the fine art, the unique pieces and traditional items. In addition to this notion, the interviewees underlined that customers would recognize where the product they bought came from and who made this product. Importantly, given that any products can come from everywhere or any region, the stories behind the products are the most important. Thus, the
finding suggests that the enterprises leverage secondary brand associations by connecting the brand to the country in order to build favourable and positive responses.

In relation to secondary brand knowledge and associations, it is about co-branding as a means for brand extension in order to develop the brand. Co-branding is one of the most important secondary brand associations to be employed to strengthen the brand positioning, create remarkable points of difference for the brand and to effectively create brand equity (Keller, 2008, 2013). According to the interview results, the owners and managers of those enterprises agreed that co-branding would be a potential way for achieving a brand extension and enhancing business performance more productively. This could also certainly create value for both parties in terms of outcome generation and a new market penetration. Nevertheless, all of the enterprises have not had knowledge and experience about co-branding with other organisations, but this concept would happen if they could find a potential organisation having similar business visions and direction. Therefore, this theme answers sub-research questions (1), (3) and (5), and accomplishes research objectives (a), (c) and (e). Besides, a set of propositions are advised as follows:

**Proposition 7a:** For leveraging secondary brand association in the SMEs, brand equity can be created through connecting the brand name with the country name in order to develop the common concept of the existing brand.

**Proposition 7b:** For the SMEs, co-branding would be considered as a potential secondary brand association used in order to reinforce the brand and generate more incomes from a new target market.

In connection with the leverage of secondary associations, the enterprises’ proprietors and managers realize that both domestic and foreign customers often purchase their products because the customers want to get the unique and real Lao items. Thus, it can be inferred that the origin of the product could have an effect on the creation of brand identity and brand image, and customers’ buying decision.

By developing the brand through the effect of the country of origin, this concept is recognized to lead to positive associations in customers’ minds (Keller, 2013). These
associations have a positive effect on the creation of brand equity, and these are likely to be more difficult to imitate. Country of origin image represents a key dimension and brand association as each brand employs a wide range of dimensions and associations that are most coherent with each brand concept, and this concept corroborates the findings of Pappu, Quester, and Cooksey (2007). Likewise, the study results of Saydan (2013) also affirm that country image has an impact on the brand evaluation process of customers from many aspects. In particular, the evaluations of customers concerning country of origin image have a critical effect on brand recall comprising brand value, brand awareness, perceived quality, brand loyalty, and customers’ purchasing decision. This notion would be a significant factor influencing the performance of the product and the brand (Saydan, 2013).

In this regard, another contribution of this research study is that the country of origin can be applied as brand association to manage and develop brand equity in the SMEs. Since those enterprises have inadequate resources for implementing communication activities and developing brand identity or brand equity, the country of origin would provide an added value to the brand for creating brand awareness and perceiving product quality by customers. Therefore, this leads to a set of the following research propositions concerned with the creation of brand identity and the role of the country of origin on the SMEs:

**Proposition 8a**: In the SMEs, the country of origin is a relevant brand association to be employed for brand identity creation and brand value enhancement.

**Proposition 8b**: In the SMEs, the country of origin image has a significantly positive influence on brand awareness and perceived quality.

### 5.2.8. Brand development

With regard to the key features of managing and developing the brand, for the first important aspect, it is suggested that business proprietors or managers should take the lead and pay more attention to branding and brand management (Horan et al., 2011; Krake, 2005). According to the opinions of the interviewees, they supported that although the owners or managers delegate works and brand promoting tasks to any staff; at least those managerial level employees need to take control over the understanding of the brand and overall business processes. They should understand what the brand stands for and where the business is
focusing on to penetrate into a market. The ideas mentioned are highlighted by the study of Krake (2005) and Horan et al. (2011) emphasizing that the entrepreneur or business owner has critical roles in developing and managing the brand, and having influence on the internal process of the organisation. Then, in order to maximize the significant role of the management, the owner or manager should have an increase in the delegation of branding decisions and cultivate a passion for the brand in everything the organisation does (Horan et al., 2011; Krake, 2005).

In addition, another key aspect of brand development is associated with connecting the brand image with the character of the business entrepreneur. This aspect was exemplified by the interviewees underlining that their enterprises were established based on the owner’s direction and visions. In fact, they have not commenced conducting relevant branding strategies, but they love and have a passion for this business. They intend to create the product with good design and good quality. Hence, this enables the firms to create more brand awareness in the market. This notion is essentially consistent with the ideas of Krake (2005) underlining that the entrepreneur or business owner has a great role in creating the brand recognition as a source of inspiration and organisational culture within the company. More importantly, as the entrepreneur represents the brand, they should embody the brand in everything they do to convey the message as clearly as is possible.

Concerning the concept of brand development through the online environment, all of the enterprises have perceived that the internet and online tools have crucial roles to play in creating brand awareness and attracting more customers. For instance, social media is widely recognized as a very famous and essential means to promote the business and products. Nevertheless, in real practice, many of the enterprises still do not have a website and digital tools. For many of those having websites, the websites have not been updated due to a limitation of budget and human resources particularly IT staff. Furthermore, for those enterprises that do not have a website, the email and direct discussion are the communication tools for receiving the feedback and recommendations from the customers. This implies that the enterprises principally build brand associations to register the customers’ minds through personal direct experience and word-of-mouth, according to (Keller, 2013).
With respect to the brand development, it is the role of all employees in the organisation, according to Krake (2005) and Ojasalo et al. (2008). Although the business owners or managers can play a crucial role in building the brand, the process of brand management and brand development is still difficult to implement because its concept should also involve with other staff members not only managerial level employees. Thus, to achieve effective brand management and brand development, it should be inclusive and engage with every member of staff who works in the company (Krake, 2005; Ojasalo et al., 2008). However, the findings of this study do not support the previous research, the study results demonstrated that other workers in their enterprises just do their daily tasks and they do not know much about the company brand. It can be said that it is relatively difficult to motivate all staff members of the enterprises to get involved in developing the brand due to a limitation of knowledge, experience and capability of the staff. Accordingly, what the enterprises can do is to educate their workers about perceiving the values of the product brand, producing a good quality of product and inspiring them to work with the enterprises by giving additional bonus.

Ultimately, another aspect in line with this theme is associated with the opinions given regarding the practices and activities that would be suitable for their businesses to manage and develop the brand. They proposed that the main activities would include utilisation of technology and digital tools such as effective website design and social media tools, extension of business branches, development of new product lines and participation in international exhibitions to increase brand awareness and grab more customers.

Therefore, from the above discussion within this theme, it answers sub-research questions (3) and (5), and accomplishes research objectives (c) and (e). Also, the last set of propositions is suggested as follows:

**Proposition 9a:** In the SMEs, the owner or manager has the critical role to take the lead to the process of brand development and brand management.

**Proposition 9b:** In the SMEs, the owner or manager should have an increase of delegation of branding activities’ decisions and should cultivate an enthusiasm for the brand in entire activities of the organisation.
In line with the discussion of the eight key themes above, one of the significant contributions of this study is that the results identify practical ways the SMEs create their brand identity and brand image to the market as illustrated in Figure 1.

**Figure 1: A model of the creation of brand identity and brand image of the SMEs in Laos**

- **The Enterprise’s core value**
  - Passion
  - Visions
  - Story
  - Brand knowledge

- **Brand distinctiveness**
  - Quality
  - Identity
  - Unique - design, products

- **Brand elements**
  - Logo
  - Slogan

- **Management and marketing activities**
  - Advertisement
  - Word-of-mouth

- **Leverage of secondary associations**
  - Brand associated with the region
  - Co-branding
  - Country of origin

**Outcomes**
- Brand development
- Brand awareness
- Brand identity
- Brand image
- Building and growing brand equity
- Greater loyalty

*Source: Developed by the author and adapted from Keller (2013)*
Aside from the eight key themes with a number of sets of the propositions discussed above, it is imperative for this research study to clearly address the main research question and the fifth research question in particular. The study is expected to achieve the objective of which practices or guidelines of brand management are most amenable to the Lao SMEs, in other words which practices of brand management should be employed by the Lao SMEs. Hence, to do so, the discussion of the contrast between the empirical data with the branding guidelines for SMEs reviewed in the literature is illustrated in line with which branding practices could not be applied:

- **Guidelines for building a strong brand for SMEs: The view of Keller**
  - **Focus on building one or two strong brands.**
    Keller (2013) proposes that tactically it is imperative to focus on building one or two strong brands in SMEs because small enterprises have limited resources. So, a corporate branding strategy could be essentially concerned to build brand equity. The study results match the ideas of the author as the findings portrayed that the SMEs often concentrate on building and developing one brand name due to a lack of brand knowledge, experience and resources. They generally promote and sell their product brands under the company brand name. By focusing on only a single brand, this enables them to fully develop and utilise their resource availability in order to enhance their business performance. In this regard, this branding guideline would be practical to focus on by the SMEs.

  - **Focus a creatively-developed marketing program on one or two important associations, to serve as the source of brand equity.**
    Keller (2013) suggests that small companies frequently must rely on one or two main associations as the points of difference. Also, the companies must consistently support and strengthen those associations within the marketing programs. According to the results of the study, unique design and quality of the product are significantly concerned with the points of difference and the key associations of the SMEs. However, although they have the key associations, it is difficult to reinforce those associations within a creative marketing program due to a limitation of brand knowledge and the resources of the SMEs. Therefore, this guideline seems to be the challenging issue for a majority of the SMEs to implement in practice.
• **Employ a well-integrated mix of brand elements that fully support both brand awareness and brand image.**

A unique and well-integrated set of brand elements would strengthen brand awareness and brand image. Definitely, brand elements should be memorable, meaningful and creative (Keller, 2013). This implies that the effective and best brand elements might require both professional knowledge and related experience. Besides, this guideline importantly depends on whether the SME possesses relevant resources, and can afford relevant marketing and branding activities. Such a notion seems to be consistent with the study findings, which illustrated that in spite of the fact that the enterprises have not employed any professional firms to design the company brand logo and slogan as they created them by themselves, the key elements especially the logo and the company name were meant to be memorable and transferable. They focus on using the meaningful terms and the founder’s name to represent the business identity and distinctiveness. This would enable the enterprise to develop the creation of brand awareness and brand image. Therefore, this branding guideline would be appropriate to be employed for the SMEs.

• **Design creative brand building push campaigns and consumer engaging pull campaigns that attract attention.**

Small enterprises are advised to design creative push and pull programs catching the attention of customers. This indicates that the creative and cost-effective push and pull marketing campaigns must maximize the visibility of the brand and catch both customers and retailers to give consideration to it. Small businesses often must rely on word-of-mouth to build strong, favourable and distinctive brand associations (Keller, 2013). However, the findings of the study do not support the concept of Keller (2013). The findings showed that a majority of the enterprises heavily rely on word-of-mouth, but it is difficult for those enterprises to implement creative branding push and pull campaigns because they do not have sufficient experience and resources. Thus, this branding guideline would be difficult to carry out for most of the SMEs.

• **Leverage and broaden the brand as many secondary associations as possible.**

Secondary associations are frequently related to a cost-effective and shortcut ways to build brand equity. The SME should select any entity with potential associations, especially those that encourage the signal of quality and credibility (Keller, 2013). Through the study results,
the enterprises create brand equity by leveraging and connecting the brand name with the
country name in order to develop the common concept of the existing brand. Also, although
the enterprises have not had experience with co-branding, this would be a feasible way to
employ in order to achieve a brand extension if the enterprises could find the potential firm
having a similar business direction. In this regard, this branding guideline would be practical
to the SMEs.

➢ **Guidelines for building a strong brand for SMEs: The view of Krake**

- **Be logical in the enterprises’ policy and consistent in the enterprises’ communications.**

The study findings corroborate the ideas of Krake (2005), who suggests that the SMEs’
entrepreneurs or owners should be consistent in their business activities and policies. In
particular, the entrepreneurs should observe and regularly communicate with customers; this
would register the mind of potential target customers. Based on the findings, the enterprises
support the aspect of consistency when demonstrating about their core identity and point-of-
difference. They focus on building stronger customer relations and maintaining consistency
of product quality. This enables them to sustain existing customers and also attract more
buyers. Thus, this guideline is acceptable for the SMEs.

- **Ensure that there is a clear relationship between the character of the entrepreneur and that of the brand.**

The findings of this research study showed that the proprietors or owners enhance the core
values of the company brand and connect it with their directions and visions to ensure the
growth, longevity and brand reputation of their enterprises. They also have a passion to make
good quality of products and promote the Lao culture through their product design and the
production process. This notion is broadly consistent with Krake (2005) underlining that the
entrepreneur or the business owner needs to have a passion for branding within the company
and a strong relationship between the characteristic of the entrepreneur and the brand.
Besides, the entrepreneur has a great role in establishing the brand recognition as a source of
inspiration and organisational culture within the firm. Thus, this guideline is conceded for the
SMEs.
- **Cultivate a passion for the brand within the enterprise.**

Krake (2005) proposes that SMEs should express and exude an enthusiasm for the brand in everything the organisation does. Yet, the study findings do not support the previous research. The findings revealed that it is very difficult to motivate all staff members to pay special attention to the company brand or be interested in branding matters. This is due to the fact that most of their technical workers are not highly educated people and those lack relevant knowledge and experience. They just focus on the daily tasks given by the business owner. Hence, the guideline would not be practical to most of the SMEs.

- **One new branding guideline for SMEs: The results of this research study**
  - **Concentrate on creating unique design and quality of the product**

Based on this study, one new guideline relating to building unique design and quality of the product, could be added to the model (Figure 2) because it was frequently cited by the enterprises studied as having significant relevance to their business operations. The interviewees frequently highlighted that unique design and quality of the product are the key aspect for their business reputation and development. The key concept of the association between a strong brand image and quality of the product is significantly supported by Homer (2008) who proves that positive image and perceived quality have a powerful effect on brand preferences. Also, perceived quality can be referred to the judgment and perception of the customer regarding the superiority and excellence of a product or service. With regard to the concept of unique design, the study result is also in agreement with the study of Marangkun and Mat (2011) underlining that unique design is a key feature for gaining a competitive advantage and developing brand equity for handicraft enterprises. This study could presume that the unique design and quality of the product could be the key aspect to build brand identity and develop brand equity in order to create a strong brand and gain competitive advantage.

Therefore, according to the above discussion of each branding guideline, there are six guidelines that would have the potential for most of the SMEs to implement in practice in order to develop and manage their brands so that they become strong and successful in the market as portrayed in Figure 2.
Figure 2: A conceptual model of branding guidelines or practices for managing and developing the brand of the SMEs in Laos.

Focus on building one or two strong brands

Employ a well-integrated mix of brand elements that fully support both brand awareness and brand image

Leverage and broaden the brand as many secondary associations as possible

Be logical in the enterprises’ policy and consistent in the enterprises’ communications

Ensure that there is a clear relationship between the character of the entrepreneur and that of the brand

Concentrate on creating unique design and quality of the product

Source: Developed by the author and adapted from Krake (2005) and Keller (2013)

5.3. Chapter summary

Chapter Five answers the research questions and achieves the research objectives identified in Chapter One. According to the analysis and discussion, the study results could identify the ways that the SMEs create their brand identity and brand image in the market as depicted in Figure 1. Based on the research questions and the propositions development, it can be summarized as follows:
How do SMEs in the handicrafts sector in Laos create their brand identity?
Brand identity and brand image are the important means for the creation of brand equity and development of the brand. In the SMEs, the visions and values of the business owner or entrepreneur are the primary source of brand associations employed to develop core brand identity. Furthermore, uniqueness and quality of the product is the key aspect to build brand identity and develop brand equity in order to gain competitive advantage. This aspect is also essentially recognized as the key factor that a business from other competitors and brands.

What are the perspectives of entrepreneurs or managers of the Lao handicraft enterprises for enhancing brand management?
In the SMEs, brand management is mainly concerned with advertisement activities due to a limitation of brand knowledge. One interesting point emerging from this case study is that brand management could be also related to the presenting of traditional production skills and sustaining of the unique product design. Moreover, the quality is one important brand association be used for the creation of a strong brand image.

How is brand management currently implemented in SMEs particularly in the handicrafts businesses in Laos?
They create brand equity through connecting the brand name with the country name in order to develop the common concept of the existing brand. They utilise the country of origin image to influence brand awareness and enhance brand values. Importantly, they heavily rely on word-of-mouth to create brand awareness and brand image. Additionally, since they perceive brand management as mainly concerned with general advertisements such as through the company’s brochure and magazines, it can be said that their business activities are lacking in special attention and adequate execution of branding and brand management.

Which difficulties do SMEs in Laos confront when managing and developing their brands?
In the SMEs, a scarcity of budget and a limitation of human resources are the main barriers when developing and managing their brand. In addition to branding
difficulties, the business owners or managers may pay less attention to brand management and brand development activities due to a lack of understanding of the important role of branding and brand management.

- **What practices of brand management could be employed for the Lao SMEs?**

According to the eight branding guidelines for SMEs of Krake (2005) and Keller (2013), six branding guidelines including a new one would have the potential to be employed for the SMEs in practice as portrayed in Figure 2, whereas the other three guidelines would be not practical to most of the SMEs. The six potential branding guidelines include focusing on building one or two strong brands, employing an integrated brand elements that fully support both brand awareness and brand image, leveraging and broadening the secondary brand associations, holding consistency in the policies and communications of the enterprise, having a clear relationship between the characteristics of the entrepreneur with the brand and concentrating on creating the unique design and quality of the product.

In the next chapter, Chapter Six conclusions, managerial implications and recommendations are provided. In addition to the conclusions and propositions, the chapter will also demonstrate the limitations of this study and provide directions for future research.
Chapter Six: Conclusions and Recommendations

6.1. Introduction
Chapter Five has addressed and discussed the key results of this study and is supported by relevant literature reviewed in Chapter Two. All key results and findings have been illustrated based on the eight crucial themes, and these key themes have been discussed to respond to the sub-research questions with the suggestion of several sets of the propositions.

The final chapter of this thesis summarises the key results and conclusions concerning with the research objectives and the research questions. The researcher further provides a discussion of the research propositions underlined in Chapter Five as a support of the conceptual model of building and managing the brand for the SMEs in Laos. In addition to the study results, managerial implications and recommendations are highlighted. Finally, the limitations of the study and some proposals for further research are discussed.

6.2. Conclusions
This research project was aimed at investigating how brand management is implemented in SMEs in the handicraft sector in Laos and to identify obstacles and inhibitors to building a successful brand for the SMEs. The study also sets out to find out the potential brand strategy that could be applied by the SMEs in practice. The intention was to identify the challenging issues faced by the SMEs when creating and developing their brands, and to assist them to deal with the issues. In order to achieve the research’s aims and objectives, this study needed to address the research questions as follows:

1) How do SMEs in the handicrafts sector in Laos create their brand identity?
2) What are the perspectives of entrepreneurs or managers of the Lao handicraft enterprises on the role of brand management?
3) How is brand management currently implemented in SMEs particularly in handicrafts businesses in Laos?
4) Which difficulties do SMEs in Laos confront when managing and developing their brands?
5) What practices of brand management could be employed for the Lao SMEs?
Semi-structured interviews in a qualitative research approach was chosen and designed to obtain the empirical data. The empirical data was collected and analysed from 10 participants, representing 10 handicraft enterprises in Laos. Thus, based on the research questions and the empirical analysis with the propositions development in chapter five, the conclusions and recommendations are as below:

6.2.1. Sub-research question one

*How do SMEs in the handicrafts sector in Laos create their brand identity?*

Brand identity and brand image are the important means to the creation of brand equity and development of the brand. Keller (2013) illustrates that the first stage in building brand equity is to develop a brand identity which is accomplished through a distinctive set of brand associations. Based on the empirical results, in the SMEs the entrepreneur or business owner has a great role in creating the brand image and brand recognition as a source of inspiration and organisational culture within the enterprise. Besides, the visions and values of the business owner or entrepreneur are the primary source of brand associations employed to develop core brand identity and create brand equity.

In addition, uniqueness and quality of the product are the key aspects on which to build brand identity and develop brand equity in order to gain competitive advantage. The study also found that the country of origin image has a significantly positive effect on brand awareness, perceived quality and brand preferences of customers. Thereby, it can be inferred that the country of origin is a relevant brand association to be employed for brand identity creation and brand value enhancement. These key aspects are also essentially recognized as the key factors that distinguish an enterprise from other competitors and brands.

To put it in a nutshell, the SMEs in Laos create their brand identity through the visions and values of the entrepreneurs or business owners. Furthermore, uniqueness and quality of the products and the country of origin are the key aspects to build and develop brand identity and brand equity. (See the Figure 1).
6.2.2. Sub-research question two

What are the perspectives of entrepreneurs or managers of the Lao handicraft enterprises for enhancing brand management?

Through the viewpoints of the entrepreneurs and managers of the SMEs in Laos toward brand management in their enterprises, there is no doubt that almost all of them consider that brand management is only about advertising activities such as brochures and magazines. Indeed, brand management activities are comprised of other aspects and are more complex than advertisements (Keller, 2013). Hence, the result of this study implies that a majority of the
business owners and managers do not have a particular knowledge with regard to branding and brand management. An interesting point emerging from this case study portrays that brand management can also be related to the presenting of traditional production skills, protecting the company reputation and producers, and sustaining of the unique product design. Moreover, maintaining the product quality is one important brand association be used for the creation of a strong brand image.

6.2.3. Sub-research question three

*How is brand management currently implemented in SMEs particularly in handicrafts businesses in Laos?*

Keller (2013) highlights that the process of strategic brand management is significantly concerned with the design and implementation of relevant marketing programs to build, measure and manage brand equity. Also, the primary purpose of branding is to provide products and services with the strength of brand equity. From this perspective, brand equity is a critical element for enhancing a business, and it is designed to reflect the real value of a brand (Keller, 2013). According to the study results, the SMEs in Laos create brand equity through connecting the brand name with the country name in order to develop the common concept of the existing brand. In other words, they utilise the country of origin image to influence brand awareness and enhance brand values. In terms of promoting the company brand through relevant activities, they heavily rely on word-of-mouth to create brand awareness and brand image. In addition, since they perceive brand management tasks as mainly concerned with general advertisements such as through the company’s brochure and magazines, it can therefore be assumed that their business activities lack special attention and adequate execution of branding and brand management.

6.2.4. Sub-research question four

*Which difficulties do SMEs in Laos confront when managing and developing their brands?*

Based on the empirical analysis within the theme of branding barriers in chapter five, the study results showed that the main reasons SMEs hamper their brand development and management are a scarcity of budget, a lack of staff and a limitation of marketing activities. In particular, budget constraints restrict their enterprises from investing towards developing
and managing their brands. In addition to branding difficulties, and due to a lack of understanding of the important role of branding and brand management, the business owners or managers may pay less attention to brand management and brand development activities. The key results are broadly consistent with the study of several researchers such as Wong and Merrilees (2005), Abimbola and Vallaster (2007) and Horan et al. (2011).

6.2.5. Sub-research question five

What practices of brand management could be employed for the Lao SMEs?

In order to solve this research question, this study project needed to test branding guidelines and practices for SMEs proposed by Krake (2005) and Keller (2013). Through the eight branding guidelines proposed by the two authors, five of the branding guidelines were confirmed by this project study. The five branding guidelines were certainly of relevance to their business operations and such guidelines would have the potential to be employed for the Lao SMEs in practice. However, the other three branding guidelines were not readily accepted or would not be practical for most of the SMEs. The reason is that the guidelines do not come within the scope of most SMEs. Also, no enterprises studied engage in branding marketing programs and in co-branding. More importantly, based on the results of the research, one new guideline relating to building the unique design and quality of the product, could be added to the model because it was frequently cited by the enterprises studied as having significant relevance to their business operations. As a result, these changes led to the creation of the new conceptual model of the potential guidelines for managing and developing the brand of the SMEs in Laos as depicted in Figure 2, as follows:
Figure 2: A conceptual model of branding guidelines or practices for managing and developing the brand of the SMEs in Laos.

Focus on building one or two strong brands

Employ a well-integrated mix of brand elements that fully support both brand awareness and brand image

Leverage and broaden the brand as many secondary associations as possible

Be logical in the enterprises’ policy and consistent in the enterprises’ communications

Ensure that there is a clear relationship between the character of the entrepreneur and that of the brand

Concentrate on creating unique design and quality of the product

Source: Developed by the author and adapted from Krake (2005) and Keller (2013)

The following three branding guidelines were discarded:

- Focus a creatively-developed marketing program on one or two important associations, to serve as the source of brand equity
- Design creative brand building push campaigns and consumer engaging pull campaigns that attract attention
- Cultivate a passion for the brand within the enterprise
6.3. Managerial implications and recommendations

6.3.1. Managerial implications

This project study may assist business owners and managers in creating, managing and developing the SME brand through the study results especially by considering the branding guidelines for the SMEs. Taken together, the study results suggest that the entrepreneurs or business owners play a crucial role in the SMEs and exert significant influence on the internal structure and culture of their enterprises. They demonstrate different skills that are fundamental in the creation and development of the brand. Nevertheless, a majority of the SME entrepreneurs or owners still pay less attention to brand development and brand management in their daily tasks and business activities. They underestimate and do not clearly understand the significant role of brand management.

The results of this research support and propose the notion that although the owners and managers incorporated a personalized management style and had some experiences within this business sector, they still need to develop their branding knowledge, skills and competencies as these will likely have an influence on their brand building and business development activities. Another important implication is that a number of SMEs fail and are reluctant to fully invest in most business activities comprising advertisements, training and information technology. Perhaps, this is because SMEs often encounter inadequate financial support and human resources, and they do not have branding knowledge and do not precisely understand the important role of branding and brand management.

The study results would also indicate that SMEs in the handicrafts business sector in Laos are distinct from large organisations or even other business sectors. Their business processes and products which are referred to craft, unique and handmade items, have their own particular characteristics and abilities to grow in a market. Thus, in order to develop their brand and be able to compete in a competitive market, the product might be promoted and developed through presenting its uniqueness and storyline.
6.3.2. Recommendations

- At first and definitely, this research would suggest that business owners, entrepreneurs or managers should take the lead in brand management and locate relevant brand management tasks in their business activities. In other words, the business owners or managers should be encouraged to have an increase of delegation of branding decisions, cultivate enthusiasm and incorporate the entire activities of the enterprise when managing and developing the brand.

- Secondly, seeing that the SMEs often face limited budgets and human resources, creativity is indispensable to the enterprises for communication and branding tasks. It can be seen that word-of-mouth is a powerful means and an inexpensive way for the marketing and communication activities to influence the creation of brand awareness and brand image. In order to increase brand awareness, social media is deemed as a place where customers actively engage and share about their experiences with other individuals. Indeed, social media is not only related to marketing and advertising, it is also about creating a community and strengthening a relationship of a company’s brand and customers’ engagement (Davis, Piven, & Breazeale, 2014). Hence, utilising social media tools would enable a company to develop relevant branding activities through more understanding of customer behaviour and needs (Coles, 2014; Davis, 2014). Significantly, the entrepreneurs or business managers should not underestimate the important role of online environment tools including the company website and social networking sites. This suggests that the entrepreneurs should opt for some potential social media tools among several other tools and then learn how to effectively use those online tools to promote the company brand and then develop their features from time to time.

- Thirdly, according to the characteristics of the handicraft SMEs which are distinct and they have particular features to grow in a market. In order to develop their brands and be able to compete in a competitive market, the product might be promoted and developed through presenting its uniqueness and storyline. Essentially, it is suggested that what makes a product unique is its history and the story of how a product came into being. Given that this kind of product is fundamentally related to culture and tradition, the entrepreneurs can create and promote a storyline for a product. This
practice would be a feasible way to develop the product brand and increase the value of the product.

- Fourthly, with regard to applications of branding strategies, entrepreneurs or business owners should investigate branding practices and strategies available and assess which ones would be most suitable for their enterprises and target markets. Given that the SMEs always encounter limited branding knowledge and capacities, cooperating with other brands or organisations such as applying co-branding tactics could be considered as a potential secondary brand association used to reinforce the existing brand and generate more income from a new target market. This practice would encourage the company to gain a competitive advantage in the domestic and international markets. This could happen and be applicable when both parties have the same or a similar business vision and direction in developing the brand together.

- Lastly, the role of branding and brand management is fundamental when attempting to penetrate a target market. However, those in the private and public sector who are involved in SME development and promotion need to take more action and to put more effort in to encourage SMEs with financial support and capacity building.

As a result, based on the conclusions, implications and recommendations mentioned above, this research develops a conceptual framework for creating a strong brand for SMEs in Laos as depicted in Figure 3.
### 6.4. Limitations and Directions for Future Research

#### 6.4.1. Limitations

This research was limited to the study of branding and brand management issues and specialised in SMEs in the handicrafts sector in Laos. This study demonstrated perspectives of the supply-side on how SME brands are created, managed and developed. A limitation of this study is that it generalised the data across different business sectors of SMEs. The findings of this research could be practical and useful for SMEs in the handicrafts sector in Laos, but might not be representative of all SMEs or business subsectors due to their different business characteristics.
6.4.2. Directions for Future Research

The findings of this research provide salient avenues for future research in the area of brand management in the SMEs and for companies who are interested in gaining a competitive advantage and achieving sustainable growth. In order to provide further insights into brand management and development in SMEs, future research should examine customers’ perceptions toward the branding process of SMEs. It may also be useful to investigate brand building processes of SMEs for other businesses on a sectoral basis in order to find out whether the processes and practices vary significantly from sector to sector. To determine whether the six branding guidelines demonstrated in this research are suitable for another business sector, a further practical research needs to be undertaken.

6.5. Chapter summary

This research study makes several noteworthy contributions to the field of branding and brand management in SME sector. The remarkable contribution of the study is to be able to find out how SMEs in the handicrafts sector in Laos create their brand identity locally and internationally and to perceive the perceptions of the SME entrepreneurs on brand management as well as their real practices with regard to brand management.

Another important contribution of the study is that it could recognize the challenging issues existing in the SMEs when managing and developing the brand. Significantly, the study could find out the branding guidelines or practices as depicted in Figure 2 which would have the potential for most of the SMEs.

Based on this research’s recommendations, a conceptual framework of the process for creating a strong brand for SMEs in Laos is developed as portrayed in Figure 3. Therefore, this study’s value adding is providing meaningful and useful information for SMEs particularly for the handicraft business sector when building, managing and developing their brands. This not only reduces difficulties encountered by the enterprises in branding, but also reduces the time to develop their business activities efficiency. Furthermore, a gap in the literature is filled by this study in relation to handicrafts in Laos to create their brand identity.

In addition to conclusions, this study highlights and provides suggestions that the entrepreneurs or business owners play a crucial role in the SMEs and exert significant
influence on the internal structure and culture of an enterprise. The entrepreneurs need to develop their branding knowledge, skills and competencies as these aspects will likely have an influence on their brand building and development activities. Moreover, the business owners or managers should be encouraged to have an increase in the delegation of branding decisions and incorporate the entire activities of the enterprise when managing and developing the brand. In this regard, the notion of enhancing brand knowledge of entrepreneurs would place at the first stage of the framework for creating a strong brand, as depicted in Figure 3.
REFERENCES


Myers, M. D. (2013). *Qualitative research in business and management*. Retrieved from [http://books.google.co.nz/books?hl=en&lr=&id=fElADjIiF7tIC&oi=fnd&pg=PP2&dq=qualitative+research+for+business&ots=m2tc-QemRa&sig=WDU_bEDXXLjya_BH3X-0g15-faQ#v=onepage&q=qualitative%20research%20for%20business&f=false](http://books.google.co.nz/books?hl=en&lr=&id=fElADjIiF7tIC&oi=fnd&pg=PP2&dq=qualitative+research+for+business&ots=m2tc-QemRa&sig=WDU_bEDXXLjya_BH3X-0g15-faQ#v=onepage&q=qualitative%20research%20for%20business&f=false)


Decree on the promotion and development of small and medium-sized enterprises (2004).


Ethical standards for conducting research at UNITEC (2010).


APPENDICES

Appendix 1: Semi-structured interviews

SEMI-STRUCTURED INTERVIEW QUESTIONS FOR THE RESEARCH

In terms of collecting data from all participants, I will attempt to protect the rights and privacy of the participants through the provision of confidentiality and ensure that the participants will not be harmed by the actions of this research project. The participants have the right to withdraw from the interviews without consequence and to review their own transcript and a summary of the final results.

- Perceptions of brand management
  1. How do you describe and see the meaning of your company brand?
  2. Do you think brand image is important for business development of your company and other SMEs?
  3. What are your views about brand management in your company? And is it successful at present?
     - If yes, then what make it successful?
     - If no, then why do you think it is not successful

- Current activities of promoting and managing brand
  4. Are there any employees in your business who are in charge of brand management activities? And what are their responsibilities?
  5. How do you commonly promote your company, products and services? And why do you choose those ways/activities to promote your business?
- **Challenges of creating brand and brand management**

6. Are there any constraints when you plan to create and develop your company’s brand?
   - If yes, then what limitations do you notice?

7. Do you think product quality and pricing have an effect on your company’s brand?
   - If yes, then please explain how your product quality and pricing contributes to your company brand image?
   - If no, then how will you develop them?

8. Have you ever conducted any kinds of campaigns or promotional activities which convince people about your company’s strengths and capture attention of buyers?
   - If yes, then what difficulties exist in the process or ways of implementation?
   - If not, then would you be willing to spend budget on this kind of campaign?

- **Practices of brand development and management**

9. Do you think it is important that managers or proprietors of enterprises should take a lead and pay more attention to brand management? Why, or why not?

10. Do you currently have website and other online tools such as social media tools to promote your companies and products?
    - If yes, then:
      10.1. Who is responsible for managing those tools? And what are the main features presented in those tools?
      10.2. How effective are these tools for promoting your brand?
    - If no, then:
      10.3. What is stopping you from using those tools?
      10.4. Do you plan to have any online tool to promote your brand in the near future? Why, or why not?

11. From your perspective, which potential practices or activities are the most suitable for your enterprise to create brand awareness and manage brand effectively? Why, or why not?
Appendix 2: Information for participants

INFORMATIONS FOR PARTICIPANTS

Research Project Title: “The managing of the challenges and business strategies in creating brand awareness for SMEs, particularly for the handicrafts sector in Laos”

My name is Somchay Indavong and I am a post-graduate student studying a Master of Business at the Unitec Institute of Technology in New Zealand. To fulfil the requirement of this program, I will conduct a research project on “The managing of the challenges and business strategies in creating brand awareness for SMEs, particularly for the handicrafts sector in Laos”. In my thesis, I will concentrate on studying the relevant difficulties faced by the Lao enterprises when managing their brands and practices of brand management which are most amenable to Lao handicraft enterprises.

The aim of my research project is to investigate how brand management is exercised in SMEs in the handicrafts sector in Laos and to examine the challenges encountered by the SMEs when managing their brands in order to increase brand awareness. Also, this research aims to find out effective brand strategies that could be applied by the Lao SMEs in practices. By taking part in this research project, you will help me to further understand the perceptions of employees of Lao handicraft enterprises on brand management. Importantly, this project would identify the practices of brand management which are most amenable to the Lao handicrafts sector.

I, the researcher would like you to take part in the interview and answer some questions relating to brand management issues. The interview will take approximately 30 to 45 minutes to discuss regarding the topic area. I will visit you at your company at a convenient time as pre-arranged between us. Nevertheless, this is a voluntary process and there is no obligation that you have to participate in this project if you do not wish to do so. If you agree to
participate, you will be asked to sign a consent form on the day of the interview. Although you have participated in the interview, you still can change your mind to withdraw from the project if you wish to. Due to our schedule, any withdrawals must be done within two weeks after receiving transcript.

Your name and personal information as well as your company’s name will not be used and will remain anonymous in the data analysis and the thesis. Besides, your answers and comments will not be identified as coming from you or reported back to your organisation. All data collected from you will be kept completely confidential and will remain secure with password protection. Only you, the researcher and the supervisor will have access to this data.

The interview will be voice recorded and then transcribed by the researcher. In order to ensure the confidentiality, I will sign a confidentiality agreement and then will send a copy of transcription both in Lao and English to you to check for accuracy and amend or adjust as you see fit. Furthermore, if you wish, you also have the right to access to the final report. Also, in relation to my thesis, the information that you provide may be presented in future publications or conference presentations.

If you have further inquiries regarding the research, please feel free to contact my primary supervisor at Unitec, New Zealand, Dr Andries Du Plessis, telephone is +64-9- 815 4321 ext. 8923 or email aduplessis@unitec.ac.nz.

**UREC REGISTRATION NUMBER: 2014-1050**

This study has been approved by the UNITEC Research Ethics Committee from 26.6.2014 to 26.6.2015. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix 3: Participant consent form

Participant consent form

Research Project Title: “The managing of the challenges and business strategies in creating brand awareness for SMEs, particularly for the handicrafts sector in Laos”

I have had the research project explained to me and I have read and understand the information for participants given to me.

I understand that I do not have to be a part of this research project if I do not want to and I have the right to withdraw from this project within two weeks after the interview.

I understand that everything I say is confidential and none of the information I give will identify me or my organisation and that the only individuals who will know what I have said will be the researcher and his supervisor. I also understand that all the information that I give will be kept securely on a computer at the Unitec Institute of Technology for a period of 5 years.

I understand that my discussion with the researcher will be recorded and transcribed. I understand that I will be able to see and approve the transcription as well as the finished research document.

I have had time to consider everything and I give my consent to be a part of this project.

Participant Name: ..........................................................

Participant Signature: ............................... Date: ........................
Participant contact details:

*Researcher Name:* Somchay Indavong

*Researcher Signature:* ... ............................  *Date:* .....................

**UREC REGISTRATION NUMBER:** 2014-1050

This study has been approved by the UNITEC Research Ethics Committee from 26.6.2014 to 26.6.2015. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix 4: Organisation consent form

Organisation’s permission letter for conducting research / Organisation consent form

I, (your name) (your position) of (your company), give consent for Somchay Indavong (the researcher) to undertake his research in my company in order for collecting data through interview. I have read and understand ‘the information for participants’ given to my company, and it is understood that the name of my company will not be used in the thesis.

Signature:

Date: