The Forms of the Local Performance Development and Promotion with Image and Identity in Order to Increase the Value Added and Value Creation: A Case Study of Phayao Province.

Thamanat Prompow

888 Asoke-Din Deung Road Din Deung Bangkok 10400 Thailand

Ornpapha Chutikorntaweesin

National Researcher, National Research Council Thailand 67/80 Moo 12, Bangmaenang, Bangyai, Nonthaburi 11140 Thailand

Thuchapon Yodthong

National Researcher, National Research Council Thailand 67/80 Moo 12, Bangmaenang, Bangyai, Nonthaburi 11140 Thailand

Prapas Siripap

National Researcher, National Research Council Thailand 178/1 Moo 1,Nakhonchaisi, Nakhonchaisi, Nakhonpathom, Thailand 73120

Athiwit Kamolrat

168/94 Sue Trong Sena Village, Lat Yao, Chatuchak, Bangkok 10900 Thailand

Abstract

The purposes of this research are 1) to study the local performance development and promotion with image and identity in order to increase the value added and value creation with a case study of Phayao province, 2) to study the relationship between the local performance development and promotion with image and identity and the value added and value creation with a case study of Phayao province, and 3) to study the causal relationship between the local performance development and promotion with image and identity and the value added and value creation with a case study of Phayao province. The researcher applied both quantitative and qualitative research in conducting this study. The results show that regarding to the local image of Phayao province, the respondent have the opinion in the agreed level; and the local image which has the highest mean is the people in community. For the local identity of Phayao province, respondents have the opinion in the agreed level; and the local identity which has the highest mean is the identity of communication. For the local value added of Phayao province, respondents has the opinion in the agreed level; and the highest value added is the local knowledge creation. For the value creation, respondents have the opinion in the agreed level; and the highest value creation is the structural investment. The results of correlation analysis between the components of the local image of Phayao province and the value added and value creation show that the highest correlation is the relationship between the people in community and the human resources investment. The correlation between the components of the local identity of Phayao province and the value added and value creation, which has the highest correlation, is the relationship between the identity of communication and the development and promotion policy. The results of analysis on the causal relationship of the local value added and value creation show that the theoretical factors model which influence the local value added and value creation consisted of the components of local image of Phayao province. The researcher has adjusted evaluation form until it reached the relevant index of good standard with $\chi^2 = 188.50$, df = 99, p-value = .000, RMSEA = .048. Thus, it can be concluded that the model of local performance development and promotion with image and identity in order to increase the value added and value creation: a case study of Phayao province, which the researcher adjusted to be compatible with the empirical data; which is χ^2 / df is not more than 2 (χ^2 / df = 1.90), and the GFI is more than .90 (GFI = 0.91), and AGFI is more than .80 (AGFI = 0.85), and RMSEA is less than .05 (RMSEA = .048). Thus, it can be concluded that the theoretical factors model influencing the local value added and value creation are compatible to empirical data.

Keywords: Local Performance, Development, Promotion, Image, Identity, Value Added, Value Creation, Phayao province, SEM

1. Introduction

The important current of the alteration both inside and outside the country which is increasingly fast and confusing can be counted as both the opportunity and the risk to the country development, for example, the alteration in economic, social, environments, country developing management, which all these lead to 6 issues of the risks; 1) the weak public administration; 2) the economic structure cannot support the sustainable domestic economic growth; 3) The population structure which the seniority is the majority, while the number of the juvenile and the workforce age decreases; 4) the good value that is declined and the original culture is distorted; 5) the environment resources of the country tends to severely decay; and 6) Thailand risks to degenerate its stability. Thereby, there should create the immunity to cope with these risks in 5 dimensions; 1) hold the moderate practice and the sufficiency as the norm in life; 2) the country development should base on the knowledge of modern technology; 3) Thai society has the beautiful value and culture, family takes part in cultivating Thai identity to their children to realize their progenitors; 4) the agriculture section is the principle base of country income and the stability about food of the country; and 5) the local community is the mechanism that has the management ability (Office of the National Economic and Social Development Board, 2012).

In the same time, to support and to develop the local ability by creating good image and publicizing the local identity is the way to create the social value and to increase the economic cost and to create the immunity according with the creative economic in order to upgrade the competitiveness of the local community to be ready to cope with the alteration both from inside and outside the country, due to the image is the center of belief, thought, impression that someone have on something which this thought and action will have the high relationship with that image (Kotler, 2000). From the SWOT analysis of Prayao province about its strength, the results show that the ability of the location on the central part of the northern region which can connect to the route of trading, investment, and tourism. Moreover, there is the largest source of fresh water in Thailand called "Kwaan Phayao" which contributes many benefit to life style, the local culture, provides advantages to the development of fishing, agriculture which is the main occupation of people in this community. In addition, Phayao has its own history as the historical city with its archaeological site, its antiquities, and its ancient art and culture that had been transmitted

from the Laanna Kingdom. Additionally, Phayao has the gorgeous natural attractions which can also create the income for the local people.

Phayao has its weakness as it is the agricultural province that people have the uncertain income, the income per head per year is 57,372 baht, its ranking is the fourteenth of the northern region, and the fifty-seventh of Thailand which can be counted as low income, including with the social problems about drugs which increased in the year 2009 - 2010 in 53.56%, and the problems about AIDs patient rate which is six times higher than the mean rate of the country, and the risking behavior of juvenile, the population ages between 25 - 39 who commits suicide, including the family problems about the increasing divorce rate (Office of Social Development and Human Security, 2010).

The researcher is interested in studying about the form of the support and the development of the local ability with image, identity and use the research results to apply in developing Phayao to have good fame and the ability of trading, investment, and use the unique of the local image and identity to support the tourism and create the mental value in order to increase the economic value of Phayao to be the remarkable province of the northern region of Thailand.

2. Literature Survey

2.1 Corporate Image as a concept

Lapirattanakul (2001 as cited in Krutjon, 2011) suggested that image is the thought and understanding toward individuals, organizations, or institutes. It can be said that the organization has to create true image in the individuals' heart for impressing them. In this regard, the key to success for any organization is ensuring that there are no gaps between the internal and external elements and that a good balance is maintained between these two sides of the organization (Hatch and Schultz, 2001; Hatch and Schultz, 2003; Davies, Chun, Vinhas da Silva and Roper, 2004), as the "relations and roles between internal and external stakeholders are becoming more intertwined" (Schultz and De Chernatony, 2002). As the population's general interest and attention changes through time, so will its perception of various companies. Overall, a coherent and positive corporate image has been proven to lead to competitive advantages (Aaker, 1996). Witt and Rode (2005) added that a strong corporate image improves customer's acceptance of a company's services or products, it makes recruiting easier as employees are drawn to the company and it reduced the cost of capital. Baloglu & McCleary (1999) presented the idea about the components of image of places in 3 issues; 1) Perceptual or Cognitive Image is the perception or hearing from medias or direct experience; 2) Affective Image is the image from the feelings evaluated after tourists are informed about that place or the tourism of that place; 3) Overall or Global Image comes from the cognitive image and the affective image. The feeling toward these characteristics influences the overall image of that place. Beerli & Martín (2004) collected the concepts from the related research about image and concluded in 9 components; 1) Natural Resources; 2) General Infrastructure; 3) Tourist Infrastructure; 4) Tourist Leisure and Recreation; 5) Culture History and Art; 6) Political and Economic Factors; 7) Natural Environment; 8) Social Environment; and 9) Atmosphere of the Place. Many researchers measured the country image from the opinion of foreign tourists according with the ideas of Echtner and Ritchie (1991, as cited in Wisansingh et al), which measured the details of image in the aspect of duty and psychology. Allan (2004) said about the brand creation for the places that it should emphasize to create the good memory toward that place. The attractiveness of that place shows the quality of that place to lead to the sustainability of the brand including broadcasting the brand to the market all over the world.

2.2 Corporate Identity as a Concept

Karaosmanoglu and Melewar (2006) pointed out that the corporate identity is strategically planned expressions of the corporation that are communicated through clues given by the company's behavior and symbols. All messages by the company towards its external stakeholders should therefore be based on its corporate identity and straying from this could lead to mixed messages where employees and consumers might become confused by what the company actually stands for. Thus, the four key concepts have been identified as corporate culture, corporate behavior, corporate symbolism and corporate communication. Corporate communication can be claimed to be the most complex aspect of a corporate identity. Gróf (2001) pointed out that the "process of strengthening an organization takes place through communication, which either consolidates or changes the culture". Corporate communication consists of 1) the channels used to communicate (Balmer, 2001) and 2) the way communication happens (Rode and Vallaster, 2005). The concept of corporate behavior refers to the actions a company takes concerning human resource processes, their management and their support to strengthen the corporate identity (Rode and Vallaster, 2005; Witt and Rode, 2005). As corporate culture is the foundation for corporate behavior, staff should be employed partly according to how well their values and beliefs are aligned with those of the entrepreneur as stated before. Karaosmanoglu and Melewar (2006) talked a slightly different approach to corporate behavior where they divide the concept of behavior into corporate behavior and management communication. Corporate culture incorporates the core of corporate identity; the mission (Rode and Vallaster, 2005; Witt and Rode, 2005) and vision statements (Harris and de Chernatony, 2001) as driving forces in a brand's positioning. Aaker (1996) presented the presence of strong corporate symbolism can be a key ingredient in successful brand development while its absence can develop a serious handicap as it makes visual differentiation problematic. Corporate symbolism embodies all visual aids and the symbols a corporation uses in its branding activities (Rode and Vallaster, 2005; Witt and Rode, 2005; Karaosmanoglu and Melewar, 2006). This can include logos and designs but also goes as far as incorporating symbols such as programs and people.

2.3 Value Added as a Concept

The common view is that value is perceived or experienced by a customer and that value consists of both economic and non-economic components (see, e.g. Holbrook and Hirschman, 1982; Ulaga, 2003; Woodside et al., 2008). Vargo and Lusch (2008) argued that "Value is always uniquely and phenomenological determined by the beneficiary". Doing so, they refer to the co-created value for both customer and a company. The idea of relationship value has roots in business and service marketing, where relationship value is a higher-order construct that has both transactional and relational dimensions (Barry & Terry, 2008). Ulaga and Eggert (2006b) have suggested that the relationship value, a cognitive performance-based construct, measures the buyer-seller relationship. Customer value has multiple definitions most of which see the concept as a tradeoff between benefits and sacrifices (Flint et al 2002). Sawhney (2003) defined customer value as the perception of a set of benefits that a customer receives in exchange for the total cost of the offering while also considering available competitor's offerings and prices. Sawhney (2003) categorized customer value into: functional, economic, and emotional value. He defines functional value as a product's functions and features; emotional value as the psychological benefits that customers receive from owning or using a product; and economic value which refer to measurement of the benefits of the product in terms of time and money. Although companies need to provide value to their customers, they also have to create value for themselves (Walter, Ritter and Gemundenn, 2001) and the academic literature quite often uses financial measures as a way to measure the performance or value of a firm. Although the importance of financial measures is widely recognized, they have been widely criticized in the literature and arguments are being increasingly made for the use of non-financial measures to supplement financial measures of performance.

2.4 Value Creation as a Concept

Value creation can be conceptualized at the individual, organizational, and societal level (Lepak et al. 2007). The successful application of this method to a departmental management function raises the possibility that it could further evolve to become a strategic asset to the organization through its actions and activities. Intellectual capital emerges out of the need to value knowledge based assets of an organization and to shy away from traditional way of valuing only tangible assets. Among intangible assets, human resources, which is called intellectual capital (IC), becomes the core asset in a company (Sawarjuwono & Kadir, 2003). It may be said that intellectual capital deals with articulate, reasonable, Human capital refers to individual knowledgeable and substantial fruits of the mind. employee's knowledge, skills, abilities, and experience in an organization (Bounfour, 2002), the concept is dominant in any discussion of intellectual capital. Furthermore, human capital has been defined on an individual level and human capital is an organization's combined individual capabilities in an organization for creating business value and solving business problems. Structural capital is the supportive infrastructure and information systems that enable to turn individual know-how into group property. The concept of structural capital is that allows the intellectual capital to be measured and developed in an organization. Structural capital of the organization is conceived as a product process that contains elements of efficiency, transaction time, procedural innovativeness and access to information for codification into knowledge. Customer capital mainly comprises knowledge of marketing channels and customer relationships. Customer capital represents the potential an organization has due to ex-firm intangibles (i.e., knowledge, suppliers, or related industry association) that provides companies understand what customers want in product or service better than your competitors. The essence of customer capital is the value that results from an organization's relationships with its customers (Youndt and Snell, 2004).

3. Research Methodology

The researcher applied both qualitative and quantitative research in conducting this study. Primary data were collected through the research questionnaires distributed to 343 people in Phayao province. The secondary data were derived from literature survey by reviewing concepts, theories, documents and related research. Statistics used in this study are Frequency, Percentage, Mean, Standard Deviation, and the Structural Equation Model: SEM. The researcher also created the in-depth interview for collecting the information from five key informants.

4. Results of the findings

4.1 Demographic Profiles

The results derived from analysis of personal information of respondents show that a total of participants in this research were 343 people; 61.20% of the respondents are female, and 38.80% are male. 71.70% graduated lower than Bachelor's degree. 32.70% are traders. 57.40% have income per month 5,000-10,000 baht.

4.2 The results analysis on components of local image of Phayao province

With regard to the local image of Phayao Province, the respondents have the opinion in total in the agreed level with mean score of 3.66 (S.D. = 0.47). In particular, the local image

with the highest mean is the people in community with mean score of 3.87 (S.D. = 0.51), followed by the location and distribution channel with mean score of 3.77 (S.D. = 0.59), the politics situation with mean score of 3.71 (S.D. = 0.65), the advertising and public relation with mean score of 3.64 (S.D. = 0.75), the local products and cultures with mean score of 3.55 (S.D. = 0.59), and the prices and costs of living with mean score of 3.39 (S.D. = 0.77) respectively (see table 1).

Table 1: Mean and Standard Deviation of Local Image of Phayao Province in Total and in Particular

Image	\bar{X}	S.D.	Interpretation	Ranking
1. The local products and cultures	3.55	0.59	Agree	5
2. The people in community	3.87	0.51	Agree	1
3. The advertising and public relation	3.64	0.75	Agree	4
4. The location and distribution channel	3.77	0.59	Agree	2
5. The prices and costs of living	3.39	0.77	Fair	6
6. The politics situation	3.71	0.65	Agree	3
Total	3.66	0.47	Agree	

4.3 The results analysis on components of local identity of Phayao province

With regard to the local identity of Phayao Province, the respondents have the opinion in total in the agree level with mean score of 3.90 (S.D. = 0.52). In particular, the local identity with the highest mean is the identity of communication with mean score of 3.95 (S.D. = 0.59), followed by the identity of province with mean score of 3.90 (S.D. = 0.66), and the identity of participation with means core of 3.85 (S.D. = 0.59) respectively (see table 2).

Table 2: Mean and Standard Deviation of Local Identity of Phayao Province in Total and in Particular

Identity	\bar{X}	S.D.	Interpretation	Ranking
1. The identity of province	3.90	0.66	Agree	2
2. The identity of participation	3.85	0.59	Agree	3
3. The identity of communication	3.95	0.59	Agree	1
Total	3.90	0.52	Agree	

4.4 The results analysis on components of local value added of Phayao province

With regard to the value added of Phayao Province, the respondents have the opinion in total in the agreed level with mean score of 3.98 (S.D. = 0.51). In particular, the value added with the highest mean is the knowledge creation with mean score of 4.05 (S.D. = 0.56), followed by the development and promotion policy with mean score of 3.99 (S.D. = 0.57), the local performance with mean score of 3.97 (S.D. = 0.59), and the good relationship among local people with mean score of 3.92 (S.D. = 0.60) respectively (see table 3).

Table 3: Mean and Standard Deviation of Value Added of Phayao Province in Total and in Particular

Value added	\bar{X}	S.D.	Interpretation	Ranking
1. The local performance	3.97	0.59	Agree	3
2. The development and promotion policy	3.99	0.57	Agree	2
3. The good relationship among local people	3.92	0.60	Agree	4
4. The knowledge creation	4.05	0.56	Agree	1
Total	3.98	0.51	Agree	

4.5 The results analysis on components of local value creation of Phayao province

With regard to the value creation of Phayao Province, the respondents have the opinion in total in the agreed level with mean score of 3.94 (S.D. = 0.51). In particular, the value creation with the highest mean is the structural investment with mean score of 4.13 (S.D. = 0.52), followed by the human resources investment with mean score of 4.03 (S.D. = 0.69), the financial investment with mean score of 3.81 (S.D. = 0.60), and the wisdom investment with mean score of 3.79 (S.D. = 0.61) respectively (see table 4).

Table 4: Mean and Standard Deviation of Value Creation of Phayao Province in Total and in Particular

Value added	X	S.D.	Interpretation	Ranking
1. The financial investment	3.81	0.60	Agree	3
2. The wisdom investment	3.79	0.61	Agree	4
3. The human resources investment	4.03	0.69	Agree	2
4. The structural investment	4.13	0.52	Agree	1
Total	3.94	0.51	Agree	

4.6 The results of correlation analysis between the noticeable variables in the form of the causal relationship of components factors of image and identity in order to increase the value added and value creation of Phayao province

With regard to the results of the internal correlation analysis between the components of the local image of Phayao; they have the relationship with the statistically significance at the level of .01 in all aspects; the correlation is between .190 and .581, which the highest internal correlation is the relationship between the prices and costs of living (PRI), and the politics situation (POL).

With regard to the results of the internal correlation analysis between the components of the local identity of Phayao; they have the relationship with the statistically significance at the level of .01 in all aspects; the correlation is between .491 and .636, which the highest internal correlation is the relationship between the identity of participation (BEH) and the identity of communication (COM).

With regard to the results of the internal correlation analysis between the components of the local value added of Phayao; they have the relationship with the statistically significant

at the level of .01 in all aspects; the correlation is between .634 and .757, which the highest internal correlation is the relationship between the development and promotion policy (SER) and the knowledge creation (KNO).

With regard to the results of the internal correlation analysis between the components of the local value creation of Phayao; they have the relationship with the statistically significant at the level of .01 in all aspects; the correlation is between .446 and .806, which the highest internal correlation is the relationship between the financial investment (CAP) and the wisdom investment (INT).

With regard to the results of correlation analysis between the components of the local image of Phayao province and the value added and value creation, the correlation is between .005 and .655; they have the relationship with the statistically significance at the level of .01 in all aspects, which the highest correlation is the relationship between the people in community (PEO) and the human resources investment (HUM).

With regard to the results of correlation analysis between the components of the local identity of Phayao province and the value added and value creation, the correlation is between .323 and .712; they have the relationship with the statistically significance at the level of .01 in all aspects; which is the relationship between the identity of communication (COM) and the development and promotion policy (SER) (see table 5).

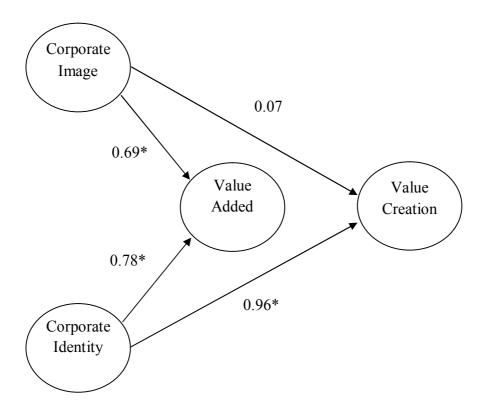
Table 5: Correlation between the Noticeable Variables in the Form of the Local Performance Development and Promotion with Image and Identity in Order to Increase Value Added and Value Creation

.508*				POL	CUL	BEH	COM	QUA	SER	PER	KNO	CAP	INT	HUM	STR
	.394**	.448**	.485**	.436**	.386**	.367**	.312**	.421**	.410**	.446**	.330**	.483**	.505**	.306**	.189**
1	.407**	.523**	.420**	.468**	.511**	.449**	.506**	.458**	.405**	.442**	.421**	.496**	.534**	.655**	.298**
***************************************	1	.556**	.384**	.190**	.370**	.553**	.407**	.438**	.463**	.597**	.512**	.451**	.511**	.541**	.147**
		1	.426**	.518**	.602**	.523**	.373**	.531**	.513**	.429**	.464**	.583**	.595**	.394**	.398**
			1	.581**	.432**	.474**	.270**	.350**	.304**	.302**	.137**	.310**	.395**	.177**	.055**
				1	.538**	.340**	.378**	.415**	.369**	.243**	.247**	.450**	.462**	.301**	.175**
					1	.491**	.613**	.511**	.516**	.323**	.448**	.519**	.549**	.446**	.382**
						1	.636**	.577**	.558**	.593**	.557**	.552**	.603**	.574**	.364**
							1	.615**	.712**	.572**	.643**	.555**	.593**	.649**	.552**
								1	.740**	.645**	.634**	.483**	.505**	.306**	.189**
									1	.698**	.757**	.496**	.534**	.394**	.298**
										1	.718**	.451**	.511**	.541**	.147**
											1	.583**	.595**	.655**	.398**
		†										1	.806**	.595**	.446**
													1	.608**	.464**
														1	.632**
															1
		1 .407**	1 .556**	1 .556** .384** 1 .426**	1 .556** .384** .190** 1 .426** .518**	1 .556** .384** .190** .370** 1 .426** .518** .602** 1 .581** .432** 1 .538**	1 .556** 384** .190** .370** .553** 1 .426** .518** .602** .523** 1 .581** .432** .474** 1 .538** .340** 1 .491**	1 556** 384** 190** 370** 553** 407** 1 426** 518** 602** 523** 373** 1 581** 432** 474** 270** 1 538** 340** 378** 1 491** 613** 1 636**	1 .556** .384** .190** .370** .553** .407** .438** 1 .426** .518** .602** .523** .373** .531** 1 .581** .432** .474** .270** .350** 1 .538** .340** .378** .415** 1 .636** .577** 1 .615**	1	1 .556** .384** .190** .370** .553** .407** .438** .463** .597** 1 .426** .518** .602** .523** .373** .531** .513** .429** 1 .581** .432** .474** .270** .350** .304** .302** 1 .538** .340** .378** .415** .369** .243** 1 .491** .613** .511** .516** .323** 1 .636** .577** .558** .593** 1 .615** .712** .572**	1 .556** .384** .190** .370** .553** .407** .438** .463** .597** .512** 1 .426** .518** .602** .523** .373** .531** .513** .429** .464** 1 .581** .432** .474** .270** .350** .304** .302** .137** 1 .538** .340** .378** .415** .369** .243** .247** 1 .636** .577** .558** .593** .557** 1 .615** .712** .572** .643** 1 .698** .757** .645** .634** 1 .698** .757** .588** .757**	1 .556** .384** .190** .370** .553** .407** .438** .463** .597** .512** .451** 1 .426** .518** .602** .523** .373** .531** .513** .429** .464** .583** 1 .581** .432** .474** .270** .350** .304** .302** .137** .310** 1 .538** .340** .378** .415** .369** .243** .247** .450** 1 .491** .613** .511** .516** .323** .448** .519** 1 .636** .577** .558** .593** .557** .552** 1 .615** .712** .572** .643** .555** 1 .698** .757** .496** 1 .718** .451** 1 .583**	1 .556** 384** .190** .370** .553** .407** .438** .463** .597** .512** .451** .511** 1 .426** .518** .602** .523** .373** .531** .513** .429** .464** .583** .595** 1 .581** .432** .474** .270** .350** .304** .302** .137** .310** .395** 1 .538** .340** .378** .415** .369** .243** .247** .450** .462** 1 .491** .613** .511** .516** .523** .593** .557** .552** .603** 1 .636** .577** .558** .593** .557** .552** .603** 1 .615** .712** .572** .643** .555** .593** 1 .740** .645** .634** .483** .505** 1 .698** .757** .496** .534** 1 .583** .595**	1

^{**} Statistical Significant at the level of .01

4.7 The causal relationship analysis

The researcher analyzed and verified the concordance of the form of the local performance development and promotion with image and identity in order to increase value added and value creation: a case study of Phayao province. The researcher has adjusted evaluation form by considering from the remainder of each variables showing in the form of standard score which is higher than 2.0, the researcher adjusted the form until it reached the relevant index of good standard with $\chi^2 = 188.50$, df = 99, p-value = .000, RMSEA = .048. Thus, it can be concluded that the model of local performance development and promotion with image and identity in order to increase the value added and value creation: a case study of Phayao province, which the researcher adjusted to be compatible with the empirical data; which is χ^2 / df is not more than 2 (χ^2 / df = 1.90), and the GFI is more than .90 (GFI = 0.91), and AGFI is more than .80 (AGFI = 0.85), and RMSEA is less than .05 (RMSEA = .048). Thus, it shows that the form of the local performance development and promotion with image and identity in order to increase value added and value creation: a case study of Phayao province; is compatible to empirical data which can be written in the causal model shown in figure 1;



^{*} Statistical significant at the level of .05

Figure 1: the causal model of presenting the form of the local performance development and promotion with image and identity in order to increase value added and value creation: a case study of Phayao province

From figure 1, local image and identity have the relationship with the value added and value creation of Phayao province, considering the line of relationship, it can be found that the local identity has the relationship influencing the value added and value creation of Phayao province in the higher level than the local image.

5. Conclusion and Discussion

The results findings show that the local image and identity have the relationship with the value added and value creation of Phayao province. This is relevant to the concepts about corporate image creation of many academicians; Lapirattanakul (2001 as cited in Krutjon, 2011) which suggested that image is the thought and understanding toward individuals, organizations, or institutes. It can be said that the organization has to create true image in the individuals' heart for impressing them. That the organization has the mischievous image is not accepted or trusted from people, they might doubt or hate that organization including opposing the activities of that organization. On the other hand, if the organization has good image, the picture in mind of people toward that organization is splendid, this is good image of the organization, trustworthy, admirable and compassionate. Consequently, the local organization has to select the reachable method of communication to create the hometown awareness, and the understanding of the useful news and broadcasting it to others, and to be proud of their hometown. In addition, the local identity influences the value added and value creation of Phayao province in the higher level than local image. The fact of Phayao province nowadays is that the lifestyle of people, the art and culture which is more than 900 years old is an important distinction including the performance which is easy to develop. In the past. Phayao province lacked the leader and the authorities to lead the administration and also a lack of budget which is relevant to the information of Boonsong Muangkrung, President of Councils of Cultural Affairs of Phayao province, and Boonsingh Warinrak, President of the Provincial Administrative Organization of Phayao province. Moreover, the local leader nowadays has knowledge and abilities, using the new public management in driving the development policy in the local level and the province level tangibly, for example, using the local identity as the selling point, the information point of the province, by prioritizing the leader who glorified the local identity for creating the good image for the province. Phayao province is the first province which drives the policy of local dress and implying this to be the policy of the Ministry of Culture. Additionally, the research results is found that the local identity influences the value creation of Phayao province more than the local image, the process of value creation of Phayao province in the aspect of the wisdom investment in the past lack of the quality learning sources, the local leader lacked of knowledge and education background. The municipality also drive the policy supporting the knowledge to the juveniles of Phayao province from the basic level; the financial support, the learning equipments, the tutors; the results is that the juveniles of Phayao province have more opportunity to reach the education and the new knowledge, and able to admit in the popular universities in the northern part of Thailand. For the value creation of Phayao province with the structural investment, the tangible things are the ways for transportation and the fundamental infrastructure, the residence. This is relevant to the opinion of Akra Promphao, Vice President of the Provincial Administrative Organization of Phayao province, Theerasak Secretary of the Chamber of Commerce of Phayao, Julasinee Promphao, Mayor of the Municipality of Phayao province, that to maintain the identity of Phayao province is the proudest charmes of Phayao province.

6. Recommendations

- 1. The results would be used in developing and creating the image of the province to be more tangible by the cooperation of the public and private sectors for creating the perception of people and to be broadcasted.
- 2. The results would be used in setting the development plan of the local organization to be complied with the need of people and appropriate with the local development of image and identity of Phayao province in order to increase the value added and value creation of the province.

- 3. There should be the study about the direction of the preparation to support the expansion of the city, in both the value added and value creation of the province to be ready to enter the ASEAN Economic Community: AEC.
- 4. There should be the study comparing the value added and value creation between the other provinces in the northern part of Thailand to indicate the development direction of the province in the future.

References

- [1] Aaker, D.A. (1996). Measuring Brand Equity across Products and Markets, Free Press, New York, NY.
- [2] Baloglu, S., & McCleary, K. W. (1999). A Model of Destination Image Formation. *Annals of Tourism Research*, 26(4), 868-897.
- [3] Balmer JMT. (2001). Corporate Identity, Corporate Branding and Corporate Marketing—Eeeing through the Fog. *Eur J Mark*, 35(3/4), 248–91.
- [4] Barry, J., & Terry, T.S. (2008). Empirical Study of Relationship Value in Industrial Services. *Journal of Business and Industrial Marketing*, 23(4), 228–241.
- [5] Beerli, A., and Martin, J. D. (2004). Factors influencing destination image. *Annals of Tourism Research*, 31(3), 657-681.
- [6] Bounfour, A. (2002). How to measure Intellectual Capital's dynamic value: the IC-dVAL approach, presented at the 5th World Congress on Intellectual Capital, McMaster University, Hamilton, Ontario, Canada.
- [7] Davis, G., Chun, R., Vinhas da Silva, R., and Roper, S. (2004). A corporate character scale to assess employee and customer views of organization reputation. *Corporate Reputation Review*, 7(2), 125-146.
- [8] Flint AL, Flint LE, Kwicklis EM, Fabryka-Martin JM, Bodvarsson GS. (2002). Estimating recharge at Yucca Mountain, Nevada, USA: comparison of methods. Hydrogeology Journal 10, 180–204.
- [9] Gróf, A. (2001). Communication in the creation of corporate values. Corporate Communications: *An International Journal*, *6*(4), 193 198.
- [10] Harris, F. and Chernatony, L. (2001). Corporate branding and corporate brand performance. *European Journal of Marketing*, *35*(3/4), 441-456.
- [11] Hatch, M.J., and Schultz, M. (2001). Are the strategic stars aligned for your corporate brand? *Harvard Business Review*, 79(2), 128-134.
- [12] Hatch, M.J., and Schultz, M. (2003). Bringing the corporation into corporate branding. *European Journal of Marketing*, *37*(7/8), 1041-1064.
- [13] Holbrook, M.B. and Hirschman, E.C. (1982), The experiential aspects of consumption: consumer fantasies, feelings, and fun, *Journal of Consumer Research*, 9(2), 132-40.
- [14] Karaosmannoglu, E., and Melewar, T. (2006). Corporate Communications, Identity and Image: A Research Agenda. *Brand Management*, 14(1), 196-204.
- [15] Kotler, P. (2000). Marketing Management. 10th ed. New Jersey: Prentice Hall, Inc.
- [16] Krutjon, T.(2011). Retrieve from http://www.conference.phuket.psu.ac.th/proceedings/PSU_OPEN_WEEK_2011/data/FIS/FIS05_paper.pdf.
- [17] Lepak D.P., Smith KG and Taylor MS (2007) Value Creation and Value Capture: A Multilevel Perspective, *Academy Of Management Review*, 32 (1), 180-194.
- [18] Muangkrung, B. (President of Councils of Cultural Affairs of Phayao province). (Interviewee). (11 13 March 2014).
- [19] Office of the National Economic and Social Development Board. (2012). Summary of the Eleventh Economic and Social Development Plan in 2012 2016.

- [20] Office of Social Development and Human Security. (2010). SWOT of Phayao province. Retrieve from http://www.phayao.m-society.go.th/main/phayao/Dataweb/menu/Socialdata.
- [21] Promphao, A. (Vice President of the Provincial Administrative Organization of Phayao province). (Interviewee). (11 13 March 2014).
- [22] Promphao, J. (Mayor of the Municipality of Phayao province). (Interviewee). (11 13 March 2014).
- [13] Rod, v., and Valaster, C. (2005). Corporate Branding for Startups. *Corporate Reputation Review*, 8(5), 121-135.
- [24] Sawhney, M. (2002). Creating value from values, Nov 15, CIO magazine.
- [25] Schultz, M., and De Chernatony, L. (2002). Introduction The Challenges of Corporate Branding. *Corporate Reputation Review*, 5(2/3), 105-112.
- [26] Sawarjuwono, T. & Kadir, A.P. (2003). Intellectual capital. *Accounting & Finance Journal*, 5(1), 35-57.
- [27] Sitthichaithanakit, T. (Secretary of the Chamber of Commerce of Phayao province). (Interviewee). (11 13 March 2014).
- [28] Ulaga, W. (2003), Capturing value creation in business relationships: a customer perspective, Industrial Marketing Management, 23(8), 677-93.
- [29] Ulaga, W., & Eggert, A. (2006a). Relationship Value and Relationship Quality: Broadening the Nomological Network of Business-to-Business Relationships. *European Journal of Marketing*, 40(3/4), 311–327.
- [30] Vargo, S.L. and Lusch, R.F. (2008), "Service dominant logic: continuing the evolution", *Journal of the Academy of Marketing Science*, 36(1), 1-10.
- [31] Walter, A., Ritter, T., & Gemunden, H.G. (2001). Value creation in buyer-seller relationships. *Industrial Marketing Management*, 30 (4), 365-377.
- [32] Warinrak, B. (President of the Provincial Administrative Organization of Phayao province). (Interviewee). (11 13 March 2014).
- [33] Wisansingh et al. Project Study about Image of Tourism in Thailand in the eyes of Foreign Tourists. Tourism Authority of Thailand.
- [34] Witt, P., and Rode, V. (2005). Corporate Brand Building in Startups. *Journal of Enterprising Culture*, 13(3), 273-294.
- [35] Woodside, A.G., Golfetto, F. and Gibbert, M. (2008). Customer value: theory, research, and practice, in Woodside, A.G., Golfetto, F. and Gibbert, M. (Eds), Creating and Managing Superior Customer Value. Advances in Business Marketing and Purchasing, 14, JAI Press, Bodmin, 3-25.
- [36] Youndt, M.A. and Snell, S.A. (2004). Human Resource Configurations, Intellectual Capital, and Organizational Performance. *Journal of Managerial Issues*, 16(3), 337-360.