



**LITTLE TOY “MARKETING STRATEGY AND
FACTORS IN THE BUSINESS ENVIRONMENT”**

BY

MR. WICHAMAI UACHAILERTKUN

**A INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION
(GLOBAL ENTREPRENEURSHIP) INTERNATIONAL MASTER
IN BUSINESS ADMINISTRATION
FACULTY OF COMMERCE AND ACCOUNTANCY
THAMMASAT UNIVERSITY
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INDEPENDENT STUDY

BY

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ENTITLED

LITTLE TOY

“MARKETING STRATEGY AND FACTORS IN THE BUSINESS ENVIRONMENT”

was approved as partial fulfillment of the requirements for
the degree of Master of Business Administration (Global Entrepreneurship)


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Chairman



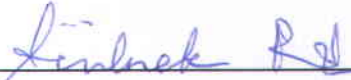
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ABSTRACT

“Little Toy” develops family plaything which provides enjoyable activities for all family members including kids, parents, and elderly to play together with ease. The first line of product is focusing on activities to grow plant. The parents will be able to understand how to grow plants and how to teach children along the way as well as conveniently carry out the activities.

The product development process involves understanding the activities which parents enjoy by themselves and want children to participate, and the playing method which children would like to do and merge them into toys. Little Toy understands the needs of different group of people in both product’s value and price concern then sold the right products in the right place with the right price.

Keywords: Growing plant, Toy, Child Development

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Mr. Wichamai Uachailertkun



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LIST OF ABBREVIATIONS

Symbols/Abbreviations	Terms
R&D	Research and Development
THB	Thai Baht
USD	US Dollar
GBP	Great Britain Pound



CHAPTER 1

ORGANIZATION

1.1 Background

The idea began from the interest of the group regarding agriculture business. We have discovered that the industry is growing; thus, potentially has opportunity. The group has started from exploring in the area regarding organic product, and interviewing a number of stakeholders.



Figure 1.1 - Living sunflower sprout

After that we have started from selling living sunflower sprout as displayed in the figure 1.1 to the customers as we find out that there are certain group of people who concern about the freshness of the vegetable. We learned from the pop-up booth that most of them ask whether they could grow it afterwards, inferring that most people are interested to experience growing plants. Therefore, we have started testing the growing kits in the form of organic look and feel package as shown in the figure 1.2.



Figure 1.2 - Initial sunflower sprout growing kit

The kit contains coconut husk, soil, sunflower sprout seed and thermoplastic bowl made from calcium and plastic which could be degenerated from UV light within 45 days. From this experiment, we met the lead user who made the growing kits for their kids to play with, and we also learn that the parents are very interested in growing kits for their children once they know why this activity is good for their children. Therefore, we thought “**what if we combine the growing kits and toy**”. After researching more into this opportunity, we could summarize the problems why growing kit for kids are the activity for only a small group of people as followed:

1.1.1 Problem

- (1) Growing plants are not convenient as the grower needs a lot of preparation including a lot of materials and process.
- (2) The parents face the problems of convincing the kids to participate in the activities. Most people have to spend time doing the activity alone and make a happy face and act like having a lot of fun to attract the kids’ attention in which there is no guarantee of success.
- (3) There is no clear knowledge on how the parents could grow the plants as some species are quite difficult and could die which resulted in kids’ sadness.
- (4) Some parents also concern on what to teach and guide their kids during the activities for effective child development.

1.1.2 Solution

Little Toy combines the concept of growing kits with toy in which we define the elements in toy and plaything that could attract the kids, and used those elements in the growing kits.

1.2 Toy Industry

In 2015, Thai toy industry is not growing in both local and international product. However, the export is growing by 2%. The promising market is China which has changed to buy Thai products more, and the export value has grown over 200% for the past two consecutive years. The other attractive markets are Indonesia, Singapore, Malaysia and Brunei. The major problems for Thai toy industry are the lack of skilled labor and high labor cost. (Office of Industrial Economics, 2015) Nevertheless, the market accepts the child development toys rather than digital games as digital games could not serve as child development as kids could not touch and feel the real object. Thailand toy industry is as big as 10,000 million baht and exporting over 6,000 million baht, and has the potential in the area of child development toy and wooden toy. (ASTV Manager Online, 2014) Therefore, one could imply from the industry information that there are opportunity in middle to low income market as most of the local products are expensive. From our market observation, we found that most child development toys are priced over 300 baht, mostly thousands or more. Furthermore, there is big opportunity in export to China.

United States market is the biggest market of toy industry, and still continues to grow by 6.7% in 2015. The top three fastest growing categories are games/puzzles, vehicles and building sets. The key drivers are content such as movies, TV show, App and YouTube following. Christmas is the key factors for growth in United States with the growing rates of 25% in the particular period, and there is one extra day to shop this year. (The NPD Group, 2016)

1.3 Agriculture Industry

The trend of organic product is increasing continuously with the growth rate of 20-30 percent globally. The promising market are United States, Europe (especially Germany, England, and France), and Japan. The high growth markets are Japan and Singapore. In terms of promising products, tropical fruits, vegetable, grain and processed agriculture products especially processed food and snack. The factors which affected this high growth phenomenon are the shift of eating behavior of consumers to healthy food, the policy which prevent the selling of agriculture products and change in agriculture standard policy. The consumer decisions in purchasing are taste, nutrient amount, consistent production, environmental-friendly production, and price. In Thailand, the major barriers for organic products are production and marketing. The cost of production is high which resulted in high price, and the volume of production is not enough to serve the demand as well. In term of market problem, the size of market in Thailand is very small although the trend of eating healthy food is booming. Thai people still demand more standard and guarantee that the product is really chemical-free. (Positioning, 2004)

In term of gardening, the trend of household gardening is shifted according to the agriculture trend. In 2015, the trend is shifted towards gardening in terrarium and growing cactus. However, the trend in 2016 is changing towards outdoor living space, vegetable garden, garden with pet-friendly element, DIY garden, garden plot type garden for growing plant, small-scale gardening, NaTECHure, water-saving plant growing, and regrow.



Figure 1.3 - Household vegetable garden

The vegetable garden as show in the figure 1.3 as an example is more popular due to the incremental in tools for indoor gardening. The consumers could enjoy the fresh vegetable with safety guarantee as they are growing by themselves. This change is due to the coming of healthy trend.



Figure 1.4 - Household DIY plan



Figure 1.5 - Small space gardening

The DIY trend is coming for people to enjoys gardening using what they have created as show in the example of figure 1.4 and show the artist skills in their garden. This trend also makes family having the activities together. The small-scale gardening is also coming in 2016 for people living in urban or condominium to enjoy space management to decorate their garden using various methods such as vertical gardening as shown in figure 1.5.

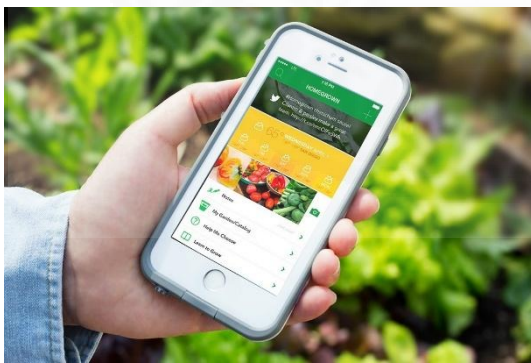


Figure 1.6 - Combining technology and nature



Figure 1.7 - Regrow the plant

NaTECHure as shown in figure 1.6 is the trend of combining nature and technology. The goal is to attract the next generation to come back to nature root by combine what they are familiar with like technology with gardening. The most focusing technology is application development. The plants which demand a few of

watering are also becoming popular to save cost and time of watering. Another new interesting trend is using the leftover of plants after eating to regrow and it eat at home as shown in figure 1.7. The species of plants include carrot, avocado and potato. (Baanlaesuan, 2016) The trend has shown the shift in lifestyle for urban and people living in condominium to grow the vegetables with the purpose of eating rather than just for the beauty. The groups of people who do gardening also start to expand to younger generation using technology as well. Furthermore, the family activities for gardening have also becoming the trend from DIY gardening. Therefore, the child development toys in the form of growing kits could potentially fit in as a gardening object and potentially become a business opportunity as well.

1.4 Vision, Mission and Goal

1.4.1 Vision

Little Toy provides family plaything for 6.3 million extended families in Thailand. The products will be designed to provide enjoyable experience for the whole families including kids, parents and elderly when played together. The first product line will applied planting activities to fun activities while leveraging the child development from play quotient to benefit the kids, and the joyful activities for elderly to perform as a hobby.

Little Toy plans to expand to well-educated countries in the importance of toys for kids including European countries and Asian countries such as Japan and Singapore.

1.4.2 Mission

- (1) Child development: we turn the activities which benefit the child development into the attractive and convenient toys that the kids could enjoy.
- (2) Family plaything: our product development focus on how to make the whole family enjoy the activities or interact with each other from the designed plaything. We encourage the

relationship between members of the family through our plaything.

- (3) Effective product selection: The products will be on sales once it has been played by the kids and verified by parents that it is safe and fun for kids. We take all the feedback and keep improving our products until the standard is reached.
- (4) Diverse price and place: we select the right price in the right place for each group of customers and only sell in the channels which the products are suitable for the particular group of customers.

1.4.3 Goal

Little Toy aims to sell over 3 million baht in the first year after the launch of luck plant product through premium retail channels and partnership with non-profit organization for their additional revenue stream. We will expand to other countries that are well-educated in toys' importance such as European countries afterwards.

We also aim to motivate children to play the activities which benefit their development but rather inconvenient or not attractive to do so. Furthermore, we want to encourage family interaction and relationship from playing our products.

1.5 Plan and Strategy

1.5.1 Phase 1: Brand building from products launched

The initial stage of the project will be focusing on creating brand which reflect on family relationship and child development with warm emotion through the lucky plant products. The plan was to collaborate with non-profit organization to leverage their membership database and fan base to create the awareness of our products. The customers and those who aware of our products will be presented with the online channel to follow news on our products and campaigns.

1.5.2 Phase 2: Process establishment

The second stage of the project will be discovering the right process to develop the product including finding the product specification for R&D

department, testing and selecting the right products and test selling to determine the products for scaling up as well as understand the right channels for the particular products. These processes will be done continuously in order to develop the right products. Thus, the network of focus group, large number of people participating in survey, locations for test-selling, and potentially researches of child development to back up the products are required for the process. Moreover, the material and production methods selection are necessary in order to have the right cost and designs.

1.5.3 Phase 3: Customers and distribution channels database

In this phase, the database is created to analyze each distribution channel in order to matching with the products. The contact with distributors from around the world should also be made for international launched. Therefore, Little Toy could select the right place with each developed products. Moreover, the customer database would also help with the continuous focus group by inviting them for product testing. The company could also analyze the customers and understand the needs and shift in trend afterwards as well. The source of these database developments comes from the knowledge and understanding of each distribution combined with in-field action within the channels as well as understanding the data needed to get to know customers. Thus, the insight is required to conduct this phrase successfully.

1.6 Organization Structure

1.6.1 Research and Development Department

After receiving the initial product specification, R&D department will do market research focusing on the needs and behavior of the customers and generate the ideas for market research to perform the selection. The selected design for prototype testing will be design in detail and create the prototype for qualitative testing and selling test. Thus, R&D will mainly cooperate with production section within operation and logistics department and market research department.

1.6.2 Operation and Logistics Department

The department researches the materials for production and contacting the outsource manufacturer. It is also responsible for internal operation

including packing and inventory management. The department plans the delivery schedule and transportation of the products as well.

1.6.3 Accounting and Finance Department

The department controls the finance of the company by assigning the right budget to each department. It also takes care of the accounting operation and analyzes the key driver which generates the revenue to the company. The department also does the financial plan if the company needs further investment and funding.

1.6.4 Market Research Department

The department selects the right products from R&D department using the market research methods as well as providing the customer behavior and market trend analysis to form the right strategy in marketing, sales and R&D.

1.6.5 Sales and Marketing Department

The department is responsible for planning and implementing the go-to-market strategy and increasing sales and awareness of products. The department will cooperate with market research department to find the right distribution channels and promotion channels of each product in order to launch the product into the effective location with the right pricing strategy.

CHAPTER 2

PRODUCT DEVELOPMENT STRATEGY

2.1 Product Development and Selection Process

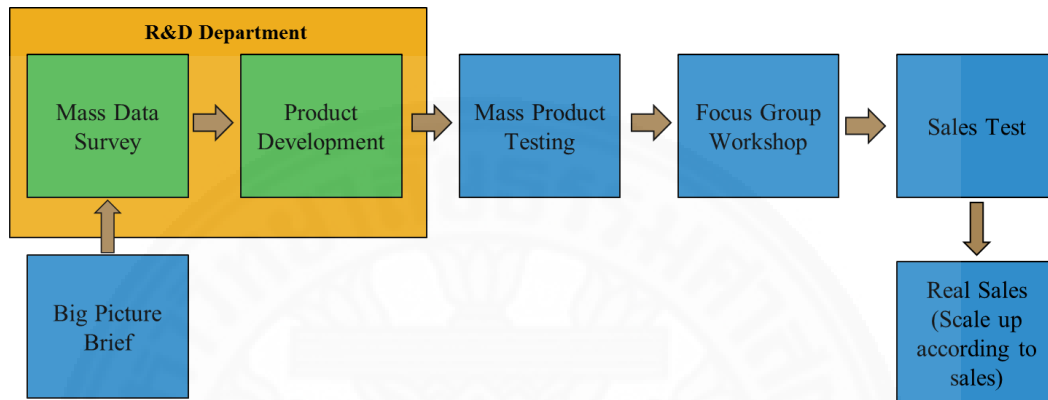


Figure 2.1 - Product selection process

Figure 2.1 shows the process of toy development and selecting the right product to sell. The market research department will gather the information regarding the market trend and develop the right product specification in the big picture to brief the research and development department. The detail of specification will not be too detailed and specific in order to leave the room for creativity of R&D department. After that R&D department will conduct the design market research to innovate the new product and cooperate with operation department to select the right material for the product. In the initial stage of Little Toy, the company will focus on using the material with low minimum order material including paper and wood. Apart from the focus on toys which could be played by all family members, Little Toy will focus on developing products using one or more areas from the following aspects.

1. Child development: This type of product focus solely on the category within child development using psychology of development theory. The main quotient to focus will be Intelligent Quotient, Emotional Quotient, Creativity Quotient, Play Quotient, and Social Quotient.
2. Subject learning: The toys will be related to the learning of the subject which parents are interested such as English, mathematics, and science.

3. Fun activity: By focusing on fun activities, the children will be attract to play by their own without any convincing by parents. This type of product will coordinate with child development in terms of natural learning of children from creating their own way of playing with toys.
4. Suitable gift: The products will be designed with emotional value to be given away as a gift. They could also be designed to be a semi-DIY gift for kids to make for their parents or grandparents. The design and beauty design are the key factors of this type of products.

The R&D department will used the consumer needs and problems as a source of product development around the four areas mentioned of which some areas could be combined to create the products to generate multiple value for customers. Based on the survey, we found that the criteria that are considered by customers for decision making are as followed (showing only those with the percentage over 20%).

- | | |
|-------------------------------------|--------|
| 1. Benefit from the product | 81.40% |
| 2. Safety | 40.70% |
| 3. Varieties of play in one product | 26.50% |
| 4. Kids could play for a long time | 25.70% |

We will use these four important criteria as part of every product designs.

2.2 Initial Concept and Change

Initially, the strategy is for market research department takes the ideas of around 30 concepts per month from R&D department to test using the quantitative method with around 100 groups of people or more. Then 10-15 products are selected to create the prototype for qualitative research and focus group. In this stage, the market research team will observe the behavior of kids while playing the toys focusing on which toys are the most popular selected by children, the length of time the children play with them, and how they play with them. Moreover, the focus group of parents will be conducted to talk and understand what they think and feedback each products. These information together will be used to select around 5-7 products to produce the small amount for pop-up booth selling. The sales team will learn the insight from the selling process in pop-up booth and use the information to select only

the right product to sell to the retail around 1-2 products only. The products will be sold to the right channels based on the information learned from the process to understand which types of customer are suitable.

However, the change in strategy has to be made for designing aspects because the value of royalty fee is not enough to attract a lot of designers, and the risk of products could not be sold and not selected as the candidates to prototyping resulted in the waste of time for designers. Thus, the designers prefer the fixed cost which is the sure way of making money. Moreover, the majority of designers are not good at market research, and creative design thinking. They would rather take the detailed specification and design accordingly instead. Therefore, Little Toy changes the strategy to develop in-house designers in the long-term, and developed all design concepts to give out to outsource designers in the short-term. The focus in strategy will be shifted from focusing on quantity to quality of products instead.

2.3 Product

Little toy's products are based on the concept of bringing the activities which are good for encouraging family relationship, and turn into plaything that could attract kids to play. The focus products at this stage are growing kits. The reason is that growing plants have been started to be adopted by a small group of people, lead user. They start to create a DIY product to play with their kids.



Figure 2.2 - DIY growing kit from lead user

The growing kit as shown in figure 2.2 has been used to play with children; however, it is not designed to be colorful to attract the children to play and take a lot of time to create. The parents also have to participate and good at attracting their kids to grow plant with them as well. Thus, this method has been adopted by only a small group of families.



Figure 2. 3 - Sunflower sprout growing kit Figure 2.4 - Material within growing kit

The products are produced in multiple colors as shown in the figure 2.3 which could attract the children. These elements are important for kids' attraction in the stores. After that the parents will choose whether to buy based on the function of the product. Apart from what are necessary for the growing kits, there is the instruction book on how to grow the sunflower sprout and how to teach the kids along the way as shown in figure 2.4. This element differentiate the functionality from usual growing kits as it solve the problems of parents who either do not know how to teach their children along the way or do not know how to grow plants themselves. Nevertheless, the current product does not contain the activity for parents to view as toy; thus, becoming the point of improvement to implement in the next product.

2.4 Product Training

The well-educated customers are the group which bought our products without asking a lot of questions as they already know that it is good for their children. They mostly focus on their children's decision and make a purchase accordingly. However, the low to middle income individuals are not educated about the benefit of letting their children grow plants. The product training is focusing on educating the customers to understand about the product, and has been done through two ways. First, the cashier counter will explain the products for the customers and answering the questions using our product FAQ sheet as shown in Appendix A.



Figure 2.5 - Retail staff approaches kids

As a result after the training, the retail staff has started to approach the kids and potential customers to buy our products as shown in figure 2.5. However, they are not able to promote the products with deep detail and the sales is still not as good as during the pop-up booth. Second, the instruction booklet will contains the information on child development aspect related to the particular products and the points which parents could teach the children along the activities.

However, the feedback from customers show that the children seem to be bored when they are asking questions, and letting the children play by themselves seem to be better than teaching anything during the play. After interviewing the expert psychologist in child development, we learn that asking questions and directing children are not the right method. The better way is to give the narration while the children are playing the toys similar to story-telling. Therefore, the children could think and be creative during the play.

2.5 New Products and Feedbacks

Based on the learning of selling the first products, many new ideas have been developed to improve customer's experience. All of new ideas are incorporated more toy and family concept which would be more attractive to both kids and parents.

2.5.1 Sticker the Pot



Figure 2.6 - Components used in sticker the pot SKU

The behavior observation and research interview shows that kids are very attracted to play with stickers so this SKU portrayed the stickers as the main activity by using the background as the side of the pot and giving out the stickers for kids to image the story they will tell in the pot.



Figure 2.7 - Interview and test the prototype of Sticker Pot SKU

The prototyping received the mix response. Although kids do like the stickers and really interested in the product, parents find it not valuable enough. They thought the sticker activity which has been implemented in the normal pot is not correlated, and attractive. The valuation of the product is not higher than normal growing plant, only 100 – 140 baht. Nevertheless, this prototype testing let us know the difference in expectation between premium customers and others because

premium customers usually care about how the incremental value help their kids in child development while the others would like to know how the products help their kids get into the prestige school. The latter asked about the educational method to teach kids using the real material such as many types of soil to let the kids experience the difference.

As a result, we decided not to continue developing this SKU because it is not valuable, and the learning lead us to the opportunity which is not coordinate with the company's mission. However, the learning from this SKU has aided us in developing Good Luck Plant SKU afterwards.

2.5.2 Origami Pot

The origami pot implemented the ideas of folding paper to create the activity for kids to enhance their creativity. The idea is to let the kids fold paper as instructed in the design to create an object, and use the sticker to decorate it as they imagine. The kids then place the finished object in the box to create their imaginary city, and grow plants inside it.



Figure 2.8 - Urban Fold: Analog for origami pot

The idea of using origami as a plaything has already been done by Urban Fold as shown in figure 2.8 which received the award winning design. Thus, it might be a good idea to apply to planting activity. The testing show that the origami concept is applicable to the grown-up kids aged 10 or more, and mostly only girls are interested. The target group is very niche, but the products are possible to sell. However, the production proof to be the problems as the paper could not fully resistant against water, and could be broken easily. Thus, the premium pricing could

not apply as parents expect high tolerance toy for the premium price. We decided to drop this idea until the solutions to the material issue could be found.

2.5.3 Rotatable Pot

The rotatable pot has been developed from the idea of current toy that included the clothes changing mechanism for kids to play and imagine on their own. The set of matching clothes is designed to have no particular match to support the creativity without telling right or wrong to kids.



Figure 2.9 - Rotatable Pot Prototyping

The prototype is tested by interviewing parents, kids, and other office workers. The products are well-adopted as a good office decoration and gift for kids. There is the proposed idea of giving this product to kids to grow plants, and played until bored. After that, the product could be brought to be the decoration for parents at the room or office. Nevertheless, the activities included are not attractive as the interviewees like the concept and idea rather than activity. The price given is around no more than 200 baht, but the cost of productions is extremely high due to the complication of each part of the products. Therefore, this idea is dropped because of no profit as we would like to start with low volume production.

2.5.4 Good Luck Plant Gift

The idea of good luck plant gift comes from the interview with Green World foundation who has sold over 10,000 growing kits within 3 months. The products are perceived as a good practice for kids, and could be taken care in the long term by elderly.



Figure 2.10 - Sleeve Tree Analog



Figure 2.11 - Good Luck
Plant Design Concept

The additional value is the design to attract kids to do the activity by applying the concept from sleeve tree in figure 2.10 to design the cartoon as the front cover of the pot as shown in figure 2.11. Moreover, the plant used for this product will be easy to grow and perceive by customers as the good luck plant. We selected Amaryllis and Marigold as a result.



Figure 2.12 - Amaryllis



Figure 2.13 - Marigold

The concept is very well received by the customers, and they are willing to buy it offline at the price around 100 – 150 baht from the concept. The main customers are buying it as a gift for their elderly, and the purchasing decision is even easier after telling them about the cooperation with non-profit organization to add the value of donation. Thus, the products will be designed into 2 packages with two mascot characters to represent each packaging.

2.5.5 Planting Story Book

The planting story book is the combination of planting activity and the moral story for kids. The activity is designed for kids to read or listen to the story, then created their own area in the box set using their imaginary. This concept is

applied from the strength of Origami Pot which received the good response from the customers.



Figure 2.14 - Planting Story Book Prototype

The prototype is tested mainly to the premium customers who successfully attracted the attention of people during the test at Central shopping mall as illustrated in figure 2.15.



Figure 2.15 - Planting Story Book Testing

The kids really like the products, and the parents buy into the concept of the product. They mostly concern about the content of the books to be unique, easy to read and fun. They also would like the product to improve on the length of play for the activity. Although the customers like the activity, they thought kids could finish the play very early, and get bored so they would like it to be more flexible activity. Furthermore, the parents would like the material used to be strong enough to endure the kids' squeeze during the play.

As a result, the product needs further development in term of both the product design and story writing. We have developed four stories to test as shown in Appendix C. The response was good for the first and second story which only needs to reduce the story length to be more suitable. The story three and four used too

difficult language, and not suitable for children. The product development length is over 3 months for product design, 2 months for packaging design, 4 – 6 months for story refining, and 2 months for story book drawing. Thus, the product will be launched in the 3rd year of the business.

2.5.6 Assembly Growing Pot

The concept of this SKU is to create the pot that has a number of parts to be assembled by kids. The final shape could be either fixed or creative based on kids' imagination. The product could still be played with after the growing plant activity.



Figure 2.16 - Assembly Growing Plant Concept

The concept is possible if we could partner with Plan Toy who has the innovation in wood material which has water-resistance element. After discussing with Plan Toy, they have OEM service with the minimum volume for us to bear responsible. The testing shows that a lot of people are interested in the products because of its child development in creativity while giving their children an opportunity to stay with nature by growing plant.

2.6 Product Development Partnership

We have partnered with Green World Foundation to develop the products to solve the foundation issue in effective field trip and lack of revenue. The main issue occurs from the foundation's activities to organize the field trip for families to learn more about nature and a certain species of animals. However, the foundation has no tool to support this activity.



Figure 2.17 - Discussion with Green World Foundation

We agreed to form the partnership by receiving the research information from the foundation to develop the story book for kids related to the behavior of the animals, and develop the exploration tools for those animals for kids to use during the field trip. We could gain an access to the customers of the foundation, and used the branding of the foundation to aid our business.

2.7 Soil Replacement

We have sourced the suppliers who could product the replacement of soil to support us in exporting the product, and we have found the right supplier which is the researcher from Kasetsart University who sold the soil replacement product called “Magic Powder”.

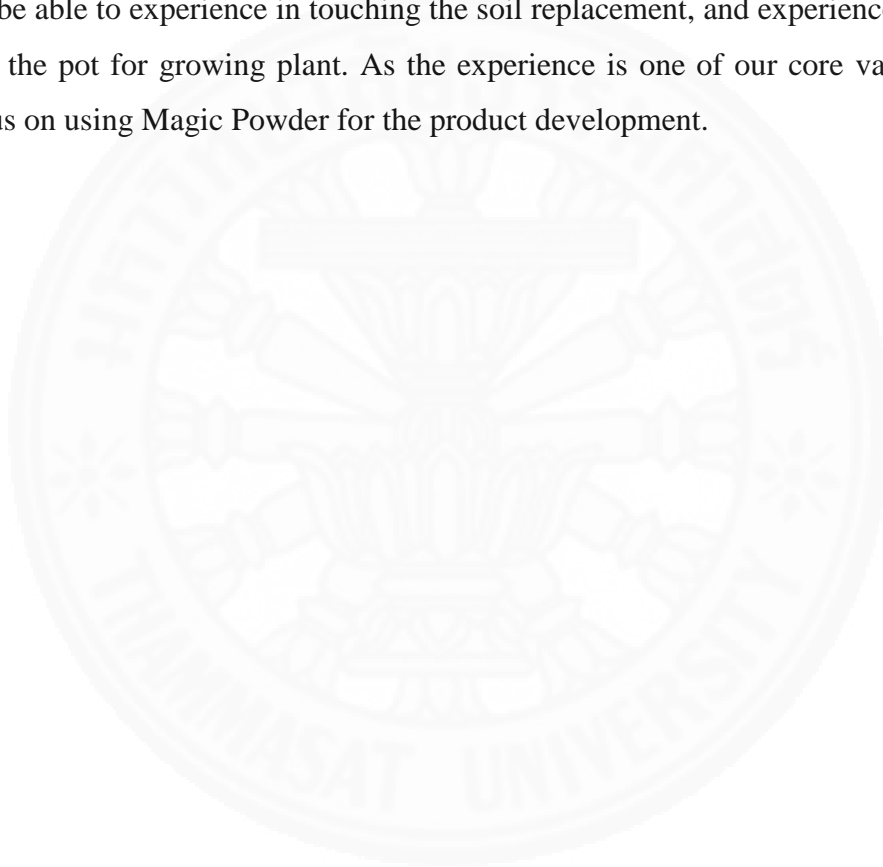


Figure 2.18 - Magic Powder



Figure 2.19 - Compressed Magic Powder

The magic powder consists mainly of coconut husk, and added a lot of natural nutrients for plants. The product is a lot lighter than soil since it has removed the water. Thus, the product is not only could export to the other countries, it also cost less in transportation which save our logistic cost. The magic powder could also be compressed as shown in figure 2.19 which changes its shape into a strong cylindrical shape which could be packed easier than the normal powder. It is also easier to be used as well, but the drawback in using this compressed product is that the kids will not be able to experience in touching the soil replacement, and experience in putting it into the pot for growing plant. As the experience is one of our core values, we will focus on using Magic Powder for the product development.



CHAPTER 3

MARKETING STRATEGY

3.1 Target Market

The target group is big families including kids, parents and elderly from high to low income who are looking for enjoyable activity that can play together among the family. Also, our target family would like to have the activity that could provide child development, which has benefit to the kid, and joyful experience to the elderly. The customers also included the group of people who would like to purchase the products as gifts, especially during the special occasion.

3.2 Marketing Mix

3.2.1 Product

We create 4 values to the products that are child development, learning and creativity, activity with moment, and family relationship. These values are added to our products as family plaything, and it became “Little Toy” brand. We position our product as fast moving toy that create variety of the product to serve the market demand every month. We also have a plan to launch new product every month, and keep the bestselling one to remain on shelf at the shops. On the other hand, the product that does not sell well will be deleted. Although the products is fast moving toy, and it seems like there will be high cost of production, we can control the cost of production by using our product development strategy.

We create the different products in different name to suit. We divide it as premium and non-premium products to serve the different customers.

Premium product: we have a plan to launch planting storybook toy and assembly growing pot. Now it is in development process. The toy will look as premium in term of value and quality. Planting Storybook has a benefit for children in creativity and imagination aspects as well as can play together with parents while they are reading the attached storybook. Assembly growing pot could create fine motor

development, creativity, and imagination to the kids. Plus, it can create the good memory and joyful experience when the elderly play together with their kids.

We have tested Planting Storybook to our customers at Pailin Central Chaeng Wattana for both of toy and storybook. The feedback from the customer for the toy is that parents looking for functions to play like apart from planting, what else the kids could play with the products. They are looking for flexibility. They know that kids like stickers and let them play. They also concern about the context of the story. They said it should be easy to read and the parents want children to learn something from reading.

Therefore, after that, we create 4 stories to test with the parents. Most of the parents love story 1 and 2 because it can help to improve language skill for the kids, and it teach them having responsibility, patient, and time utilization. So, we will use story 1 and 2 but we will make it shorter as comment received from the audiences.

Non-premium product: we have created sunflower sprout growing kit as our first product and sold it already. Now, we are developing the other product that is good luck plant. This product has value as a gift. When parents or relative would like to buy something to the kids, they will think about Little Toy's products. Kids will grow the plant in the toy and then give back to parents or elderly as a gift as well. They will place the toy on their table with memorable experience that their kids made it for them. Moreover, we will add value to good luck plant by creating the story behind each type of plant so that it could create emotional value to the customer. Kids can make an imagination thinking when they are playing this product.

However, there is another non-premium product, which is rotatable pot that we have prototyped and tested it already. Feedback from our customer was not good because it is hard to play when the plant has grown, as well as the value price that they give is cheap as 199 baht while our cost is very high.

3.2.1.1 Brand Strategy

We use Little Toy as umbrella brand, and it is our company name as well. We would like to give the value and image to Little Toy as a family plaything that gives the feeling of being friendly, intelligent, safe, trustworthy, fun, and memorable. Little Toy is used for building brand awareness in term of company

name. Based on our experiment that Little Toy is easy to remember for premium customer and it is easy to use for brand communication in both domestic market and international market.

In domestic market, we create a product name in English for premium product tagged along after Little Toy brand for premium products. The reason behind is that our premium customers perceive that English name looks more premium and it is memorable.

On the other hand, we will localize the name of the product for non-premium customers. We use tested the local name in our first product, and the feedback from customers in Pailin shop is good because it is easy to remember and understand what is the meaning behind that name.

Our first product is sunflower sprout grow kit, meaning little grower. It is very straightforward of the meaning that is suitable for non-premium customers who want clear message at first time; moreover, we do not have to explain much about what is our product. Also, many people love this name because

We also use “Little Grower” as international Growing Sun Flower Sprout Kit name. It is memorable and understandable named base on our interview from many our target customers. Therefore, when new products have launched, the name will be took after head brand like “Little Toy: Sunflower Sprout Growing Kit” in domestic market and “Little Toy: Little Grower” in international market.

3.2.1.2 Brand Logo



Figure 3.1- Little Toy's Logo

As we are doing toy business related to family plaything, we would like to have a logo that has a meaningful and lively. Little Toy's logo, as figure 3.1, go together with play and learn meaning by using colorful color and jigsaw puzzle box with Little Toy word under the box.

Little Toy logo reflects our 4 values that we put in to the product. The 3 pieces of jigsaw refer to child development, learning and creativity, and activity with the moment. When it is combined together, the value of family relationship will be appeared because it let family to play it.

Moreover, if we see the logo deeper, we will see the jigsaw box as a face that there are eyes and nose that refer to the kids who has fun, and get learning experience through playing our toy. If those kids think what are they doing is play, the more they play the more they learn. Once they learn faster, they will experiment more, and they enjoy it more. It gets the kids inspired and energetic and they want to play it more and more.



Figure 3.2 - Little Grower's Logo

Little Grower, as figure 3.2, is used as international logo. It has to communicate directly to the international customers that our products related with growing plant. The brown pot is designed similarly to the face that there is a plant growing out of the head. The meaning behind the logo is when the kids play our toy; they do not only grow the plant, but also grow the creativity through experiment from our toy as the plant is growing on the head.

3.2.2 Price

We use bottom up price strategy to calculate for the production cost because our products are innovative product that has not existed yet. So, we have to set value by ourselves. Then we do prototyping and see the feedback of value that customers give to us. After that, we compare with the cost of production. Besides, due to our product development strategy that can create the product by using low cost materials, we do not invest in long-term investment, but short term as variable cost. By doing this we can set the price low, but we still have high margin after sold to our distributor.

However, if there is no profit, we will back to development process and find the other materials or other production methods that could lower the cost. If we cannot adjust it, we will postpone it until we find another solution to fix the problem.

For example, the rotatable pot has very high production cost. Plus, after we tested with customers, the customers told that it was hard to play when the plant has grown, and the price they gave is 199 baht. The margin was low if we set the price at 199 baht. Thus, we postpone pending it and develop another product instead.

For retail aspect, we consider about demand and supply law. Different places can create different demand and supply because the customers are different. Therefore, the same product in one place is different to the other places, and the customers are hard to know.

Every time, we launch new product to the market. We will test it with that store by open up the booth to see feedback from customers especially the price they give. Then we could set the price, and discuss with the distributor about end price and margin that they have.



Figure 3.6 - Sow and Grow's Product

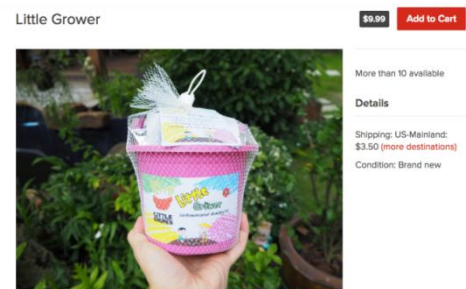


Figure 3.7 - Little Grower's Product

For the international market, we set the end price by benchmarking with similar products on e-commerce website. Sow and Grow sunflower growing kit is 7.59 British Pound that is about 9.99 USD as figure 3.6. Thus, Little Grower is set as them as 9.99 USD as figure 3.7.

3.2.3 Place

Our distribution strategy is Guerrilla marketing. We plan to sell the same product to many potential different channels with different price as mention in price strategy above. Also, our strategy is going with the distributor who we can sell out right, not consignment because we do not want to invest money for the stock, and we need cash to develop another product. We have a plan to go to market through 4 potentials channels as follow.

The first channel is a retail channel, which consist of bookstore, toy store, selling growing kits store. Now, we are selling sunflower sprout growing kit at Pailin Booknet. We are planning to sell the next products to the right channels as we defined as premium and non-premium products.

Bookstore is good channel to sell our product because it is easy to position the product, and the product can be outstanding when position with books. On the other hand, toy store is not good channel to sell our product because they ask for consignment, and the product will not be outstanding because it will be placed with other toys.

We have research the condition if we would like to sell to the toy and gift store as table 3.1. Most of it asks for consignment except Robinson, but they do not open for new suppliers currently. However, consignment is the standard term of payment of this industry; it is negotiable when we discuss with them.

Table 3.1 –Toy and gift shop store condition

Store	Process	Considering Time	Term of payment	GP	Remark
The Mall	Send profile to email and make an appointment	30 days	Consignment	35% for new enter	Place the product in temporary area for the first month to see feedback and possibility to sell
Central	Send profile to email and make an appointment	30 days	Consignment	See product first	See product first to categorize the product, and negotiate about GP accordingly
Robinson	Send profile to email and make an appointment	30 days	Consignment/ Credit	50% for non-brand	They don't open for new supplier, but they would like us to send profile to review
Zeen Zone	Send profile to email and make an appointment	15 days	Consignment	38%	
Be Trend	Send profile to email and make an appointment	30 days (if shelf is available)	Consignment	40-45%	

The second channel is school. We would like our product is taken into school's course. We sell to the school both of direct sell and via school distributor.

However, after we talked to schools, the school's buyer said that they buy things from teachers' requirement only. Therefore, we have to sell to the teachers to demand the products and order to the buyer.

The third channel is e-commerce. We have a plan to sell through Facebook for 95 baht, excluded transportation cost, and e-commerce websites such Ecrater for 9.99 USD.

The forth is non-profit organization. We would like them to share their media and channel that can communicate to their member to buy good luck

plant. We will give them a part of profit in return. They might accept our offer because they have a problem of unstable revenue stream.

Besides, there is an opportunity to go to international market. From our research we have found that European market and Asian market are interesting because of market size and consumer behavior. There is more information in 3.3.3 Opportunity in SWOT.

3.2.4 Promotion

3.2.4.1 Advertising and Promotion Strategy

We communicate differently in each channel because the customers are different. We create awareness of our products through product consultant (PC) in retail channel because PC is the one who can communicate customer directly in person. We brief our product to PC and give them a brief paper in case that customer will ask about product information.

Besides, we currently promote Little Toy through Facebook as online channel. We have a plan to gather our target customer who is parents who have kids. In the future, we will promote our product more in many online channels such as community website and e-commerce website. Now, we are promoting it and be ready to sell on Ecrater.

By doing different communication in each channel for Growing Sun Flower Sprout Kits, customers do not receive the same message. We can use the gap to give the dissimilar price to the customers as our strategy that we would like to sell to each customer's willingness to pay.

3.2.4.2 Booth Activity

Once we come up with new product, we set the pop up booth to test the market whether product is suitable for customers and receive insight both concern and value of the product. Also, we can meet directly to our target group, and receive insight by asking them. Furthermore, we can sell our previous products to make sales and get feedback and comment to improve the product.

We tested to sell our first product, sun flower sprout growing kit, through pop up store at Pailin shop as shown in figure 3.8. The feedback is good in term of sales volume that we sold 16 pieces at first time in one day. And this can make Pailin decided to order the product to sell in the Pailin store.



Figure 3.8 - Little Toy pop up booth

3.2.4.3 Point of Sale

We have point of sale A4 size that attached with the display in every store as figure 3.9 that we sell the product. It can give more information and what is inside that product, as well as help for buying decision because we put the discount price on that.



Figure 3.9 - Point of sale

3.2.4.4 Toy Fair



Figure 3.10 - Toy Trade Fair

There are 3 interesting toy trade fairs as figure 3.10, which are Spielwarenmesse in Nuremberg, Germany and Hong Kong Toys, Games fair in Hong Kong, and International Tokyo Toy Show in Japan. These 3 events are arranged every year. Also, these events are where international toy markets come together. There are renowned brands, toy innovations, licensed products, trendy start-ups, buyers of large chains, and independent retailers. We can see the pictures of these events through Appendix D.

Spielwarenmesse is the most important event for the toy industry in the world. There are over 2,800 exhibitors, and 75,000 visitors. Hong Kong Toys and Games Fair is the most important fair for the Asian market. There are over 2,000 exhibitors, and 45,000 visitors. International Tokyo Toy Show in Japan has over 160 exhibitors and 150,000 visitors.

We plan to attend these events after year 5 because it has high expenditure around 1 million baht per time. However, joining the event is the must because it is the most important marketplace that we will meet potential international distributors to sell the products for us in the future. As well, we can test feedback from the different behavior from the international people.

3.3 SWOT Analysis

3.3.1 Strengths

We have strong good relationship with Pailin Booknet who has the most selling distribution points in Thailand; thus, Little Toy will have strong product coverage in Thailand in retail channel.

Moreover, from our product development strategy, it can make high gross margin from selling our product, which makes higher Little Toy revenue. Plus, we are the new comer of child development toy that combines toy with planting activity. So, our product is a unique child development toy in this period.

3.3.2 Weaknesses

We are very new company who just entered to toy market. So, we do not have any reputation before. When we connect to potential selling channel or organization, it is hard that they will cooperate with us at first.

Also, competitor can offer similar products quickly because the production of the product is not complicated in this stage, and if they see the opportunity in this market, they can come to this market easily.

Our brand, currently, is not strong yet due to lack of capital that doing advertising and activity.

Little Toy does not have in-house designer at this stage. We have to hire a designer to design toy for us. So, the cost of hiring designer is high which can cost the production.

3.3.3 Opportunities

Toy market in Thailand is very huge and growing every year; thus, we see the opportunity to sell our product to this market especially in middle to low income which is the big chunk of the market.

Due to changing behavior of reading from book to internet, there is decrease of book selling in the market (Thaipublica, 2016). So, many book stores are looking for non-book products to sell to their store so that they can still have income. From exploration in the book stores, there are many toy sold there; thus, our product could be sold in the stores as well.

There is the opportunity in the international market especially European and Asian market. We found that the European toy market is the largest market in the world with over 22 billion USD, which is about 27% of the global toy market. UK, Germany, and France are the top 3-toy market size in Europe. When we compare the market size data between figure 3.11 and table 3.2, it support together that these countries are potential toy market even it is not the same year. Plus, these countries are developed country. So, they have well-educated customers who know child development toy and growing toy. As well, these countries have potential distributors to distribute this kind of product.

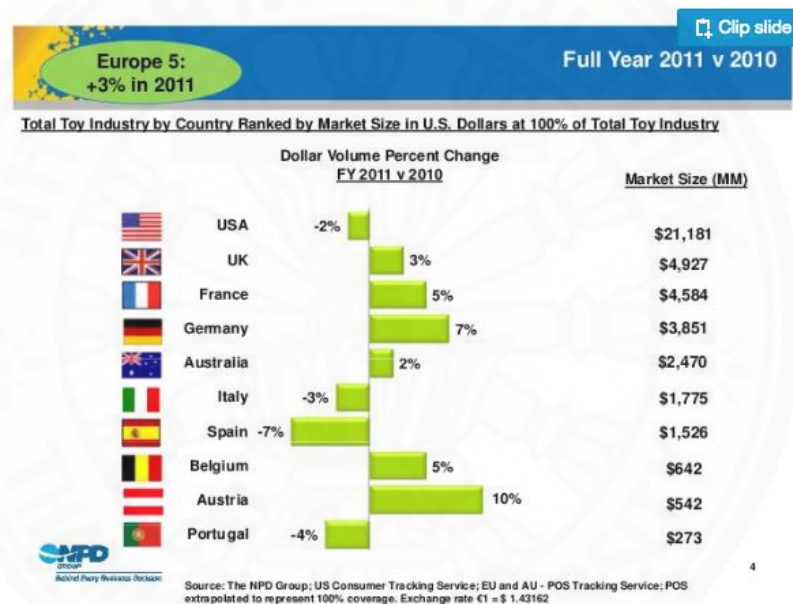


Figure 3.11 - Toy Market Size

Table 3.2 - Thailand toy export volume 2016

ประเทศ	ตลาดส่งออกสำคัญ					
	มูลค่า : ล้าน USD		อัตราการขยายตัว : ร้อยละ		สัดส่วน : ร้อยละ	
	2558	2559 (ม.ค.-มิ.ย.)	2558	2559 (ม.ค.-มิ.ย.)	2558	2559 (ม.ค.-มิ.ย.)
1. สหรัฐอเมริกา	64.06	29.30	-2.64	8.94	27.64	28.16
2. ญี่ปุ่น	36.68	18.11	-2.79	-5.06	15.82	17.40
3. ฮองกง	18.18	7.39	-12.33	-27.07	7.85	7.10
4. สหราชอาณาจักร	12.34	5.02	-9.43	-10.43	5.32	4.82
5. เยอรมนี	11.28	4.85	6.14	4.03	4.87	4.66
6. เกาหลีใต้	11.44	3.73	-7.45	-24.59	4.93	3.58
7. ฝรั่งเศส	7.38	3.59	3.73	32.93	3.18	3.45
8. ออสเตรเลีย	7.62	3.57	9.98	4.49	3.29	3.43
9. จีน	5.92	3.49	134.28	16.71	2.55	3.35
10. เม็กซิโก	7.43	3.07	32.96	-6.77	3.21	2.95
รวม 10 ประเทศ	182.32	82.10	-0.39	-1.91	78.66	78.91
อื่น ๆ	49.47	21.95	-5.64	-8.54	21.34	21.09
มูลค่ารวม	231.79	104.05	-1.56	-3.38	100	100

From our research we have found that there are many potential distribution channels are follows.

UK has 2 key channels which are grocery retail and toy specialists. Grocery retails in UK are Arros, the catalog chain which can reach 20 million household in UK. Also, they have over 750 stores across the UK, Tesco, and the UK's biggest retailer. There are about 3,500 stores, Sainsbury's, the grocery store in UK who has 1,312 stores, and Asda, grocery stores which has about 600 stores.

Toy specialists in UK are Toy R Us: 81 stores, Toymaster: 250 stores, The Entertainer: 60 stores, Smyths: 57 stores, and department stores: Debenhams have 167 stores, John Lewis have 36 stores.

Germany also has 2 key channels which are retail and department store. Retail in Germany is Vedes: 1,100 stores, Idee & Spiel: 1,000 stores, Spiel & Spass: 420 stores, Duo Schreib & Spiel: 400 stores, Toys R Us: 66 stores, and Rofu: 70 stores. Department stores have Kaufhof: high end retailer: 140 stores, and Mueller with 479 stores

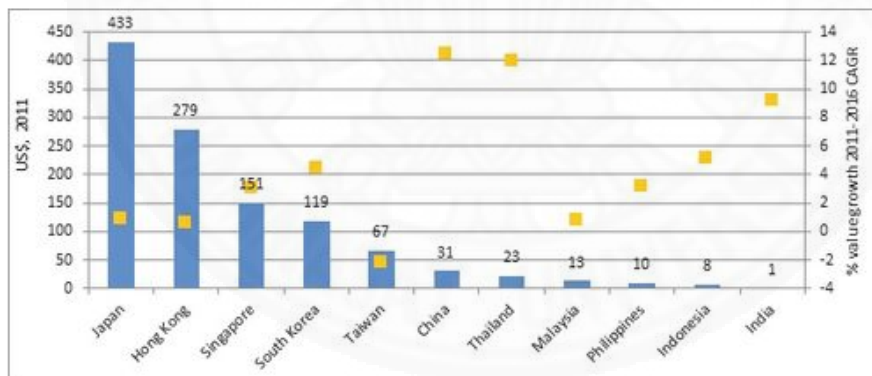
France also has 2 key channels which are retail and hypermarket. Retails have Toy R Us: 48 stores, King Jouet: 48 stores, Ludendo Group: 247 stores,

MaxiToys: 108 stores, and Club Sajou: 140 stores. Hypermarkets have Carrefour: 1,400 stores, Auchan: 500 stores, and Leclerc 550 stores.

The list of potential distributors is listed in sales strategy part.

Asian market is a potential market as well. Japan, Hong Kong and Singapore were the leaders in terms of per capita spend among 0-14-year-olds, all recording more than US\$150 per child as figure 3.12 Japan and Hong Kong has the highest toy export sales value as table 3.2 as well as they have big toy trade fair every year. So, Japan and Hong Kong can be strategic country in Asian market. For Singapore, Singapore is an interesting market to sell the product. Trend of urban farming and vertical farming in Singapore is increasing. We can see by the news. Moreover, Singapore does not have a space to growing the plant. Most of the people live in the building that has small space. If they would like to grow the plants they have to grow it on rooftop. So, it can be an opportunity to sell our product so that they can grow it in their room.

TRADITIONAL TOYS AND GAMES PER CAPITA SPEND VS 2011-2016 CAGR (RSP)



*Note: * Spend per child is calculated as market size divided by number of 0-14-year-olds*

Figure 3.12 - Traditional toys and games per capita spend

3.3.4 Threats

The labor cost in Thailand is higher than India, China, and Vietnam because in labor cost in Thailand is 300-500 baht per day depended on labor skill (Prachachat, 2015). Besides, we cannot use alien labor for substitution because it

takes time to train labor having skill. Therefore, we have to focus on the designs that can markup value in to the product.

The shortages of quality toy designer who can design as company's requirement (DITP toy export report, 2016), as well as the shortage of child development experts are the key success factor of innovative toy in Thailand.

Lack of toy standard certified department in Thailand can cause high cost when the company sends the product to the agent to send later to lab in another country to test. The cost of testing per one toy is approximately 8,000 USD which is very high, and if it does not be certified, it has to test again with another cost.

3.4 Competitive Strategy

We use Porter's Five Forces model analysis to analyze child development toy industry in Thailand to understand current situation of the market that related to the business.

3.4.1 Competitive Strategy for Thailand Market

3.4.1.1 Threat of new entrants

The threat of Little Toy is very high because we do not have high capital in this stage. Little toy is easy to copy as well. If a new competitor who is big companies enters to the market, they will take many of our customers because they have strong brand. Also, they have high economy of scale to produce the products as well as high distribution channel which can distribute cover the country.

However, coming of competitors mean that the market size and market movement are growing as competitive market. It is good that educating people in term of why child development is important. We currently have a good partnership with Pailin Booknet who can distribute Little Toy to cover over Thailand; thus, we can moderately access to distribution channel. And from our product strategy that makes Little Toy as fast moving product, it can make customer extremely follow us because they need new toy for their kids.

3.4.1.2 Threat of substitute product or services

Threat of substitute product is high. Substitute products of Little Toy are other child development toys which the price is quite the same or lower that placed nearby on the same shelf. For example, playing dough that has the same price and is placed next to Little Toy, and painting book with color pencil that has lower price, 59 baht, than us that are shown in figure 3.13.



Figure 3.13 - Playing dough and painting book with color pencil

Even though Little Toy is new product and has low brand awareness that can make customers decided to buy other substitute products, we believe that from our marketing and sales strategy; customers will be educated that Little Toy is a child development toy, not just growing kits. And that can make more value for customers to buy Little Toy.

3.4.1.3 Bargaining power of customers

Bargaining power of customers in business to business (B2B) market is high because those companies mostly are book stores who have a lot of selling point. They buy for a big lot and distribute to their stores such as Pailin Booknet; they ask for high distribution margin and listing fee.

Bargaining power of customers in business to customer (B2C) market; however, is low because our product is very new. Customers cannot compare Little Toy to other relevant child development product except growing kits. Therefore, from value that we add to Little Toy compare with the price that we set, we can have higher bargaining power than customers. Plus, from the strategy that we set

the price of same product differently in different location, we can markup margin if we sell it online because the customers are not the same group.

3.4.1.4 Bargaining power of suppliers

Bargaining power of suppliers is low because we use our product development strategy that we do not invest for any fix cost, but variable cost. We can control our cost easily and have many choices to choose material suppliers. We use paper as our main material production in initial stage to save our cost. When the product is ready for mass market, we still have many manufacturers who can supply material to us.

Nevertheless, in the future, if we collaborated with Plan Toys to create innovative waterproof assembly toy, we would have low bargaining power compared with them because they hold the patent of that innovative material.

3.4.1.5 Intensity of competitive rivalry

Although there are many child development toys in Thailand, there is no product that is exactly the same as Little Toy because Little Toy is a child development toy with base on planting activity. Therefore, there is only indirect competitor that Little Toy competes with. The indirect competitors are as figure 3.14 which shows Little Toy compare to other products in term of appearance, target customer, type, and price.





Products/detail	Picture	Target Customer	Type	Price/Baht
Little Toy		Family plaything from growing kit in the form of toy	Outdoor	95-155
Pin Toy (Wooden Toy)		Child development toy for kids	Indoor	400
Grow it forward (Micro Green growing kit)		Organic and health lover	Outdoor	490
Ban Rai Oaj Fun (Wheat grass growing kit)		Organic and health lover	Outdoor	100
Organic DIY		Organic and health lover	Outdoor	89-119

Figure 3.14 - Little Toy competitors

Nevertheless, we have to build awareness of our brand strong enough that can protect us from coming direct competitor.

3.4.2 Competitive Strategy for European Market

3.4.2.1 Threat of new entrants

Due to Little Toy is very newcomer of toy market; there is very significant barrier to entry. Exactly, we do not know market information as good as exists, and we do not have a channel to distribute our product. Moreover, the market is very high innovative sector, which there are 3 major corporate companies such as Mattel, Hasbro, and Lego as market leader. They are very keen in this market, and fully have being distributed the product to the market already. However, the online channel is a good opportunity to sell our product at the first stage.

3.4.2.2 Threat of substitute product or services

There are a lot of general toy, educational toy, and games. These are the main substitute product that Little Toy has to face is very high. Infant and preschool toys are the most popular toy category on the European market followed by dolls, outdoor and sports toys, and games and puzzles, Together these categories comprise over half of all toy sales in the EU (The European Toy Industry: Facts and Figures). Thus, these toys can be substitute products.

3.4.2.3 Bargaining power of customers

Since Little Toy is very new company and does not have our own, we rely heavily on large retailers to sell and raise awareness for the products. They have the power to reduce the company's margin and to choose to promote other brand if a consensus is not reached. The bargaining power of customers in this case is considered to be high. Therefore, the good partnership with retailers is very important.

There is another solution that can reduce the bargaining power of customers. It is finding the potential distributor who is keen in the market, and has high distribution coverage. They will find the right channel to distribute product for us. However, we have to give the distribution margin to them as well.

3.4.2.4 Bargaining Power of Supplier

We produce our product locally in Thailand. So, bargaining power of suppliers in term of production is low as mentioned in 3.4.1.4

3.4.2.5 Intensity of competitive rivalry

There are over 5,000 toy companies in Europe's toy sector combine both small and medium-sized enterprises (SMEs) and large companies. Besides, there are imported toy over 7 billion USD in this market. Among these companies, they are developing new product every time to compete each other in term of innovative product. Thus, there are a high number of competitors, and so competitive rivalry is high as well.

The solution is that we should develop the very innovative and niche toy to compete with this market.

3.4.3 Competitive Strategy for Asian Market

3.4.3.1 Threat of new entrants

The toy market in Asia is also very competitive. The barrier to entry is very high. This is hard that new companies, and entrepreneurs, create products to sell in this market. Also, many well-known brands currently invest a lot of resources into research and development, which allows them to introduce new products all the time. The key players in this market are Hasbro, Mattel, Ban Dai.

3.4.3.2 Threat of substitute product or services

As there is a trend of using high-technology gadgets in this market, toy companies tend to develop technological toy for them instead of traditional toy. Also, they are looking for video game, computer, and tablet; they are enjoying about technological devices. Therefore the treat of substitute product is high.

3.4.3.3 Bargaining power of customers

Due to the different of customer's behavior in each country, and toy outlets are very concentrated. This can leave toy companies in a very weak bargaining position with its customers. We need potential distributor to help us for this problem.

However, there is online channel that could be the opportunity to sell product directly to the customer. This channel could have high bargaining power to the customers.

3.4.3.4 Bargaining power of suppliers

We produce our product locally in Thailand. So, bargaining power of suppliers in term of production is low as mentioned in 3.4.1.4

3.4.3.5 Intensity of competitive rivalry

Respectively, Mattel, Hasbro and Ban Dai are the top three, toy and game companies in the region. Those companies fight for shelf space, with each other and every company that makes toys and games, at all of the same stores. Therefore, the intensity of competitive rivalry is high for traditional toy.

However, those are the indirect competitors. Little Toy Product is an innovative toy that is not the same as common child development toy. So, it could be challenge about the new segment of toy product.

3.5 Business Environment Analysis

3.5.1 Business Environment Analysis for Thailand Market

3.5.1.1 Social factor

A third of 0-5 age kids have delay development which affect to their IQ. The reason behind are lack of good value nutrition, parents support, and media. Kids should be given value intuition before mother gave birth because it can affect the risk of abnormal of the kids.

Nowadays, single family has 30% chance to support and grow their kids by themselves. The rest is under take care of baby-sitter or baby support center. So, kids do not receive the development as parents need.

Current parents grow their kids by giving them a smart phone and let them see television instead of doing activity together. It makes kids do not have a participant with other people (Quality Learning Organization, 2012)

Little Toy can provide family bonding which is the toy that parents can play together with their kids, and make their kids stay away from the media.

3.5.1.2 Technological factor

There is a computer game addiction in kids in Thailand because it can decrease development of the kids. Kids do not have participation to other people, nature and environment around them. The problem is from the parents that do not have time to grow their kids; thus, there is a gap between families.

Little Toy provide development toy to them. Parents can use our toy to play together that can reduce the gap between families. Also, it can help kids having more responsibility to themselves and reduce time spend to games.

3.5.1.3 Legal factor

In case we would like to export agricultural matter, we have to check the country that we will export to because there is different regulation in each country. We have to have import permit from the country we export to as well. Once we have gotten the import permit, we have to have Phytosanitary Certificate from export department as well.

In order to have Thai Industrial Standard Certificate to have a benefit of production, commercial opportunity, confidence of customer, and transparency, we have to register from Thai Industrial Standard Institute (TISI) as figure 3.15. It takes time for 43 days after application. The process consist of application, assessment of quality control (if it does not pass, the department have to check again), waiting for the checking result, issuing permit, and quality tracking after permitted.



Figure 3.15 - TISI symbol

3.5.1.4 Environmental factor

In Thailand, people are familiar with agriculture since we were young, and from 10 years ago the organic trend has been growing. The organic food market value has average 20% growth every year (Express Industry News, 2016). The awareness of healthy food and organic food are increasing. Thai people are more interested in healthy food. This factor shows that Thai people are well educating about agriculture. Therefore, by adding value to the product this related child development.

3.5.2 Business Environment Analysis for Europe Market

3.5.2.1 Social Factor

The toy market in Europe is the largest in the world, meeting the diverse and evolving demands of the European Union's (EU) over 78 million children (The European Toy Industry: Facts and Figures, 2013)

From our exploration, we have found that parents and children like educational toy because they are well-educated people. They concern about the quality of play experience. And, the communication in different languages in different countries is important because even though they can speak English, the local language is still matter to them. We also have found the insight in countries as below.

The UK families spend less quality time together with their kids, compared to selected other European markets, and had a much more prevalent materialism & ingrained commercial culture. In short, while this is not a good thing for society, it's actually good news for Toy companies in commercial terms, meaning the UK parent is missing family time and compensating with consumer product gifts (Practical Guide to do Toy Business in Europe, 2013). Therefore, our Little Toy could help them in term of family relationship.

German market over emphasizes more educational toy. Construction is a much larger category in Germany. Wooden toys are more successful. Thus, we think that the product that we are developing, Assembly Toy, has an opportunity to sell in Germany.

3.5.2.2 Technological Factor

Due to toy market is very innovative sector. The success of the sector is dependent on satisfying customer needs. As children's wishes for toys

change rapidly, the company needs to constantly introduce new products to meet these changing desires. Therefore, the thing that can help this issue is technology making toy more innovation.

Furthermore, another key success of technological factor is R&D aspect. Toy can has high competitiveness with good R&D and technology. Based on our interview with Plan Toys Company they said that they have to launch new products at least two times a year to compete with others in the market in both domestic and international market.

3.5.2.3 Legal Factor

The common Toy Safety standard in Europe is EU Toy Safety Directive Testing (EN71). Every single toy, which sells to EU, has to get EN71 before ship the product to sell in EU. If we have 5 products is going to sell, is has to get those 5 certify. The example of EN71 is as Appendix E

Moreover, we have to put the CE (Confomite Europeenne) symbol as figure3.16 in the packaging. It means European Conformity. This symbol is attached in the packing with name and address of manufacturer and distributor. Also, if toy has small pieces, it has to put the Not Suitable for Children under 36 months in the packing as figure 3.17.



Figure 3.16 – CE and EN71 symbol



Figure 3.17 - Not Suitable for Children symbol

3.5.2.4 Environmental Factor

From DITP toy export report, 2016, they said that the trend of toy that made with eco-design is growing. There are many company show eco-design toy in Spielwarenmesse Toy Fair in January 2016. It is especially applicable to wooden toys and dolls. The use of wood from well managed forests, water based ink, and recycled packaging or instruction manuals signals high quality and responsible production processes and products and also provides the added value of a lower environmental impact. There is an opportunity to develop eco-design niche toy to sell in this market.

3.5.3 Business Environment Analysis for Asian Market

3.5.3.1 Social Factor

Today's children, for their part, are growing up faster than a generation before. Kids aged 12 or above turn to non-traditional playthings such as video games, computers, music and cosmetics. This development is challenging toy manufacturers to create innovative toys that capture the interest of children. At the same time, greater efforts have to be made for pre-school toys due to an increasing demand for toys that can develop brain power, creativity, coordination and senses of players. (Toy Industry in Hong Kong from HKTDC Research, 2016)

However, there are still customers who have clear focus on educational values. Parents increasingly emphasize on children's development and realize the importance of learning through play. Manufacturers are seen to respond by designing toys that aim to enhance children's intellectual, social, emotional, and/or physical development. Interlocking bricks like Lego, puzzles and construction sets that improve hand-eye coordination, patience, creativity and spatial skills continue to

be highly sought-after; board and card games that develop skills (China's Toy Shoppers: A Purchasing Behavior Survey (Executive summary) research from HKTDC)

Therefore, we have to target surely about our target market in Asia because the trend of non-traditional toy is growing, while there are still parents who concern about child development.

3.5.3.2 Technological Factor

As the life cycle of toys is becoming shorter, this increases the risk of product development. The impact is that it signals the need to invest in R&D, develop own design capabilities and create value-added edges so that products cannot be replicated by competitors easily (Toy Industry in Hong Kong from HKTDC Research, 2016)

Moreover, tech-based toys gains popularity, and there is the rise of kid tablet. These trends imply that Asian children are now enjoying about technology things even toys. Toy Industry Hong Kong research said that the parents are eager to allow them to have access to lower-price, kid-size versions of electronic products for learning purposes such as reading e-books and watching educational videos.

Therefore, the market has the same issue that the market need high R&D as other markets, but Asian market does not emphasize traditional toy but technological toy.

3.5.3.3 Legal Factor

Above of EN71 as mentioned in 3.5.2.3 that can use internationally, there is American Society for Testing and Materials (ASTM) as figure 3.18 and Appendix E, which is toy product quality standard of America. In Asian market, we have to set at least one of these standard certificate.



Figure 3.18 - ASTM Symbol

3.5.3.4 Environmental Factor

DITP toy export report 2016 said that the trend of toy that made with organic matter is growing. There are many company show toy that has parts made by organic matter such as organic cloth and ink for wooden toy, and organic fabric that use for doll in Hong Kong Toys and Games Fair 2016. Thus, even the trend of non-traditional toy is growing in this region; there is still an eco-traditional toy that can serve those customers.

CHAPTER 4

SALES STRATEGY

4.1 Channel Strategy

Little Toy starts from booth selling through free events; therefore, we could learn more from customers during the sales. Afterwards, we focus on bookstores as a channel of distribution. Based on the interview with the bookstore company, we learn that the book industry is in the declining stage and the stores have started to evolve by bringing non-book products to sell. However, they are still not as successful as in the past. Despite the decline of the industry, the category of books related to parents and kids are still maintained and increasing in some areas. Thus, we view this insight as an opportunity to distribute our child development toys. Nevertheless, we will expand to the other retails as well. Based on the market research with 120 people, we found that the channels accessed by customers to purchase toys are distributed as followed.

1. Shopping Mall	74.8%
2. Street Market	42.0%
3. Online Channel	27.7%
4. Street Market	23.5%
5. Book Store	9.2%
6. Convenient Stores	9.2%
7. Others	5.0%

Therefore, we will move to shopping mall afterwards as it represents the channels which the customers usually go. However, the channels contain a lot of competitors, and do not willing to be the first adopter of the innovation so we need to educate the market to the certain level before start selling to those high traffic channels.

Apart from the traditional retail channel, we have explored non-profit organization by cooperating with them to use their communication channel, and sell the product directly to their members.

4.1.1 Retail

4.1.1.1 Pailin Booknet

Pailin Booknet is the book store in Thailand which mainly focusing on low to middle income customers by providing books in a very cheap price. Although the brand is unknown to the high income individuals, the company has over 6,500 selling points across Thailand which is the strength of their business. Nevertheless, the traffic of each still is not very high as shown in figure 4.1 which has around four customers inside the stores. From the observation, the number of customers are around 3-5 groups within the peak hour, and around 0-2 groups normally. There is mostly no customer after 7pm. The traffic will be extremely high only on the long holiday in which the sales are increased over 5 times the normal day.



Figure 4.1 - Pailin Booknet traffic on Saturday

Similar to other bookstores, the company is in the declining stage and seeking a way to improve their business. Therefore, we have come to the agreement that we could use make use of the space of Pailin Booknet stores excluding those within the chained convenient stores and branded hypermarket to test our products through pop-up booth. Thus, we could test our products through various locations with different type of customers as shown in Appendix B. The pop-up booth result for the sunflower sprout growing kits is shown in table 4.1.

Table 4.1- First product pop-up booth result summarize

Location	Sales per day (unit)	Group of customers
SC Plaza	16	Those who go back to their provinces through Sai-Tai bus.
Pantip Ngamwongwan	2	Those who buy products to sell at their small retailer and those who sit in the stores relaxing.
Chaengwattana	6	Premium customers walking in shopping mall
Imperial Ladprao	1	Low income individuals
Fashion Island	0	Parents and kids walking in shopping mall

The result from pop-up booth suggests that the products are selling well as a gift for cousins and grandparents to purchase for kids. In Pantip Ngamwongwan, the customers will consider if the products could potentially sell in their stores and make a large purchase as a wholesale. The strategy in this channel is selling with special price in lots and gives away brochures or posters to help them sell in their stores. The premium customers make their purchase based on children demand, they ask questions for their children to think and consider then make the purchase if their children think about it first. Imperial Ladprao has the group of customer similar to Big C which is low income individuals who are very price-sensitive and spend only a few amount of money. These groups of people do not have any basic knowledge of why growing kits are good for kids. They do not view the products as toys although their kids are interested; thus, there is no purchase. For Fashion Island, the product testing is not going very well because of the location. The booth in this shopping mall is rotated every month, and it is located at the bad traffic area as well as stand across the low price toy store. Overall, the product has the potential to sell in a certain area so Pailin Booknet makes a purchase of the product and located the product in the toy category as shown in figure 4.2.



Figure 4.2 - Product placement in toy category

The process is to start selling in Bangkok area first covering 11 stores. The result shows that the product is sold very well in transportation channels which are 2 stores in SC Plaza (tour bus transportation platform) with the average selling of 4 pieces per week and premium channels including Big C Rama 4 and Central Chaeng Wattana with the average selling of 5 pieces per week. The moderate selling locations are Big C Rama 2 and Imperial Ladprao with the average selling of 2 pieces per week. The rest is not good enough for selling. Thus, we revised the selling strategy to focus only on the premium channels, and start expanding to other provinces, starting from Chonburi and Pattaya.



Figure 4.3 - Central Pattaya Beach



Figure 4.4 - Central Chonburi

The selling points in Chonburi and Pattaya cover 3 stores including Central Pattaya Beach, Big C Pattaya, and Central Chonburi. The average sales are around 5 pieces per week. For these 3 locations, we have also delivered the English version of instructions in case of foreigners; however, our product could not attract the foreigners as the basic growing kit is not a traditional toy and not providing the play value to their kids. We expected this issue to be resolved in the next products launched.

4.1.1.2 Bookstores

The other large chained-bookstores which potentially are promising to distribute are Se-ed and Nai-in. Both of them demands the consignment approach and credit term. Therefore, a certain amount of investment is required. Furthermore, the margin of the product is as high as 67% (3 times the selling price to the retail) which makes the product a lot harder to sell. The target groups for both channels are the high income individuals. Furthermore, most customers of these channels never know Pailin Booknet. The usual price of books within these bookstores are 2-3 times more expensive than the same books sold in Pailin Booknet, and these bookstores demand the margin of 35% for book SKU. Both channels are now expanding to online channel and are selling consistently. The suitable products for these channels are premium products; therefore, we plan to sell our premium products through these channels. The other bookstores are not developed non-book category yet which also become the future opportunity for us.

4.1.1.3 Toy stores

Toy stores are the direct channels suitable for selling our products; however, popular stores mostly select the products and required the shelving fee. The branded stores are only suitable for premium products and the competition is very high as there are thousands of toys for customer to choose from. The non-branded toy stores are other channels for selling with the low price toys for low to average income individuals. However, the distributors or strong logistics outsources are required to sell to those stores.

4.1.1.4 Agriculture product shop

The agriculture shops are an alternative option for distribution as our products are the combination of both toys and growing kits. It would stand out in the shelf and potentially become a unique product. However, the list-in fee and shelving are required in most of the shops; otherwise, either distributors or logistics system is required to deliver to all of the stores.

4.1.1.5 Child development center at hospital

The child development center at some hospitals are interesting channels to negotiate as it would strengthen the safety and healthy feeling of the brand and attract certain group of customers. Furthermore, this channel is also contain a group of parents who concern about their children which are the right target group as well.

4.1.1.6 Small retail and street market

The small retail and street market has been perceived as one of the locations which customers would like to purchase toy from. We have tested by selling to the small retail in the suburb area.



Figure 4.5 - Sale Test in Small Retail

The result is a very low sales volume of only 2 pieces per month. The reason is that people who purchased toys from these stores or street market place are not well-educated in the benefit of planting. They purchased only the common toys, and toys which aid in subject learning such as English and Mathematics. Thus, these channels are not suitable for the early adopter stage.

4.1.1.7 Gift Shop

The gift shop is a good location to sell Little Toy product as we found that the majority of our customers are purchasing the products as a gift, which is as high as 62.2%, especially in the special occasion. The gift shop has the policy of product testing by placing the product in the new product shelf to test for 3 months. The offer is consignment with 50% margin. The selection process is quite complicated and could require up to 1 year lead time before the product could be listed-in.

4.1.2 Online



Figure 4.6 - Little Toy Facebook page

The online channels are beneficial to communicate with middle to high income individuals but are not able to reach the low income individuals. We have started to operate the Facebook page and posted the content related to child development, but it is not very well adopted by the customers. The normal content could not attract the customers to the page. After learning from other successful pages, they have a unique and catchy content that a certain group of people would really like. The Facebook advertisement is not the fast way of promoting as it needs at least 3 months until there is an effect, based on the advice from an online marketing expert. The product should be clear before starting online marketing as well. The online channels will be the important channels once the products have been proven to be effective at a certain level. Our design strategy is using the colorful

tone and tries to create the uniqueness value to attract the customers. The marketing message will be clear and short in the cover page.

Apart from using the social community like Facebook to sell our product, we also tested in the free marketplace called Ecrater.

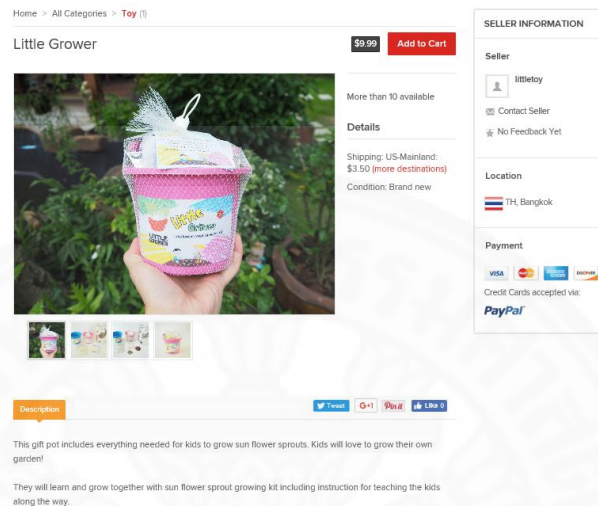


Figure 4.7 - Little Grower Selling Page in Ecrater

There is no list-in fee, and we do not have to pay any margin if the customers make the purchase by directly coming to our page. However, we have to pay 2.9% marketplace cost if the traffic has been drawn from the main marketplace of Ecrater. There is no purchase coming from online channel up until now. The main reason is low awareness of the product which could be solved by using the advertisement, and draws the members from other group page to know our products. The communication plan should be launched after the launch of the developed products.

4.1.3 School

The school is an interesting channel to develop as the order could be in the form of large volume. We found that the school teachers are interested in using our products as part of the course in their school. The focus schools are alternative school, international school and kindergarten school. After we have negotiated with a number of school; however, the system is not in our favor. The buyer of the school does not have any power in decision making of what products the schools want while the teachers who know what is needed find it difficult to pass the demand form

through the school system. Thus, the best way to sell the product is to talk to the director of the school which is a very difficult channel to work on.

However, the school could be served as the channels to promote our products to sell by giving away brochures to the schools to give away to kids monthly. The interested customers will make an order purchase to the school which will give us a big volume of purchase afterwards.

4.1.4 Non-profit organizations

Non-profit organizations usually have the problem of unstable revenue stream, and striving to find the revenue as the donation is not a stable income. Many of them try to use a committed donation by credit card, but such strategy is not working very well in the mass group of people. We have the idea from the analog of Green World Foundation who successfully sells the growing kit through their followers in Facebook which result in the sales of over 10,000 pieces in just 3 months. Nevertheless, Green World Foundation could not continue this project because it is very complicated process for them to manage the volume of the flower pot, and other business process. Thus, this problem becomes the opportunity for us to sue memberships and followers for non-profit organizations as a base to communicate our products to make sales, and divided part of the profit as donation to the organization. We have contacted and received interest from SOS Children's Villages Thailand to work further into detail, and continue this project. We expect this channel to become a new selling model which serves as high margin and low competition platform.

4.2 Pricing Strategy

The pricing is based on the usage of the product. The market research shows that the low to middle income customers are willing to pay lower than 100 baht for the product which could be played only one time, and willing to pay around 300-500 baht for the products which could be played at least 3 months or more. Therefore, pricing will take into account the length of play first. After that the products will be benchmark with competitors in terms of value and functionality. If the functional or emotional value is higher, the price will be set higher. The booth selling will proof this price assumption as we will increase or decrease price according to the customer

feedback and behavior. The sunflower growing kit has the production cost as shown in table 4.2.

Table 4.2 - Sunflower growing kit cost summary

Item	Cost	Unit
Seed	100.00	baht/kg
	1.50	baht/pack
Soil	0.48	baht/pack
Coconut Husk	1.75	baht/pack
Flower Pot	5.00	baht/pack
Flower Pot Tag	1.10	baht/pack
Net	1.50	baht/pack
Printing tag	0.60	baht/pack
Booklet	0.48	baht/pack
Outer Box	0.86	baht/pack
Plastic Bag	1.00	baht/3 packs
Nametag Sticker	0.11	baht/3 stickers
Printing	0.08	baht/3 stickers
Total Production Cost	14.45	baht/pack

The selling price will be different depending on the channels. As customers in channel for low income are completely different from those who go to high income channels, there is the opportunity to set the price according to each group's willingness to pay. We suggest the retail price of 99 baht for Pailin Booknet while we sell them at 60 baht. We sell the product at 125 baht in online channels excluding 60 baht delivery fee. The delivery fee is set as a fixed price for the benefit of communication to customers. The price is calculated from Thailand post price including the packaging fee for delivery. Therefore, the gross margin would be 75.92% and 88.44% by selling through Pailin Booknet and online channel respectively. Nevertheless, Pailin Booknet has the policy to increase the retail price if

the product is selling well and test for one month. If the product is still selling well, they will keep increasing the price but they will reduce the price if it is not selling. Our product will remain at 119 baht, but will focus on selling in the premium channels.

4.3 Method to Boost Sales

4.3.1 Campaign

The campaign which involves the customers to play the products in a creative way in the form of competition will be created to boost sales. Moreover, the continuous campaign for customer's interaction will be implemented continuously to create the viral and remain active in the market.

4.3.2 Retail Staff Promotion

The retail staffs will help promote the products in Pailin Booknet during the launch of the new products. This will help educate the customers and make them get to know the products more. The script and product detail are delivered to the retails together with the first batch of products. The barrier in boosting sales using retail staff is the prohibition from Pailin Booknet to execute the commission method to their staff as they would like them to focus on the house brand the most.

4.3.3 Membership

We plan to have the membership in the future to keep track of the record of members for data analysis. This information would serve as the data to develop the promotion suitable for each individual; for example, execute the loyalty activities, execute the product trade across, and send direct-mail coupons to increase the spending amount of the customers. The membership system would also help us in participation in product testing as well.

4.3.4 Activity with Product

The sample product within stores is a great help as it draw a lot of attention from the customers, and the activity even draw the kids into the stores. We have tested the activity by growing the products at the counter of the retail, and put the sprayer there as shown in figure 4.8 and 4.9. A lot of customers have come to ask

the staff about the products, and the sales have been increased during the period as well.



Figure 4.8 - Sprayer for kids to play



Figure 4.9 - Photo of grown product from staff

Based on this testing, the next step is for us to create the last-long mockup and place it at each store to boost sales of the product.

4.3.5 Multi-color products placement

We learned from selling in Pailin Booknet that placing 4 colors of the flower pot together could draw the attention of kids better than leaving the products to only 1-2 colors.



Figure 4.10 - Four Colors Growing Kit Together

Although pink and blue colors are the best-selling growing kit, the sales could be possible only when 4 colors of the products are placed at the same locations. The kids would come to pick up the products and asked their parents to buy; thus, kids' attractiveness is important to sales.

4.4 Future Products Selling Strategy

The future products will focus on bookstore channel within the locations where premium customers shopped, branded gift shops including Zeen Zone, B2S, and Loft, online channels, and non-profit organizations. The focus is depending on the price of the products which could be divided into 3 segments as followed.

1. Premium price (over 1,000 baht): The product will be sold in retails within premium shopping mall and online channels with the sells who could educate the customers on the product.
2. Average price (300 – 999 baht): The product will be sold in premium retails including shopping malls and bookstores, gift shops, and online channels.
3. Below average price (less than 300 baht): The product will be sold in bookstores and gift shops. The strategy of this group of product is to be focused on offline channels. Furthermore, this group of products will be sold through the partnership with non-profit organizations to sell through its membership and fan page.

4.5 International Sales Strategy

The international expansion could be done through distributors which have high standard in selecting selling products. We plan to focus on European countries and Asia countries because of its developed distribution network and well-educated customers in child development. Our criteria in selecting distributors are as followed.

1. Product Line Concentration: The expertise in product line is coordinated with our product e.g. child development products

2. Distribution Coverage: The number of retails which the distributors could cover.
3. Distributor Resources: The resources within the distributors covered what the company has lack of with the right service fee, or we could use outsources to cover what is lack, and negotiate down the service fee.
4. Distributor Policy: The agreed deal such as distribution margin, term of payment, term of shipment, marketing plan, budget, etc. should be acceptable by both parties which leave us enough profit to operate.

The list of distributors for Europe is as followed.

1. Vedes: The distributor covers 8 European countries with 1,050 retailers and 1,150 shops.
2. Top Toy: The distributor covers 6 European countries focusing on Toy R Us and BR.
3. HTI: Exclusive distributor for Plan Toy in Europe.
4. LTP
5. Happy People
6. littleCONCEPTS
7. Kardwell Hobbs

Based on the discussion with HTI, we found that our products seem to be confused for toy distributors as they understand it as the gardening product, and would be suitable for produce/garden supplier. Thus, it would be important to develop the communication tools to educate on children aspect of the products before selling to distributors.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

Little Toy starts from the understanding of value of growing kits that parents as the customers would like their kids to grow plant. Moreover, there are many relatives who bought growing kits for their grandchild. We found that the customers are looking for the benefit of child development, and being close to nature at the same time. Therefore, we initiate the idea to combine growing kits and plaything together. Furthermore, we also found that the family does not pay attention to the children, letting them play alone. However, the study shows that the child development is effective when kids play together with their parents and others. Thus, we made it our mission to support family interaction through family plaything.

We emphasized on product development strategy through market survey, prototyping, focus group, and sales test before launch to make sure that our product has real value for our customers. At the same time, by doing this, we can save our investment budget because we test the market step by step until we make sure that this product can be launched to mass market.

Moreover, we have a good partnership with Pailin Booknet who allowed us to do market testing in their stores which boost the traffic for them, and support our data collection process. Thus, we could meet the customers directly which could give us the recommendation to strengthen our product. Our product will not limited to retail selling, but will also collaborate with other channels such as non-profit organization for direct selling to customers. Therefore, we could save the distribution fee which is as high as 50% or more. The strategy is flexible for each product, and will be based on the location and demand of targeted customers.

Little Toy plans to start from developing the brand around family plaything using planting activity which could be done by all family member as a basement. Then it will grow itself to other activities. Little Toy also plan to expand to Europe and Asia, focusing on the countries with developed network of distributors, and understanding of child development toy. Apart from directly contacting distributors,

the strategies of expansion will focus on joining the events, aiming for building brand awareness, and gaining the award from the events to boost the reputation of the brand.



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APPENDICES

2. Instruction book for the first product (English version)

Get to know

Little Grower™ develops the product for children by selecting the seed with high-rate of growth, and prepare the mixture of soil, ready to be planted, and prepare other materials for commitment of activities. We also continue to create fun activities for children to have more fun while growing plants. We support the kids to grow and take care of the plants by themselves. Parents should read the instruction books and be there to answer and help their kids if needed. Thus, the kids will get to learn and enjoy family activity.

Child Development

Playing for kids is similar to working for adult. Selecting the toys and participation of parents are all important for child development. Children in the age of 3-6 like exploration play. This means they are interested and curious in their surroundings. By supporting them to explore, children will improve their problem-solving skill. Therefore, parents should support their children by narrating the play and answering their questions as well as congratulate them. This will help improve their learning and development.

Get to know

Little Grower™

Kids' Learning from growing plants

Mathematics
Parents could teach their children to count the day of activities. The kids could try to measure the height of the plants and count the seeds.

Science
Observe and learn about the development of the plants from seed to the sprout such as learning what the root look like.

Language
Get to know what each tool and part of the plants are called.

Child Development
Growing plant helps kids to be calm, learn to be patient, have responsibility, and enjoy the nature. Moreover, it helps improve the 5 senses which develop the intelligent, imagination, and creativity. The activity also helps develop the small muscle of the kids as well.

Contact Us

E-Mail: littlegrowerco@gmail.com

Tel: 098-561-4553

Instruction

Little Grower

Learning and growing together with sunflower sprout growing kit including instruction for teaching your kid along the way

Get to know sunflower sprout

Sunflower sprout is able to grow into sunflower, and is rich in nutrients and fiber which is good for everyone's health.

Sunflower sprout also contains vitamin A,B1,B2,B6,D,E,K, Omega3,6,9,Folate and Linoleic acid in high quantity. These nutrients will keep excretory system nourished, support brain booster, help developed healthy bone, and boost immunity.

Moreover, "Little Grower" also selects the good specie of sunflower sprout which contains more nutrients than the others. The taste is also better as well. Thus, you could enjoy a great experience and delicious sunflower sprout from this kit.

FAQ

- How could the plant grow into sunflower?
Answer: Select only a small portion of seed (3-4) to prevent the competition for food of the plant. After 7 days of growing, you should move the plant to the garden or plot. You should watering it for around 45 days before the flower starts to bloom.
- How could I know that the plant could be cut for eaten?
Answer: Observe that it has 2 leaves and its length is quite long. The process usually took 5-7 days. If there are 4 leaves, the plant will not be delicious.
- Does the amount of soil and air enough?
Answer: The amount of soil and air are enough. The soil is mixed and processed from "Little Grower" method which is enough for growing sunflower sprouts we provided.

- Preparation**

Little Grower Powder, Sprayer or kid's watering can, Soil, Bowl - to place under seed's pack to prevent water spill, Sunflower sprout seed, Plate - to place under pot to prevent dirtiness, Pot.

Kid's Support

 - Motivate your kid by invite them to grow the plant together. Explain what the plant is.
 - Teach what each tools are called.
 - Teach how to use the tools and let the kid experience the growing process.
- Soak the seeds in the water around 8-12 hours**

Kid's Support

 - Explore the root from soaking the seeds.
 - Could try soaking the seeds in the thin fabric for 24 hours to help the seeds grow at the same pace.
 - Let your kid observe the change of the seeds.
- Pour air into the pot**

Kid's Support

 - Introduce air.
 - Teach the benefit of air which helps absorb water to keep the soil moisted.
 - Let your kid feel what it is and put them into pot. Keep answering your kid in the way to motivate further exploration.
- Pour soil into the pot**

Kid's Support

 - Introduce loose soil which is good for growing many plants.
 - Let your kid feel its detail and softness before pouring it into the pot. Keep answering your kid in the way to motivate further exploration.
- Scatter the seed, be careful of overlapping**

Kid's Support

 - Introduce the seed by telling what it would become
 - Let your kid feel the seed and spread them around the pot.
- Watering in the morning and evening 5-7 days**

Kid's Support

 - Teach your kid to be responsible to the plant by watering it in the morning and evening.
 - Let the observe the change of the plant such as measuring the height. Find the drawing book for your kid to keep the record of growth by drawing.
- Cut the sprout with 2 leaves, height 3-4 inches**

Kid's Support

 - Support your kids in cutting the plant, but give the round-edge scissors to use for safety.
 - Cleaning the sprouts together as a family activity.
- Cook & Eat your delicious sprouts**

The sprout could be cooked into many kinds of food such as frying with oyster sauce, cooking with tofu soap, and eating as salad.

APPENDIX B POP-UP BOOTH DURING PRODUCT TESTING



SC Plaza - Sai Tai



Pantip Ngamwongwan



Central Chaengwattana



Imperial Ladprao



Fashion Island

APPENDIX C

STORY BOOK FIRST DRAFT

Story 1: ปูกี้กับต้นอ่อนผักกาดแสนรัก

ปูกี้กับสาวน้อยน่ารักสดใส	ตื่นเช้าไวไวไปปลูกต้นผัก
เปิดช่องเมล็ดผักกาดแสนรัก	หย่อนเจ้าเมล็ดผักกลงกล่องทันใด
ตะวันแถมแดงลอยเด่นขึ้นฟ้า	แดดส่องมารีบรดน้ำเร็วไว
ปูกี้กับหีบหีบสเปรย์สีสดใส	ฉีดต้นผักทันใด ดัง“พืด พืด พืด”
ตะวันสีส้มเคลื่อนหล่นจากฟ้า	แดดอ่อนกำลังมารดน้ำสุขใจ
ปูกี้กับหีบหีบสเปรย์สีสดใส	ฉีดต้นผักทันใด ดัง“พืด พืด พืด”
ปูกี้กับรดน้ำผักกาดแสนรัก	ฉีดต้นผักทุกวันเช้าเย็น
กระต่ายปุกปุ๋ยกับเพื่อนก็ตื่นตื่น	ที่จะเห็นต้นอ่อนผักกาดเติบโต
เวลาผ่านไปผักกาดเติบโตใหญ่	เจ้าต้นอ่อนแตกใบสีเขียวขจร
เจ้าปุกปุ๋ยออกมาตอนปูกี้กินนอน	คอยป้อนต้นผักให้เพื่อนสัตว์ป่ากิน
ช้างน้อยตัวใหญ่ค่อนช้างอ่อนแรง	อยากมีแรงเล่นต้องหาผักกิน
เดินร้องแปร้นแปร้น หาผักบนดิน	ปุกปุ๋ยได้ยื่นป้อนผักทันใด
ช้างน้อยตัวใหญ่เคี้ยวผักกรอบแกรบ	กินไปแป๊บเดียวเร็วแรงก็มา
ช้างน้อยดีใจวิ่งเล่นเร่ร่อน	แกว่งวงแล้วแกว่งวงเสียง “พื๊บ พื๊บ พื๊บ”
ปุกปุ๋ยตกใจตัวพองออกมา	รีบใช้เท้าหน้าเก็บขนทันใด
ปุกปุ๋ยเดินต่อเจออีราฟอยู่ใกล้	ยื่นผักออกไปให้อีราฟได้กิน
อีราฟตัวสูงเคี้ยวผักกรอบแกรบ	กินไปแป๊บเดียวสูงใหญ่ดูสง่า
อีราฟดีใจยิ้มแฉ่งเขย่งขา	เอียงตัวซ้ายขวาเสียง “พื๊บ พื๊บ พื๊บ”
ปุกปุ๋ยตกใจตัวพองออกมา	รีบใช้เท้าหน้าเก็บขนทันใด

กินผักตัวสูงมีแรงสดใส ปุกปุยติดใจต้องกินเองบ้าง
 กระต่ายตัวน้อย เคี้ยวผักกรอบแกรบ กินไปแป็บเดียวร่าเริงสดใส
 กระโดดเจริงร่าท่าทางดีใจ กระโดดไปมาเสียง “พืบ พืบ พืบ”

ปุกปุยสดใสเพื่อนสัตว์เจริงร่า วิ่งกันไปมาแสนสุขด้วยกัน
 ตื่นอ่อนแสนรักกินแล้วสุขสันต์ ปุกปุยนับวันให้ปูกี้ปิกได้กิน

รุ่งเช้าวันต้นผักกาดโตใหญ่ ปูกี้ปิกดีใจคว่ำกลองปลุกผัก
 วิ่งหน้าบานไปให้คุณแม่ที่รัก ช่วยกันตัดต้นผักมาทำอาหาร

ปูกี้ปิกเข้าครัวช่วยคุณแม่จัดจาน ช่วยกันเตรียมอาหารทานทั้งครอบครัว
 กินผักกาดแสนรักพี่ซผักสวนครัว กินแล้วตัวสูงมีแรงเล่นสนุกสนานเอย

Story 2: ปูกี้ปิกกับต้นอัลฟาฟา

“ก๊อก ก๊อก ก๊อก” เสียงเคาะประตู ใครหนออยากรู้ รีบลุกทันใด
 ปะป้าเข้ามา พร้อมกลองสดใส เอ๊ะนี่อะไร ปูกี้ปิกตาโต

นี่คือชุดปลูก ต้นอัลฟาฟา ปะป้านำมา ให้ลูกปลูกทาน
 รดน้ำให้โต สูงกว่ารั้วบ้าน แล้วนำมาทาน พร้อมรับพรวิเศษ

ปูกี้ปิกดีใจ จะได้รับพร รับน้ำเมล็ดอ่อน แขน้ำเร็วไว
 “จ๋อม จ๋อม จ๋อม” เอ๊ะเสียงอะไร เสียงแช่อัลฟาฟาไง “จ๋อม จ๋อม จ๋อม”

วันต่อมา ปูกี้ปิกไม่รอช้า รีบตื่นขึ้นมา ไรยเมล็ดลงดิน
 “แปะ แปะ แปะ” ปูกี้ปิกได้ยิน เสียงเมล็ดโอบยบินลงดิน “แปะ แปะ แปะ”

ปะป้าหยิบสเปร์ย สีสันสดใส ให้ปูกี้ปิกสุขใจ รดน้ำเข้าเย็น
 “พืด พืด พืด” ปูกี้ปิกฉีดพร้อมเต้น ฉีดทุกวันไม่เว้นดัง “พืด พืด พืด”

เจ็ดวันผ่านไป ต้นอัลฟาฟาโตใหญ่ เติบโตแตกใบ สูงกว่ารั้วบ้าน
 ปูกี้ปิก ปะป้า ตื่นเช้าหน้าบาน ตัดต้นอัลฟาฟาเตรียมทาน เสียง “ฉับ ฉับ ฉับ”

ว่าแต่ปะป้า ... ปูกี้ปิกสงสัย เจ้าพรวิเศษอยู่ไหน ... ทำไมยังไม่มี

หรือจะต้องรออีกเป็นปี	เมื่อไรถึงจะมีเจ้าพระวิเศษ
ปะป้าขานตอบ พระวิเศษอยู่ที่นี่ รดน้ำต้นอัลฟาฟาคอยเฝ้าดู	นั่นคือสิ่งที่มีอยู่ในตัวหนู ได้เรียนรู้ความรับผิดชอบ
ถ้าปู่ป้ามีความรับผิดชอบ จะสำเร็จดังฝันใฝ่	ประกอบกับความตั้งใจ ไม่ใกล้ ไม่ไกล เริ่มจากตัวเรา
ปู่ป้า ปะป้า ยิ้มแย้มเรีงว่า หัวเราะกันสนุกสนาน	ก่อนนำอัลฟาฟาตัดใส่ลงจาน แล้วจึงรับประทานอาหาร อย่างมีความสุขเออย

Story 3: คู่มือ ปลูกต้นอัลฟาฟาวิเศษ

นี่คือข้อความ	ส่งต่อบอกมา
ถึงเด็กถ้วนหน้า	ฟังหนาคนดี
เมล็ดพันธุ์ไม้	ที่ในกล่องนี้
มันเป็นของดี	ที่มีให้เธอ
เมื่อเริ่มได้รับ	ปรับใจอย่าผลอ
หากไม่เผอเรอ	จะเจอสิ่งอัศจรรย์
นำเมล็ดแช่น้ำ	จนผ่านคืนวัน
แล้วจึงมุงมัน	ปลูกมันลงดิน
จากนั้นรดน้ำ	ทำเป็นอาจิณ
เฝ้ามองดูดิน	สร้างถิ่นมนตรา
ด้วยความอดทน	เวทมนตร์สร้างค่า
เกิดต้นอัลฟาฟา	เหมือนปาฏิหาริย์
ต้นไม้เหล่านี้	ล้วนมีตำนาน
ใครรอดทนผ่าน	จะพานพบมัน
หากเธอทำได้	ก็ให้รู้ทัน
เวทมนตร์โดนั้น	คือใจมันเออย

จาก เทพผู้พิทักษ์ต้นอัลฟาฟา

Story 4: นิทานตำนานการปลูกผักกาดอ่อน

1. นี่คือนิทาน	เล่าขานกันมา
เด็กชายคันคว่ำ	หาทางแข็งแรง
2. นางฟ้าเห็นใจ	จึงได้แสดง
โดยมาจำแลง	มอบบเมลิ็ดพันธุ์
3. เด็กชายรับมา	ดวงหน้าสุขสันต์
ด้วยใจมุ่งมั่น	ปลูกมันทันใด
4. จากนั้นรดน้ำ	ดูแลใส่ใจ
ไม่นานต้นไม้	งอกใหญ่ขึ้นมา
5. กลายเป็นผักกาด	ใบสะอาดตา
ใครกินนั้นหนา	ยิ้มร่าสุขใจ
6. ผักกาดนำกิน	ทุกถิ่นแจกไป
เด็กชายแบ่งให้	ด้วยใจเมตตา
7. ใครกินแข็งแรง	แข็งแรงจริงร่า
แต่ในไม่ช้า	ผักมาหมดไป
8. เด็กชายครุ่นคิด	จะทำอย่างไร
นางฟ้าจึงได้	บอกไว้ว่าจา
9. จะมอบบเมลิ็ดพันธุ์	ที่อัศจรรย์หนักหนา
แต่เด็กๆต้องมา	อาสาช่วยกัน
10. ช่วยปลูกทุกคน	อดทนแข็งขัน
หากใจมุ่งมั่น	ผักนั้นมากมี
11. จากนั้นเด็กชาย	กระจายข่าวนี้
ทุกคนช่วยที่	จะได้มีผักทาน
12. ผักกาดยังคง	ดำรงผ่านกาล
เพราะเด็กๆสืบสาน	เล่าขานความอัศจรรย์
13. มาถึงวันนี้	เธอมีเมลิ็ดพันธุ์
ขอจงช่วยฉัน	ปลูกมันได้ไหม
14. ขอเพียงรดน้ำ	จดจำใส่ใจ
แล้วเราจะได้	พบผักมหัศจรรย์

จาก เด็กชายที่แข็งแรงเพราะกินผักกาดอ่อนจากนางฟ้า

APPENDIX D

TOY TRADE FAIR

Spielwarenmesse in Nuremberg, Germany



Hong Kong Toys and Games fair in Hong Kong




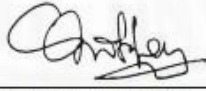



International Tokyo Toy Show in Japan



APPENDIX E

EXAMPLE OF SAFETY STANDARD CERTIFICATE

EN71, Toy Safety Standard for European Market

Certificate of Conformity	Certificate Number: B-S13125011 Safety of toys directive 2009/48/EC	
	Holder.....: Chaoan Anbu Lanbeier Balloon Factory	
	Address.....: 60, West Chaoshan Rd, Yangqian Village, Anbu Town, Chaoan County, Guangdong, China	
	Manufacturer.....: Same As Holder	
	Product.....: Foil Balloon	
	Model No.....: LBE-001, LBE-002, LBE-003, LBE-004, LBE-005, LBE-006, LBE-007, LBE-008, LBE-009	
	The submitted products have been tested by us with the following standard(s) and found to be in compliance with the listed European Directives.	
	EN 71-1:2011+A2:2013; EN 71-2: 2011; EN 71-3: 2011	
	The test results apply only to the particular sample tested and to the specific tests carried out. Technical Report and documentation are at the Holder's disposal.	
	This certificate applies specifically to the sample investigated in our test reference number only. The CE markings as shown below can be affixed on the product after preparation of necessary technical documentation. Other relevant Directives have to be observed.	
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="font-size: 48px; font-weight: bold;">CE</div> <div style="text-align: center;">  Certification Manager Date: Dec. 24, 2013 </div> <div style="text-align: center;">  </div> </div>		
<div style="display: flex; align-items: center;">  <div> <p>Beide (UK) Product Service Limited</p> <p>U.K.: Flat 107, 25 Indecon Square, London, United Kingdom China: 6F, Bldg E, Hourui 3rd Ind Zone, Xixiang, Bao'An Dist, Shenzhen, China Http://www.szbeide.com E-mail: admin@szbeide.com</p> </div> </div>		
<div style="display: flex; align-items: center;">  <p style="font-size: 8px;">Company No. 07113834</p> </div>		

ASTM, Toy Safety Standard for American Market



Test Report No.: SHTY130100000457 Date: Jan 15, 2015 Page 1 of 3

ZHEJIANG GUANGYUAN TOYS.
NO.11 LONGJIANG RD PUJIANG ZHEJIANG CHINA

The following samples were submitted and identified by/on behalf of the client as:

Sample Description : GLOW BRACELET

Sample Quantity : 2 SETS
 Style / Item No. : SZT5200
 Supplier : ZHEJIANG GUANGYUAN TOYS CO.,LTD
 Manufacturer : ZHEJIANG GUANGYUAN TOYS CO.,LTD
 Country of Origin : CHINA
 Labeled Age Grading : NOT STATED
 Requested Age Grading : + AGE 3
 Age Group Applied in Testing : 3+YEARS
 Sample Receiving Date : JAN 09, 2014
 Testing Period : JAN 09, 2014 TO JAN 15, 2014

TESTING REQUESTED : For compliance with the ASTM F963-11 Standard Consumer Safety Specification on Toy Safety (As per client's request, exclude Clause 4.3 toxicology.)

RESULTS : Details please refer to next page.

CONCLUSION : The submitted samples comply with the requested test requirements.
(Except clause 7.1 Producers' Markings)

Signed for and on behalf of
SGS-CSTC Ltd.

Wallace Lui
Senior Technical Manager, Asia

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Member of the SGS Group (SGS SA)

BIOGRAPHY

Name	Mr. Wichamai Uachailertkun
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Educational Attainment	2010: Bachelor of Art, Economics, Thammasat University
Work Position	Business Owner 2 nd Generation V.M. Textile Company Limited
Work Experiences	2013 – 2016: Regional Marketing Executive, Boon Rawd Trading Company Limited 2010 – 2013: Assistant Brand Manager, Boon Rawd Trading Company Limited

