



Unique Value Proposition Models for Selected Social Enterprise Products

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ABSTRACT:

This study generally aims to develop unique value propositions for selected social enterprise products to reward the owners with an understanding of the attitudes of customers towards their products. It focused on four social enterprise products, namely: Green-Tie Enterprise's Usbong Pencils, Gugu Bags Backpack, Hataw's Blanket, and Karaw Craftventures Plush Toys. A descriptive-evaluative research design was employed by the researchers, who administered self-constructed survey questionnaires to determine customer attitudes and conducted focus-group discussions to assess the level of acceptability of the developed Unique Value Proposition Models.

The study revealed the following major results:

- **Usbong Pencils:** Lightweight, affordable, and eco-friendly, they maximize opportunities for customers to support environmental advocacies at a lower cost while gaining a positive self-perception or feeling of relevance once they purchase the pencils.
- **Gugu Bags:** Made of strong jute thread, making them durable for carrying heavy items. They have a laptop compartment useful for youth and young professionals and provide employment opportunities for the community.
- **Hataw Blanket:** A high-quality blanket with cultural elements, supporting local weavers' livelihoods.
- **Karaw Craftventures Plush Toys:** Sturdy, colorful, and innovative designs, promoting societal benefits through the support of local artists in the Bicol region, upscaling scrap materials into artisanal products that help the environment, and providing sustainable livelihoods to the marginalized sector.

KEYWORDS:

Social Enterprise, Unique Value Proposition, Customer Attitudes.



INTRODUCTION

Social Enterprise (SE) favors and empowers marginalized groups and provides a platform for voice and economic participation for those left behind. In 2018, Deloitte Global Human Capital Trends reported on the rise of the social enterprise, channeling a profound shift in the significance of social capital as a key consideration in shaping an organization's purpose, guiding its relationships with stakeholders, and influencing its ultimate success or failure (2018 Deloitte Global Human Capital Trends).

In the Philippines, there are an estimated 164,473 SEs established. Of these, 23% are small and medium-sized enterprises (MSMEs), 6% are NGOs, and 6% are cooperatives (ADB Publications, 2019). It was also found that, in the 34% growth in jobs in the Philippine economy, 5% come from social enterprises (British Council, 2017). However, start-up and early-stage SEs face three major financing constraints: limited supply of capital, limited access to investors due to lack of network, and unrefined business models (Gonzales et al., 2017).

The COVID-19 pandemic has had a huge impact on businesses and even social enterprises. Some became idle, temporarily stopping their operations. The SEs in this study were not exempted; these are Green-Tie Enterprise, Gugu, Hataw Handwoven Products, and Karaw Craftventures, all of which are enterprises in the Bicol region.

FRAMEWORK

Theories and passages are synthesized to see if they have connections to the study which will help the researchers determine the customers' attitudes towards social enterprise products.

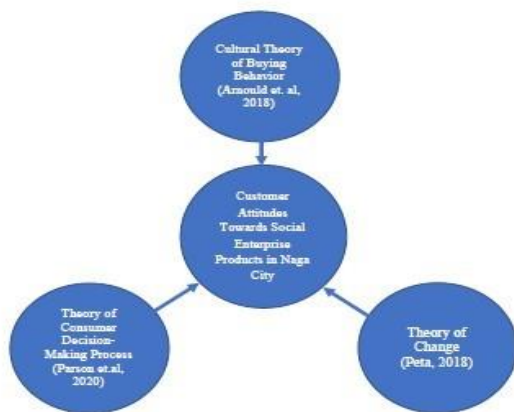


Figure 1. Theoretical Framework

Cultural Theory of Buying Behavior, Arnould, E. J.; Thompson, C. J. (2005). This theory states that cultural variables may impact individual purchasing behavior, as cited by Eric J. Arnould and Craig J. Thompson in Consumer Culture Theory (2018).

The Theory of Consumer Decision-Making Process, Engel, Kollat, and Blackwell (1968). This theory helps understand the motivations that drive a buyer's purchase decision. The decision-making process

includes five steps similar to those seen in a consumer marketing funnel: awareness, interest, deliberation, purchase, and loyalty. As cited by Gustav Pärson & Alexandra Vancic in *Changed Buying Behavior in the COVID-19 Pandemic: The Influence of Price Sensitivity and Perceived Quality* (2020), a buyer's purchase decision can occur in a variety of ways, both online and offline. It could originate from a marketing initiative, an occasion, a sign, social media material, natural search, etc. In any case, the sole focus at this point is on the customer discovering a brand. Consumers are prepared to start weighing their options at this point because they are getting closer to being prepared to buy. They are currently comparing the product to other competitors in the market by reading internet reviews and seeking advice. Customer references and scorecards that show how a brand differs from its competitors can both be useful in this situation. Customers are more concerned with how a specific circumstance matches their wants and processes in the final stages before making a purchase. At this point, an individual incorporates customized advertising depending on the special interests and preferences of each client. At this point, either in-person or through an online shopping cart, they finally convert by making a purchase. Loyalty is the last step, and it describes the customer's ongoing interest in a brand. Customer retention and loyalty will be supported by consistent, highly relevant messaging and offers.

The Theory of Change, Carol Weiss (1995). This theory helps in determining whether a work contributes to the influence it intends, and if another technique should be considered. As cited by Irma Peta in *Theory of Change for Development: Understanding, Usage, and Influence* (2018), it allows people to not only clearly define and link their work to a bigger goal but also to detect potential risks in their approach by revealing the underlying assumptions in each phase. This theory is made of five key categories: a. The “resources or inputs” are the materials or financial commitments needed to make sure the activities happen. b. The “activities” are the actions required to obtain desired results. c. The “outputs of the social enterprise activities” are the outcomes of coordinated efforts made by the inputs and activities needed to accomplish the objectives. d. The “outcomes of the social enterprise activities” or results are the culmination of the planned and unplanned changes that your stakeholders have experienced or may experience because of your action. e. The “impact” refers to the sustained systemic change you expect to see.

The researchers have undertaken a focused-group discussion (FGD) with 5 participants of different ages to identify the themes or parameters of the questionnaire. Then, a survey form was floated on a bigger scale of respondents to identify the attitudes of customers towards social enterprise products. This served as the basis for developing a unique value proposition for each of the social enterprises. Finally, experts were invited for another round of FGD to determine the acceptability of the unique value proposition. Then, a survey questionnaire was floated for customers and management.

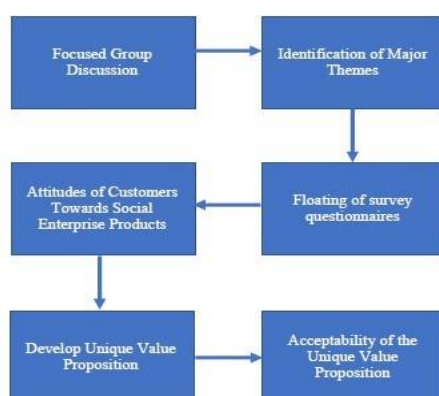


Figure 2. Conceptual Framework

OBJECTIVES OF THE STUDY

This study aims to develop unique value propositions for selected social enterprise products. Specifically, it intends to address the following: (1) Describe the attitude of customers towards selected social enterprise products along quality, design, price, social impact, and intention of buying; (2) Develop a unique value proposition for each social enterprise; and (3) Determine the validity of the unique value proposition.

RELATED LITERATURE AND STUDIES

A Social Enterprise has been defined as one that extends its purpose from mere profit generation to acknowledging a holistic sense of how relationships and ecosystems operate. In a survey conducted by Forbes, it was revealed that 77% of their company-respondents label “citizenship and social impact” as critical, an indication that the social enterprise as a business paradigm is rising and is given tremendous importance in today’s time (Bersin, 2018).

The investment community is starting to realize how taking the space of valuing social and environmental impact in one’s own business is the driving force that influences a company’s worth (Fortune, 2019). Millennials and those belonging to Generation Z are deeply motivated to inspire social change into their lives as this would reflect their consciousness. As these generations are an urgent market and potential part of the workforce, it was shown by research from HSBC Private Banking that companies consider societal benefits as their main motivation (Fox-Martin, 2019).

When the COVID-19 pandemic hit, social enterprises experienced the biggest shift in terms of product marketing. An article by Entrepreneur in 2020 said that it is high time to talk about challenges apart from the generational societal issues that the world is facing to date. In India, there are already around 400 startups that decided to become social enterprises and purpose-driven, according to data presented by the National Association of Software and Service Companies (NASSCOM) (Tandong, 2020).

According to a published study by Ling Wu, H. et al. (2021), the major path of social enterprises reveals that corporate social responsibility has a primarily positive influence, passing through brand identity and brand trust and then influencing the choice to repurchase. As a result, the image of 'corporate social responsibility' was the most powerful motivator.

Marketing in SEs has unique concerns and obstacles when compared to marketing strategies used by traditional commercial organizations. They are compelled to meet the many stakeholders' demands in a resource-constrained position, which causes them challenges. The analysis also emphasizes how budget restrictions, a legacy attitude, and a lack of marketing skills limit the impact of marketing strategies in SEs. Many social businesses succeed by using low-cost marketing tactics to solve these concerns (Bnadyopadhyay-Ray, 2020).

In an article by Sulhaini (2020) titled "Consumer Behavior Towards Foreign Versus Local Products and Brands: Future Research Directions," it stated that consumers seem to be making more ethical and environmentally friendly purchases, but they also demonstrate a high degree of materialism. Consumers buy such products even though their prices are far above normal, and this consumption is quite conspicuous.

The lockdown and social distancing to combat the COVID-19 virus have generated significant disruptions in consumer behavior. Embracing digital technology is likely to modify existing habits. Public policy will also impose new consumption habits, especially in public places such as airports, concerts, and public parks. This proves the presence of change in customer buying behavior after experiencing the pandemic. There are new habits formed and digital adaptation that the social enterprise must cope with to recover from the effects of the pandemic (Sheth, 2020). On the other hand, Giovanni (2021) discussed efficiency as the ability to produce desired results without wasting resources, time, or effort. It also refers to a product or service that can do more with fewer resources. Conversely, consumers purchase and exhibit material goods to feel distinct from others, and as a result, they are subjected to a range of marketing stimuli designed to boost self-perceptions of uniqueness. Consumers' demand for uniqueness is described as an individual's quest for distinction from others attained via the acquisition, use, and disposal of consumer products for the aim of creating and strengthening one's personal and social identity (Ashidin, 2022).

In a study published by Zhao, H. et al. (2021), it was discussed that a focus on the product package design process, packaging material, or product packaging information favorably affects customer purchasing behavior. However, its impact is less than that of product pricing.

Considering the pandemic set-up for social enterprises, it is best to identify a distinctive element in a product or service that is not held by rivals or competitors, which is known as a unique selling proposition (USP). In general, this USP is the factor that makes the product or service more appealing to the client. A unique value proposition is a type of brand messaging that helps businesses keep their customers loyal to their brand. In basic words, a Unique Value Proposition (UVP), also known as a Unique Selling Proposition (USP), is the uniqueness that you give and, of course, offer to attract clients (Bakri et al., 2021).

Researchers found numerous studies have focused on entrepreneurs' efforts to increase social impact and transformation, but there are some less explored areas under social change of a country. For example, the engagement of SE in problems related to poverty, health, and education. Since the creation of social value is driven by the mission and success of the enterprise, the strategy therefore depends on factors very different from the commercial enterprise (Cardella et al., 2021).

Although social value is an obvious common denominator to social enterprises, findings in a study by Lee et al. which took place in Malaysia stated that products must be made more accessible to consumers with widespread marketing efforts focusing on educating consumers about the meaning behind supporting products made by social enterprises. Despite low awareness of social entrepreneurship in Malaysia, selling physical products will work if the fundamentals such as facilitating conditions are fulfilled with enough education on the causes. It was recommended that further studies can be done by assessing different causes or social enterprise products or services to provide more meaningful findings in this area (Lee et al., 2020).

Moreover, people are now more aware and concerned about product safety, hence, the growing capacity of dual-career couple families to spend more on safe and quality products is increasing. In the survey conducted by Ferousi in 2017, it was found that nearly 80% of respondents expect that social enterprises will contribute to sustainable development. Thus, the consumers' awareness of SE that are environment-friendly, organic, with ensured safety product quality, declared through proper certification, and aim to aid disadvantaged people will help the target market to have a clear

understanding about the social enterprise products. Further studies might include more participation from the consumers, as the social enterprise movement will continue to get appropriate legal framework which will ensure availability of more informed consumers (Ferousi, 2017).

MATERIALS AND METHODS

The study employed a descriptive-evaluative research design. The descriptive aspect of this research was adapted to describe the attitude of customers towards selected social enterprise products. This has allowed the researchers to use survey questionnaires to quantify the data gathered from the samples. On the other hand, the evaluative aspect was used in identifying common themes from the data collected in focused group discussions. Moreover, the researchers utilized this in developing the unique value proposition models and in assessing its validity with experts.

The researchers used a combination of qualitative and quantitative research, or a mixed method. Information was collected through survey questionnaires that contained parameters unique to each of the four identified social enterprises. Additionally, for the qualitative aspect of this study, the researchers employed self-administered interviews to gather responses, recorded them, and attested to their accuracy. A focused group discussion was used to identify the main themes and parameters of the questionnaire. Moreover, the same method with a different set of interview questions was utilized to determine the validity of the UVP with experts and SE management.

In context, this study had three sets of respondents. First were the participants for the focused group discussion, followed by the respondents on the survey questionnaires, and lastly were the experts and SE management. For the FGD, there were five participants for each of the SE. For the survey, there were 50 respondents for each SE, as well. Lastly, five customers, management, and experts were invited for the acceptance of the UVPs.

DATA ANALYSIS AND INTERPRETATION

This chapter presents the analysis of the data gathered using the methodology stated in the preceding chapter and shows the interpretation of the results after applying the necessary statistical treatments.

Customer's Attitude Towards Social Enterprise Products

Presented in this section are the results of the survey conducted to the customers to determine their attitudes towards selected social enterprise products; Usbong Pencils, Gugu Bags, Hataw Blankets, and Karaw Craftventures' Plush Toys, relative to their quality, design, price, social impact, and buying intention.

Green-Tie Enterprise: Usbong Pencils

It is a social enterprise comprised of 15 mothers that creates eco-friendly products, including their well-known product, Usbong pencils. Usbong is a plantable pencil made from old newspapers that can be planted after fully utilized.

Quality

As shown in Table 3.1, the quality of the Usbong Pencils is perceived by the customers as “Very Good Quality” having an average weighted mean of 4.00. Also, each parameter is revealed to be interpreted as “Very Good Quality” most especially those attributes that pertain to the pencil’s weight and material used. Moreover, despite the positive qualifying statements, it is presented that the pencil’s hardness is least to be considered by the customers.

Table 3.1 Customers’ Attitude Towards Usbong Pencil Along with Quality

Parameters	Mean	Rank	Interpretation
I will buy this because it’s durable.	4.11	3	VGQ
I will buy this because it's harder.	3.71	5	VGQ
I will buy it because it writes darker hues.	3.76	4	VGQ
I will buy this because it weighs lighter.	4.31	1	VGQ
I will buy this because it's made from a good material.	4.13	2	VGQ
Average Weighted Mean	4.00		VGQ

Legends:

4.50–5.00 –Excellent Quality

3.50– 4.49 – Very Good Quality

2.50 – 3.49 – Good Quality

1.50– 2.49 – Fair Quality

1.00– 1.49 – Poor Quality

It can be inferred from the results that customers prefer the Usbong pencil because of its lighter weight. The pencil's encumbrance contributes to the customer's buying decision as this can be attributed to ease of grip when writing or drawing, which may also signify that only a small amount of pressure or force is required while in use. Conversely, although the Usbong pencil is made of used newspapers, its sturdiness is revealed to be not that influential to the customers. This is because, ideally, the Usbong pencil is made up of multiple layers of paper which makes it tough and is perceived to be equally hard as other pencil brands like Mongol.

In relation to dynamic quality models, when a product's expected performance is achieved without wasting resources, time, and effort, this is called efficiency (Giovanni, 2021). Customers would likely prefer or purchase products with the same level of performance but utilizing fewer resources.

Usbong pencils are perceived by the customers as lighter than the average pencil's mass, thus it requires less force to grip and reduced pressure to apply while writing. Oftentimes, writers would prefer writing using a pencil because it is lighter and more comfortable to use, which is an indication of an individual's desire to seek convenience rather than prestige. The quality of Usbong pencils, being made from used newspapers, responds to product efficiency in terms of ease of use and hassle-free hand grips.

Design

Table 3.2 presents that the design of the Usbong Pencils, having an average weighted mean of 3.77, is observed by the customers as “Very Good Design”. It is revealed that among the given parameters, the pencil’s uniqueness mostly contributed to the customers’ positive attitude towards its design. This is very evident as this is interpreted as “Excellent Design”. Moreover, among the very high means presented, it is noteworthy that customers least likely perceive Usbong pencils as just normal. This is based on its mean of only 2.12 compared to the highest mean of 4.67.

Table 3.2 Customers’ Attitude Towards Usbong Pencil Along with Design

Parameters	Mean	Rank	Interpretation
I will buy this because it looks classy.	4.22	2	VGD
I will buy this because it looks unique.	4.67	1	ED
will buy this because it has no shard edge.	4.00	3	VGD
I will buy this because it looks normal.	2.12	5	FD
I will buy this because it’s colorful.	3.82	4	VGD
Average Weighted Mean	3.77		VGD

Legends:

4.50–5.00 –Excellent Design

3.50– 4.49 – Very Good Design

2.50 – 3.49 – Good Design

1.50– 2.49 – Fair Design

1.00 – 1.49 – Poor Design

Aside from Usbong pencils being made of used newspapers, these are also called "plantable pencils" because, instead of the usual eraser, they contain a seed on its end which can be planted once fully used. From the data presented, it can be gleaned that its unique design is the primary consideration of the customers when purchasing, as these pencils look new and interesting to them. Consequently, customers do not find the Usbong pencil normal because of its features. It can be derived from the results that its external design provides a differentiating factor over other pencil brands and makes the product distinctively exquisite.

Ashidin (2022) stated that the need for distinctiveness can have a major impact on a consumer's purchasing decisions. Consumers' achievement in developing a distinct self-image and social image is frequently fleeting, resulting in the disposition and discontinuation of product usage or purchase to avoid likeness to others. This is very evident in classrooms where students display behavior of desiring to be unique from the rest of the class. Since the target consumers of Usbong pencils are elementary and high school students, leverage on this consumer behavior is seen in the results. This is due to the fact that Usbong pencils are

physically different from the usual pencils being used, like Mongol, which promotes counter-conformity among other brands without compromising its usability and consumer experiences.

Price

It is revealed in Table 3.3 that the price of Usbong Pencils is “Highly Reasonable”, having an average weighted mean of 3.97. Compared to other social enterprise products, which are expected to be costly like locally made products, the Usbong Pencils are described by the customers as cheap with a mean of 4.87 or “Very Highly Reasonable”. Meanwhile, based on actual selling price, Usbong pencil is priced at Php 2.00 more than the usual commercial pencils, like Mongol. This price difference is found to be “Fairly Reasonable” by the customers given its mean of 2.34.

Table 3.3 Customers’ Attitude Towards Usbong Pencil Along with Price

Parameters	Mean	Rank	Interpretation
I will buy this because the price difference is worth it.	4.02	4	HR
I will buy this because the price difference is not significant.	2.34	5	FR
I will buy this because it has story regardless of the small difference in price.	4.56	2	VHR
I will buy it because regardless of the price, you do get more too.	4.12	3	VHR
I will buy this because it's cheap.	4.82	1	VHR
Average Weighted Mean	3.97		HR

Legends:

4.50– 5.00 – Very Highly Reasonable

3.50 – 4.49 – Highly Reasonable

2.50–3.49 –Moderately Reasonable

1.50– 2.49 – Fairly Reasonable

1.00 – 1.49 – PoorlyReasonable

The usual Usbong pencil is packed in six (6) with a sharpener and costs Php 65.00 or Php 10.00 each if bought individually. This price is Php 2.00 higher than the usual pencils in the market, like Mongol, which costs Php 8.00 per piece. Accordingly, data shows that despite the price difference, customers would still likely buy Usbong pencils over other brands. This is because, usually, locally made products are perceived to be costly because of the raw materials being used. This is the opposite in the case of Usbong pencils because these are made from recycled newspapers. On the other hand, customers find Php 2.00 to be a significant price difference but still, it is worth the buy. This can be an

indication that Usbong owners may look into the possibilities of costing their product equal to its competitors to leverage in the market.

According to Sadiq (2020), pricing is thought to have a substantial impact on customer purchasing behavior since the more a product is priced, the fewer units are sold. Products selling at prices lower than the market rate, on the other hand, are anticipated to sell at a larger volume. Although the Usbong pencil is priced at Php 2.00 higher than the usual pencils, its pricing attribute as a social enterprise product makes it cheaper compared to the prevailing prices of other SE products. The currently conventional price point for pencils of Php 8.00 did not show negative consequences to the decisions of the customers in preferring to buy Usbong pencils capped at Php 10.00 each. This is a clear indication that larger units can possibly be sold if all things remain constant. If Usbong pencils are already prevalent in the market, the cost will undoubtedly play a factor, since a rise in price will deter buyers from purchasing them. Similarly, if its prices are reduced in such market conditions, buyers will greatly increase their purchases (Zhao, H. et al., 2021).

Social Impact

It can be seen in Table 3.4 that the social impact of Usbong Pencils got an average weighted mean of 4.52, interpreted as “Very Highly Relevant”. Presented in this table are various ways on how the management of Green-Tie enterprise values its social relevance in their area. Among these ways, it was highlighted by the customers that the inclusion of mothers, being the producers of pencils, has contributed to their purchase decision as this was found to be “Very Highly Relevant”. Meanwhile, although the touch of culture was determined as “Highly Relevant”, it ranked last among the parameters as this was presented as an intangible attribute.

Table 3.4 Customers’ Attitude Towards Usbong Pencil Along with Social Impact

Parameters	Mean	Rank	Interpretation
I will buy this because it's hand-made by mothers in <u>Milaor</u> .	4.78	1	VHR
I will buy this because they contribute positive impact to the environment.	4.64	3	VHR
I will buy this because the business provides employment to Filipino.	4.75	2	VHR
I will buy this because it promotes Filipino culture.	4.10	5	HR
I will buy this because the business promotes social responsibility.	4.32	4	HR
Average Weighted Mean	4.52		VHR

Legends:

4.50– 5.00 – Very Highly Relevant

3.50 – 4.49 – Highly Relevant

2.50– 3.49– Somewhat Relevant

1.50– 2.49 – Fairly Relevant

1.00 – 1.49 – Not Relevant

Results show that the almost similar interpretation of the means conveys an impression that the social enterprise's impact on society imparts a core idea for customers to patronize their product. Among the parameters, knowing the background as to who crafted the Usbong pencils provides a greater chance of buying the product because recognizing the value of the product becomes more immense as it progresses towards appreciating its connection to community empowerment. The more it is emphasized by the owners that these pencils are crafted by unemployed mothers in Milaor, the stronger it forges the emotional link with customers. It can be inferred that leveraging customers' emotions is a key solution to product patronization. This is almost similar to understanding how the social enterprise shares the benefit of the environment regardless of if the customer personally advocates for environmental awareness or not. Additionally, even if the product does not expressly promote culture, customers perceive that the aspect of human labor, being first in the Bicol Region, suffices this idea.

In a study by Giovanni (2021), it was argued that consumers cherish and appreciate high-quality items manufactured with sustainable and ethical methods and routines, materials and processes, human treatment, wages, and safety. Simultaneously, the existence of reused and recycled elements of items might give buyers the impression that the goods are of poorer quality. In the discussion with the customers, Usbong pencils were not immediately considered an ideal purchase but after knowing the background as to who and how it was crafted, there was a sudden shift in their attitude towards the product. This is evidently present in their advocacy to promote environmental conservation, social relevance, and women empowerment which has remarkably contributed to higher acceptability on the part of the customers.

Intention of Buying

Table 3.5 shows that the customers' intention of buying the Usbong pencils is "Highly Manifested" based on the parameters presented to them. It was very evident that the intentions of customers to buy this product as a souvenir or for gifting purposes is "Very Highly Manifested" given the mean of 4.71. In contrast, buying Usbong pencils for personal use ranked last, which means that, among the considerations, it is least likely that customers intend to use the pencils for their personal productivity.

Table 3.5 Customers' Attitude Towards Usbong Pencil Along with Intention of Buying

Parameters	Mean	Rank	Interpretation
I will buy this for personal use.	4.00	5	HM
I will buy this for my kids/parents.	4.54	3	VHM
I will buy this for gifting purposes.	4.68	2	VHM
I will buy this as a souvenir to my friends from other places.	4.71	1	VHM
I will buy this only to support the business but not for my own use.	4.11	4	HM
Average Weighted Mean	4.41		HM

Legends:

4.50– 5.00 – Very Highly Manifested

3.50 – 4.49 – Highly Manifested

2.50–3.49 –Moderately Manifested

1.50– 2.49 – Fairly Manifested

1.00 – 1.49 – Poorly Manifested

Data reveals that customers are likely to buy Usbong pencils for various reasons, but most often they purchase them for non-personal use. Customers view this product as more suitable than souvenirs and gifts for other people. This is due to its unique design and features, which can only be found in the Bicol Region. Additionally, it is noteworthy that buying this pencil for personal use is the least considered option. It can be inferred that if intention is the only criterion, customers would likely choose to buy Usbong pencils primarily to support the business due to its advocacies, rather than for their own personal use.

In a study conducted by Ling Wu et al. (2021), the major reason why people purchase SE products is that they primarily contribute to positive social influence, passing through brand identity and brand trust before influencing repurchase decisions. The secondary route revealed that utilitarian advantages influenced brand identification and trust, which in turn influenced repurchase intention. As a result, utilitarian advantages were a secondary motivator for repurchasing social business items. This is likely what can happen with Usbong pencils.

Potential Inputs for the UVP Model of Usbong Pencils

Table 3.6 shows that among the major parameters, the price of Usbong pencils, which is considered "Very Highly Reasonable," is revealed to be the most influential factor in purchasing the product. Consequently, the quality of Usbong pencils, although observed as having "Very Good Quality," turned out to be the least influential among the major attributes of the product.

Table 3.6: Potential Inputs for the UVP Model of Usbong Pencils

Parameters	Mean	Rank	Interpretation
QUALITY (I will buy this because it weighs lighter.)	4.31	5	Very Good Quality
DESIGN (I will buy this because it looks unique.)	4.67	4	Excellent Design
PRICE (I will buy this because it's cheap.)	4.82	1	Very Highly Reasonable
SOCIAL IMPACT (I will buy this because it's hand-made by mothers in Milaor.)	4.78	2	Very Highly Relevant
INTENTION OF BUYING (I will buy this as a souvenir to my friends from other places.)	4.71	3	Very Highly Manifested

Despite the fact that Usbong Pencils are priced higher than typical commercial pencils, data reveals that price is the primary factor in purchasing this product. From the data presented, it can be gleaned that the 2 pesos price difference is considered immaterial to consumers because locally made products

are perceived as costly due to the raw materials used. On the other hand, quality is revealed to be the least consideration, particularly in relation to the pencil's weight. It can be derived from the results that, among the top parameters, the pencil's weight is most likely to be considered last because the enterprise's social value outweighs the external qualities of the product.

The results affirm the theory of the consumer decision-making process, which helps to understand the motivations driving a buyer's purchase decisions. One major step is "interest." At this point, consumers are prepared to start weighing their options as they get closer to being ready to buy. They are currently comparing Usbong pencils to other competitors in the market, like Mongol, by evaluating past experiences, reading internet reviews, or seeking advice. Customer references and scorecards highlight how Usbong differs from its competitors, particularly in price and quality, influencing the decision to purchase or neglect the product.

Gugu Bags: Backpack

Gugu Bags is an enterprise that sells bags woven by Bicolano artisans to help preserve the weaving culture of the province. The materials used are textiles handwoven at the foot of Mt. Mayon, known as Mayon Fabric, made by a community of mothers in Daraga, Albay.

Quality

As shown in Table 4.1, the quality of Gugu Bags is perceived by customers as "Very Good Quality," with an average weighted mean of 3.84. Most parameters are interpreted as "Very Good Quality," particularly in relation to the bag's usefulness. However, despite the positive qualifying statements, it is noted that the bag's texture is considered least by customers.

Table 4.1: Customers' Attitude Towards Gugu Bags Along with Quality

Parameters	Mean	Rank	Interpretation
I will buy this because it's durable.	4.12	3	VGQ
I will buy this because it can carry heavy items.	4.24	1	VGQ
I will buy this because its texture is pleasant.	2.65	5	GQ
I will buy this because it's made from a good material.	4.02	4	VGQ
I will buy this because it feels light to carry.	4.19	2	VGQ
Average Weighted Mean	3.84		VGQ

Legends:

4.50–5.00 –Excellent Quality

3.50– 4.49 – Very Good Quality

2.50 – 3.49 – Good Quality

1.50– 2.49 – Fair Quality

1.00– 1.49 – Poor Quality

It can be inferred from the data that customers prefer a bag that can carry heavy items. The usefulness of the bag is an important consideration in a customer's buying decision because this attribute supports the customer in carrying multiple items with ease. On the other hand, customers perceive the texture of the Gugu Bag as not an important factor in their buying decision. This may be because the texture is not as smooth as the materials typically used in commercialized bags. The Gugu Bag is made of jute thread, which is commonly used for purses and wallets. According to Ningrum and Hayuningtias (2022), product quality has a significant impact on buying decisions. Similarly, research conducted by Widyaputra & Djawoto in 2018 also showed that product quality positively influences and significantly affects the decision to purchase. From the data in Table 4.1, it is important to further improve the quality to address the product's weak points, specifically the texture and raw materials used. In developing a unique value proposition (UVP) for a social enterprise like Gugu Bag, the statement should clearly inform potential customers how they will benefit from the offer, how the products will address their needs, and what makes the product different.

Design

As shown in Table 4.2, the design of the Gugu Bag is perceived by customers as having a "Very Good Design," with an average weighted mean of 3.88. Most parameters are interpreted as "Very Good Design," particularly the bag's feature of a laptop compartment. However, despite the positive feedback, the least considered factor by customers is whether Gugu's design matches their personality.

Table 4.2: Customers' Attitude Towards Gugu Bag Along with Design

Parameters	Mean	Rank	Interpretation
I will buy this because of its color.	4.06	3	VGD
I will buy this because it fits on any occasion.	3.51	4	VGD
I will buy this because it has lots of pockets.	4.10	2	VGD
I will buy this because it has laptop compartment.	4.36	1	VGD
I will buy this because it matches my personality.	3.41	5	GD
Average Weighted Mean	3.88		VGD

Legends:

4.50–5.00 –Excellent Design

3.50– 4.49 – Very Good Design

2.50 – 3.49 – Good Design

1.50– 2.49 – Fair Design

1.00 – 1.49 – Poor Design

It can be gleaned from the data that a bag with a laptop compartment is considered a good design and a primary consideration for customers, as it may be convenient for working professionals or students. Meanwhile, the results revealed that while matching a product to a customer's personality is an

important parameter, it is not as crucial as how well the design fits various occasions. For instance, the design may not be suitable for formal functions. A successful product design involves understanding the end-user customer—the person for whom the product is being created. According to the study by Nofrizal et al. (2022), the direct effect of product uniqueness has a significant impact on product completeness, and the key to success is increasing customer satisfaction.

Price

As shown in Table 4.3, the price of the Gugu Bag is perceived by customers as “Highly Reasonable,” with an average weighted mean of 4.01. All parameters are interpreted as “Highly Reasonable,” particularly given the expensive raw materials used for the bag. However, despite the positive feedback, it is noted that the bag’s price is not considered budget-friendly from the customers’ perspective.

Table 4.3 Customers’ Attitude Towards Gugu Bag Along with Price

Parameters	Mean	Rank	Interpretation
I will buy this because its price compensates for its durability.	3.86	4	HR
I will buy this because it's budget friendly.	3.70	5	HR
I will buy this because despite the price, the quality is better than the usual product.	4.03	3	HR
I will buy this because despite the price, it has undergone complicated procedures.	4.24	2	HR
I will buy this because, usually, locally made products are expensive because of the raw materials.	4.25	1	HR
Average Weighted Mean	4.01		HR

Legends:

- 4.50– 5.00 – Very Highly Reasonable
- 3.50 – 4.49 – Highly Reasonable
- 2.50–3.49 –Moderately Reasonable
- 1.50– 2.49 – Fairly Reasonable
- 1.00 – 1.49 – Poorly Reasonable

The data revealed that most customers are aware of and willing to buy locally made products, even if they are expensive. This may be because the raw materials used for production are costly, and despite the higher price, customers are willing to purchase these products due to the complex production processes involved. Customers also perceive and consider purchasing the Gugu Bag because of its durability, which can justify its price. However, it can be inferred from the data that some customers do not view it as budget-friendly. This perception could be due to the price range, which can reach up to Php 2,300, making it pricey for more conservative buyers.

This result supports the statement in an article by Sulhaini (2020), which notes that consumers are increasingly making ethical and environmentally friendly purchases but also demonstrate a high degree of materialism. Consumers are willing to buy such products even when their prices are significantly higher than usual, reflecting conspicuous consumption. The Gugu Bag (Intramuros style) is priced at Php 2,300, higher than comparable bags with similar designs, which has a negative impact on the buying decision of some customers and is perceived as not budget-friendly. Nonetheless, customers are still willing to purchase it considering the complex materials and craftsmanship involved. This indicates that social enterprises like Gugu Bags can potentially succeed if their message and purpose are clearly communicated to potential customers. This means that customers might overlook the price difference even if it is significantly above average.

Social Impact

As shown in Table 4.4, the social impact of the Gugu Bag is perceived by customers as “Highly Relevant,” with an average weighted mean of 4.45. Most parameters are interpreted as “Highly Relevant,” particularly regarding the SE's purpose of supporting local artists from Daraga, Albay. However, despite the positive feedback, the bag's positive impact on the environment is considered the least important factor by customers.

Table 4.4: Customers' Attitude Towards Gugu Bag Along with Social Impact

Parameters	Mean	Rank	Interpretati
I will buy this because itsupports the local artists of Daraga, Albay.	4.53	1	VHR
I will buy this because they contribute positive impact to the environment.	4.35	5	HR
I will buy it because it promotes local products.	4.49	3	HR
I will buy this because itprovides employment to mothers.	4.51	2	VHR
I will buy this becausethe business promotes social responsibility.	4.39	4	HR
Average Weighted Mean	4.45		HR

It can be inferred from the data that customers are inclined to purchase products to support local artists from Daraga, Albay, and to provide employment opportunities. This is likely because many customers are emotionally connected to the idea of buying for a greater purpose, rather than making a typical purchase from a commercialized company. However, the least considered factor is whether the business contributes positively to the environment. Despite growing awareness of global warming, climate change, and other environmental issues, some people still do not engage extensively with environmentally friendly products.

Among all the parameters, Social Impact has the highest weighted mean. This result affirms that there is increasing awareness of social enterprises. A survey conducted by Ferousi in 2017 found that nearly

80% of respondents expect social enterprises to contribute to sustainable development. Gugu Bags, woven by Bicolano artisans, help preserve the weaving culture of the province. The materials used include textiles and jute fabric handwoven at the foot of Mt. Mayon, known as Mayon Fabric, created by a community of mothers in Daraga, Albay. Therefore, social enterprises should ensure that their target market has a clear understanding of the product, as consumers' awareness of environmentally friendly, organic, and safe products will build trust. This trust can enhance the enterprise's reputation and expand its market.

Intention of Buying

As shown in Table 4.5, the intention of buying among customers is perceived as "Highly Manifested," with an average weighted mean of 3.71. Most parameters are interpreted as "Highly Manifested," particularly regarding the customer's intent to use the product for personal purposes. However, despite the positive feedback, the least considered factor by customers is purchasing the product for their children.

Table 4.5: Customers' Attitude Towards Gugu Bags Along with Intention of Buying

Parameters	Mean	Rank	Interpretation
I will buy this for personal use.	4.20	1	HM
I will buy this for my kid.	2.74	5	MM
I will buy this for gifting purposes.	4.18	2	HM
I will buy this for travel.	4.17	3	HM
I will buy this only to support the business but not for my own use.	3.23	4	MM
Average Weighted Mean	3.71		HM

Legend:

4.50– 5.00 – Very Highly Manifested

3.50 – 4.49 – Highly Manifested

2.50–3.49 –Moderately Manifested

1.50– 2.49 – Fairly Manifested

1.00 – 1.49 – Poorly Manifested

The data revealed that most customers perceive buying the Gugu Bag for personal use rather than for gifting purposes. This preference may be due to its practical features, such as the laptop compartment and durability from strong thread construction. Conversely, customers have the least consideration for buying the Gugu Bag for their children. It is evident that Gugu's goal is to provide fashionable bags for youth and young adults, and as such, the design is not intended for kids, which is why it ranked lowest in intention.

The theory of Consumer Decision-Making Process can help understand the motivations driving a buyer's purchase decision. Customers are more concerned with how specific circumstances align with

their needs and desires in the final stages before making a purchase. The Gugu Bag is known for its sturdiness, which appeals to students and young professionals, as it matches their wants. However, customer retention and loyalty will be supported by consistent, highly relevant messaging and offers.

Potential Inputs for the UVP Model of Gugu Bags

As shown in Table 4.6, the Social Impact parameter has the highest average weighted mean of 4.45, interpreted as “Very Highly Relevant.” In contrast, the Intention of Buying parameter has the lowest average weighted mean of 3.71, interpreted as “Highly Manifested.”

Table 4.6: Potential Inputs for the UVP Model of Gugu Bags

Parameters	Mean	Rank	Interpretation
QUALITY (I will buy this because it can carry heavy items.)	3.84	4	Very Good Quality
DESIGN (I will buy this because it has laptop compartment.)	3.88	3	Very Good Design
PRICE (I will buy this because, usually, locally made products are expensive because of the raw materials.)	4.01	2	Highly Reasonable
SOCIAL IMPACT (I will buy this because it supports the local artists of Daraga, Albay.)	4.45	1	Highly Relevant
INTENTION OF BUYING (I will buy this for personal use.)	3.71	5	Highly Manifested

Social value can significantly impact the profitability and overall growth of an enterprise. Fox-Martin (2020) affirmed that companies consider societal benefits as a primary motivation in marketing, given the large market potential within Generation Z. Since Gugu’s target market includes youth and young professionals, increasing awareness of its social impact will greatly support its growth.

Hataw Handwoven Products: Hataw Blankets

Hataw is a social enterprise composed of local weavers from Buhi, Camarines Sur. They create handcrafted fabrics through weaving and turn them into various products, including wallets, jackets, and their main product, the blanket. The blanket is the best seller among their offerings, and consumers appreciate it for its quality.

Quality

As shown in Table 5.1, the quality of the Hataw blanket is perceived by customers as "Very Good Quality," with an average weighted mean of 4.17. Each parameter is interpreted as either "Very Good Quality" or "Excellent Quality," specifically regarding the blanket’s texture, comfort, longevity, and the quality of materials used. However, despite the positive feedback, the least desirable quality noted by customers is the softness and fluffiness of the blankets.

Table 5.1: Customers' Attitude Towards Hataw Blanket Along with Quality

Parameters	Mean	Rank	Interpretation
I will buy this because it's quite rough.	3.93	4	VGQ
I will buy this because it's thick and will last for a longer period of time.	4.67	2	EQ
I will buy this because it's soft and fluffy.	3.45	5	GQ
I will buy this because it's comfortable.	4.15	3	VGQ
I will buy this because it's made from a good material.	4.68	1	EQ
Average Weighted Mean	4.17		VGQ

Legends:

4.50–5.00 –Excellent Quality

3.50– 4.49 – Very Good Quality

2.50 – 3.49 – Good Quality

1.50– 2.49 – Fair Quality

1.00– 1.49 – Poor Quality

Although the texture was the least priority for customers, it is still beneficial for Hataw Handwoven Products to improve the texture of their blankets to enhance appeal. This does not mean that customers will ignore this factor simply because it ranks lower in importance. It is crucial for Hataw to continue researching ways to enhance their products, focusing not only on design but also on the overall quality.

According to the study and article published by Paulssen et al. (2020), customer perceptions are vital. Their assessment of a product's overall excellence or superiority compared to alternatives determines their future purchasing behavior, willingness to pay, and the likelihood of recommending the product to others. As a small business, it is essential for Hataw Handwoven Products to provide customers with a remarkable experience to encourage positive word-of-mouth recommendations.

Design

As shown in Table 5.2, the design of Hataw products is perceived by customers as having “Excellent Design,” with an average weighted mean of 4.22. Most parameters are interpreted as “Excellent Design,” particularly the attributes related to Hataw’s cultural designs, including color and style, which make their products more attractive to customers. However, despite the positive feedback, the trendiness of the Hataw products is considered the least important factor by customers.

Table 5.2: Customers' Attitude Towards Hataw Blankets Along with Design

Parameters	Mean	Rank	Interpretation
I will buy this because it's plain and simple.	4.34	2	ED
I will buy this because it looks attractive.	4.28	4	ED
I will buy this because the design is on trend.	3.41	5	VGA
I will buy this because of its touch of culture.	4.76	1	ED
I will buy this because it's colorful.	4.32	3	ED
Average Weighted Mean	4.22		ED

Legends:

4.50–5.00 –Excellent Design

3.50– 4.49 – Very Good Design

2.50 – 3.49 – Good Design

1.50– 2.49 – Fair Design

1.00 – 1.49 – Poor Design

Because the client appreciates the cultural touch, being trendy is the least important factor influencing the customer's purchasing decision. This is likely because weaving is often associated with being a classic or old-fashioned method.

A study conducted by Shi et al. (2021) shows that aesthetics in design play a significant role in customer purchasing patterns, especially when functional goals are met. Design aesthetics can compensate for minor defects in functionality. This suggests that consumers favor appealing items, which explains why excellent design aesthetics might enhance consumer purchasing intent. Given that it is a traditional product representing Filipino culture, it is commendable that Hataw was able to explore various designs. While Philippine designs are typically known for their patterns and vibrant colors, Hataw managed to cater to those who prefer plain and simple designs by blending cultural elements with more minimalist styles.

Price

As shown in Table 5.3, the price of the Hataw blanket is perceived by customers as “Very Highly Reasonable,” with an average weighted mean of 4.49. Each parameter is interpreted as “Very Highly Reasonable,” particularly as customers highlighted that the Hataw blanket is of higher quality compared to typical blankets and other locally made products. Customers expect a price difference due to the blanket’s superior quality and the fact that it is made by local weavers through complex procedures. Despite being perceived as not budget-friendly, price was the least consideration for customers.

Table 5.3: Customers' Attitude Towards Hataw Blankets Along with Price

Parameters	Mean	Rank	Interpretation
I will buy this because regardless the price, I can use this for a longer time.	4.49	4	VHR
I will buy this because it's budget-friendly.	3.97	5	HR
I will buy this because despite the price, the quality is better than the usual blankets.	4.84	1	VHR
I will buy this because despite the price, it can be seen that it has undergone complicated procedures.	4.53	3	VHR
I will buy this because, usually, locally made products are expensive because of the raw materials.	4.64	2	VHR
Average Weighted Mean	4.49		VHR

Legends:

4.50– 5.00 –Very Highly Reasonable

3.50 – 4.49 – Highly Reasonable

2.50–3.49 –Moderately Reasonable

1.50– 2.49 – Fairly Reasonable

1.00 – 1.49 – Poorly Reasonable

On the other hand, data shows that the least considered factor is whether the product is budget-friendly. This indicates that customers are willing to pay a higher amount because they are satisfied with the quality of the blanket. Customers' evaluations suggest that the price is seen as somewhat between too pricey and budget-friendly.

Price is defined in the marketing mix as the amount of money that consumers are willing to pay for a product. The enterprise must align the pricing with the product's actual and perceived worth. This is crucial in determining whether customers will make a purchase. If the salesperson fails to effectively communicate why the product is worth its price, the enterprise may struggle to survive and could lose potential customers.

Social Impact

As shown in Table 5.4, the social impact of the Hataw blanket is perceived by customers as “Very Highly Relevant,” with an average weighted mean of 4.74. All parameters are interpreted as “Very Highly Relevant,” indicating that the attributes significantly impact customers. The social impact includes providing employment to local weavers, incorporating cultural designs, promoting social responsibility, and positively affecting the environment.

Table 5.4: Customers’ Attitude Towards Hataw Blankets Along with Social Impact

Parameters	Mean	Rank	Interpretation
I will buy this because it's made by local weavers.	4.83	2	VHR
I will buy this because they contribute positive impact to the environment.	4.56	5	VHR
I will buy this because the business provides employment to local weavers.	4.98	1	VHR
I will buy this because it preserves traditional weaving culture.	4.72	3	VHR
I will buy this because the business promotes social responsibility.	4.62	4	VHR
Average Weighted Mean	4.74		VHR

Legends:

4.50– 5.00 – Very Highly Relevant

3.50 – 4.49 – Highly Relevant

2.50– 3.49– Somewhat Relevant

1.50– 2.49 – Fairly Relevant

1.00 – 1.49 – Not Relevant

A social enterprise or social business is defined as a business with explicit social goals that drive its primary purpose. As the term suggests, a social enterprise must have a social impact and also generate profit to sustain itself, allowing it to continue pursuing its mission and goals. While customer perceptions may vary, as long as they recognize and support the product, they contribute to the enterprise's mission and become part of the movement, thus fulfilling the purpose of being a social enterprise.

Intention of Buying

As shown in Table 5.5, the intention to buy the Hataw blanket is perceived by customers as “Highly Manifested,” with an average weighted mean of 4.51. Most parameters are interpreted as “Highly Manifested,” particularly those related to buying the blanket for personal use, supporting the social enterprise, and purchasing it as a gift. Despite these considerations, customers are more likely to buy it as a souvenir for friends from other places and as a gift for their parents or children.

Table 5.5: Customers’ Attitude Towards Hataw Blankets Along with Intention of Buying

Parameters	Mean	Rank	Interpretation
I will buy this for personal use.	4.34	4	HM
I will buy this for my kids/parents.	4.81	2	VHM
I will buy this for gifting purposes.	4.14	5	HM
I will buy this as a souvenir to my friends from other places.	4.89	1	VHM
I will buy this only to support the business but not for my own use.	4.39	3	HM
Average Weighted Mean	4.51		HM

Legends:

4.50– 5.00 – Very Highly Manifested

3.50 – 4.49 – Highly Manifested

2.50–3.49 –Moderately Manifested

1.50– 2.49 – Fairly Manifested

1.00 – 1.49 – Poorly Manifested

According to the National Retail Federation's 2019 consumer report, consumers are increasingly spending on and gifting experiences. Customers tend to share Hataw items with friends from other areas as souvenirs due to their local craftsmanship. While Hataw products are primarily marketed for personal use, there is a significant opportunity in the tourism industry, where these products can also serve as appealing souvenirs.

Potential Inputs for the UVP Model of Hataw Blankets

As shown in Table 5.6, the Social Impact parameter has the highest average weighted mean of 4.98, interpreted as “Highly Relevant.” Conversely, the Quality parameter has the lowest average weighted mean of 4.68, which is still interpreted as “Excellent Quality.”

Table 5.6: Potential Inputs for the UVP Model of Hataw Blankets

Parameters	Average Weighted Mean	Rank	Interpretation
QUALITY (I will buy this because it's made from a good material.)	4.68	5	Excellent Quality
DESIGN (I will buy this because of its touch of culture.)	4.76	4	Excellent Design
PRICE (I will buy this because despite the price, the quality is better than the usual blankets.)	4.84	3	Highly Reasonable
SOCIAL IMPACT (I will buy this because the business provides employment to local weavers.)	4.98	1	Highly Relevant
INTENTION OF BUYING (I will buy this as a souvenir to my friends from other places.)	4.89	2	Highly Manifested

According to an article on the GDP Global website titled "The Role of Social Enterprise in Community Development" (2018), many people view social enterprises as outreach work with low profit margins. However, what makes social enterprises thrive today is their ability to offer products that align with consumer values and advocacies. Indeed, products that fulfill these values can provide a profound sense of purpose.

Plush Toy

Karaw is an enterprise that primarily sells plush toys and keychains. Its mission is to reduce textile waste by transforming it into creative products while empowering local artisans in the City of Naga.

Quality

The quality of Karaw Craftventures' plush toys is perceived by customers as “Very Good Quality,” with an average weighted mean of 3.74, as shown in Table 6.1. Most parameters related to the product’s feel are interpreted as “Very Good Quality,” except for one parameter concerning the heaviness of the toy, which is rated as having “Fair Quality.”

Table 6.1: Customers’ Attitude Towards Karaw Craftventures’ Plush Toy Along with Quality

Parameters	Mean	Rank	Interpretation
I will buy this because it's good for sensitive skin.	4.23	2	VGQ
I will buy this because it's sturdy.	4.25	1	VGQ
I will buy this because it's heavy.	2.02	5	FQ
I will buy this because it fits in more of my stuff.	4.03	4	VGQ
I will buy this because its fluffy.	4.18	3	VGQ
Average Weighted Mean	3.74		VGQ

Legends:

- 4.50–5.00 –Excellent Quality
- 3.50– 4.49 – Very Good Quality
- 2.50 – 3.49 – Good Quality
- 1.50– 2.49 – Fair Quality
- 1.00– 1.49 – Poor Quality

According to Bakri (2021), having a unique selling proposition (USP) is crucial for keeping an enterprise relevant in the market, especially in the context of the ongoing pandemic. One area where social enterprises (SEs) can improve is in quality, ensuring their products remain unique and aligned with current trends in customer behavior. Sturdiness, for example, is a key aspect that may need attention. Karaw Craftventures could benefit from emphasizing the durability of their products. Although durability has not been a significant issue for the SE so far, addressing it could help counteract any preconceived notions that toys made from raw materials might be less sturdy than those available in the market.

Design

Table 6.2 shows that the design of Karaw Craftventures' plush toys has an average weighted mean of 4.20, interpreted as “Very Good Design.” All parameters related to design are rated as “Very Good Design,” reflecting how well the product fits one's personal style.

Table 6.2: Customers’ Attitude Towards Karaw Craftventures’ Plush Toy Along with Design

Parameters	Mean	Rank	Interpretation
I will buy this because it looks cool.	4.38	2	VGD
I will buy this because it's appropriate for my age.	4.22	4	VGD
I will buy this because it's trendy.	4.24	3	VGD
I will buy this because it's colorful.	4.42	1	VGD
I will buy this because it matches my personality.	3.72	5	VGD
Average Weighted Mean	4.20		VGD

Legends:

- 4.50–5.00 –Excellent Design
- 3.50– 4.49 – Very Good Design
- 2.50 – 3.49 – Good Design
- 1.50– 2.49 – Fair Design
- 1.00 – 1.49 – Poor Design

From the data, it is evident that a product matching a customer’s personality is an important parameter, but it is less significant compared to the color of the product. Karaw Craftventures primarily targets kids, who generally prioritize visual appeal over personal matching. For them, toys that are “fun” and “playful” are more attractive.

According to the theory of consumer decision-making, discovery and interest are the initial stages where customers begin to weigh their options. In this context, color plays a crucial role for Karaw Craftventures' products. The prominence of color in their designs aligns with the initial interest of buyers, marking the beginning of the decision-making process. Karaw Craftventures leverages vibrant colors to capture the attention of potential customers and draw them into their stores. While sharing their story is important, attracting customers with eye-catching designs is essential to spark interest and encourage further exploration of their offerings.

Price

Table 6.3 shows that the Karaw Craftventures Plush Toy is considered “Highly Reasonable,” with an average weighted mean of 3.82. This rating reflects an understanding of the production costs that contribute to the toy's price. However, some parameters were rated as “Moderately Reasonable,” indicating that the product is perceived as somewhat expensive and not particularly affordable.

Table 6.3: Customers’ Attitude Towards Karaw Craftventures’ Plush Toy Along with Price

Parameters	Mean	Rank	Interpretation
I will buy this because it's cheap, but it looks expensive.	3.29	4	MR
I will buy this because it's budget-friendly.	3.16	5	MR
I will buy this because despite the price, the quality is better than the usual product.	3.93	3	HR
I will buy this because despite the price, it can be seen that it has undergone complicated procedures.	4.26	2	HR
I will buy this because, usually, locally made products are expensive because of the raw materials.	4.48	1	HR
Average Weighted Mean	3.82		HR

Legends:

4.50– 5.00 – Very Highly Reasonable

3.50 – 4.49 – Highly Reasonable

2.50–3.49 –Moderately Reasonable

1.50– 2.49 – Fairly Reasonable

1.00 – 1.49 – Poorly Reasonable

It can be inferred that customers understand that social enterprise products are often priced higher due to the origins of their materials and the labor involved. This perception is shaped by the recognition that these products are not made cheaply. The cultural theory of buying behavior supports this idea, suggesting that consumers are influenced by the broader environment, where it is generally accepted that products with a social cause can justify higher prices. When customers adopt this belief, their purchasing behavior is shaped by it as part of their cultural values. Karaw Craftventures thrives in the market by effectively communicating its narrative as a social enterprise, which fosters a common understanding that their products are worth the higher price due to the positive social impact they support.

Social Impact

Table 6.4 shows that the social impact of Karaw Craftventures is rated with an average weighted mean of 4.68, interpreted as “Very Highly Relevant.” All parameters are viewed as “Very Highly Relevant,” focusing on community welfare and social empowerment.

Table 6.4: Customers’ Attitude Towards Karaw Craftventures’ Plush Toy Along with Social Impact

Parameters	Mean	Rank	Interpretation
I will buy this because it supports the local artists of Bicol.	4.78	1	VHR
I will buy this because they contribute positive impact to the environment.	4.55	5	VHR
I will buy it because it promotes local artisans.	4.64	4	VHR
I will buy this because it provides employment to local artists.	4.67	3	VHR
I will buy this because the business promotes social responsibility.	4.75	2	VHR
Average Weighted Mean	4.68		VHR

Legends:

4.50– 5.00 – Very Highly Relevant

3.50 – 4.49 – Highly Relevant

2.50– 3.49– Somewhat Relevant

1.50– 2.49 – Fairly Relevant

1.00 – 1.49 – Not Relevant

According to Fox-Martin (2019), customers, particularly millennials and Generation Z, make purchasing decisions that are strongly motivated by a desire to effect social change. This intrinsic value is a defining feature of social enterprises. It is noted that this motivation is deeply embedded in the consciousness of today’s consumers, which is crucial for social enterprises to understand. Karaw Craftventures aligns with this motivation by showcasing its efforts to upcycle scrap materials and empower marginalized communities and artists. This approach not only contributes to social change but also provides Karaw Craftventures with a competitive advantage.

Intention of Buying

As shown in Table 6.5, the average weighted mean for the SE’s Intention of Buying is 4.09, which is interpreted as “Highly Manifested.” The parameters for this category received varying interpretations:

- **Gifting and supporting local products:** “Very Highly Manifested”
- **Personal intention:** “Highly Manifested”
- **Intention of buying for others:** “Moderately Manifested”

Table 6.5: Customers' Attitude Towards Karaw Craftventures' Plush Toy Along with Intention of Buying

Parameters	Mean	Rank	Interpretation
I will buy this for personal use.	4.34	3	HM
I will buy this for my kid.	3.41	5	MM
I will buy this for gifting purposes.	4.66	1	VHM
I will buy this in support of locally-made products.	4.60	2	VHM
I will buy this only to support the business but not for my own use.	3.45	4	MM
Average Weighted Mean	4.09		HM

Legends:

4.50– 5.00 – Very Highly Manifested

3.50 – 4.49 – Highly Manifested

2.50–3.49 –Moderately Manifested

1.50– 2.49 – Fairly Manifested

1.00 – 1.49 – Poorly Manifested

Based on the given results, it can be concluded that social enterprise products, such as those from Karaw Craftventures, are well-suited for gifting. High-priced gifts with a social impact offer substantial value that recipients can deeply appreciate. Karaw Craftventures' products are a prime example, as they focus on aesthetic appeal and emotional significance rather than mere utility. This makes them memorable, especially when purchased as gifts. Many respondents, particularly from Generation Z, may not fully grasp the nuances of what constitutes a meaningful gift for children or the preferences of this demographic.

According to the theory of consumer decision-making, intention plays a crucial role in the fourth step, deliberation. At this stage, customers evaluate whether their buying intentions and preferences are met. Positioning social enterprise products, like those from Karaw Craftventures, as gifts or souvenirs can effectively target unique customer interests and differentiate the product from competitors. This can strengthen the customer's decision to proceed to the final step of the purchasing process. A Karaw Craftventures' toy, given as a gift or souvenir, not only evokes positive feelings but also represents a product of significant value that can be cherished over time. This unique aspect can be leveraged by the SE to stand out during the customer deliberation phase.

Potential Inputs for the UVP Model of Karaw Craftventures

The highest average weighted mean of 4.68, as shown in Table 6.6, belongs to the Social Impact parameter, interpreted as “Very Highly Manifested.” In contrast, the lowest average weighted mean of 3.74 pertains to the Quality parameter, interpreted as “Highly Manifested.”

Parameters	Mean	Rank	Interpretation
QUALITY (I will buy this because it's sturdy.)	3.74	5	VGQ
DESIGN (I will buy this because it's colorful.)	4.20	2	VGQ
PRICE (I will buy this because, usually, locally made products are expensive because of the raw materials.)	3.82	4	HR
SOCIAL IMPACT (I will buy this because it supports the local artists of Bicol.)	4.68	1	VHR
INTENTION OF BUYING (I will buy this for gifting purposes.)	4.09	3	HM

It can be derived from the results that for a social enterprise, social impact remains the most compelling consideration in positioning the business. Karaw Craftventures stands out among other social enterprises through its strong emphasis on supporting artists and fostering creativity within marginalized communities. This includes offering customers the option to customize their own toys, which highlights the enterprise's commitment to social causes.

While quality, though ranked last, is still a crucial parameter, the durability of the product is an important consideration for customers before making a purchase. Karaw Craftventures received an average weighted mean of 3.74 for quality, which is still interpreted as "Highly Manifested."

According to Cardella (2021), social impact is what differentiates social enterprises from other businesses. The focus on creating social relevance, aiding the community, and addressing global issues such as poverty and climate change becomes central to increasing customer engagement, participation, and ultimately, profitability and competitive advantage.

Unique Value Proposition Model for Selected Social Enterprises

The development of the Unique Value Proposition (UVP) Models for the four selected social enterprises utilized the IPO (Input-Process-Output) Model. This model facilitated a comprehensive approach to identifying the primary and secondary resources needed for a holistic development process. Below is a detailed discussion of the inputs, processes, and outputs involved.

Inputs

1. Primary Resources:

- The development of the UVP models was based on data collected through surveys and focus group discussions (FGDs). Data were gathered from five selected participants per social enterprise, representative of their usual target market, to determine relevant parameters for each product. Additionally, survey questionnaires were distributed to 50 customer-respondents per social enterprise to substantiate FGD findings.

2. Secondary Resources:

- Literature from peer-reviewed journals (e.g., ScienceDirect and DOAJ) and other electronic resources was reviewed to support the UVP modeling and present it in a more comprehensible format.

Process

1. **Step 1:** Conduct FGDs to identify major considerations of customers when purchasing the selected social enterprise products.
2. **Step 2:** Analyze FGD data using thematic analysis to identify common themes or attributes related to each product. These themes informed the development of survey questionnaires.
3. **Step 3:** Administer survey questionnaires to the respective target markets of each social enterprise. Data were tabulated to identify key and lesser parameters.
4. **Step 4:** Develop UVP models based on the interpretation of survey data. High-rated aspects of quality, design, price, social impact, and intention to buy were emphasized, while lower-rated aspects indicated areas for improvement.

5. **Step 5:** Design UVP models using Canva as the creative platform.
6. **Step 6:** Conduct another round of FGDs with industry experts to refine the UVP models. Incorporate feedback and improvements as needed.

Outputs This section presents the Unique Value Proposition Models developed based on customer attitudes toward social enterprise products. Each model highlights the unique attributes of each product and its direct relation to customer demands and preferences.

- **Usbong Pencil: GIRA Model**

The GIRA Model showcases how the attributes of Usbong Pencils address customer concerns. The name "GIRA," a Bikol term for pencil marks, stands for “Gearing Innovative wRiting Archetype.” This model aims to enhance the market reach of the innovative pencil by emphasizing its unique value propositions related to experience, benefits, and features.

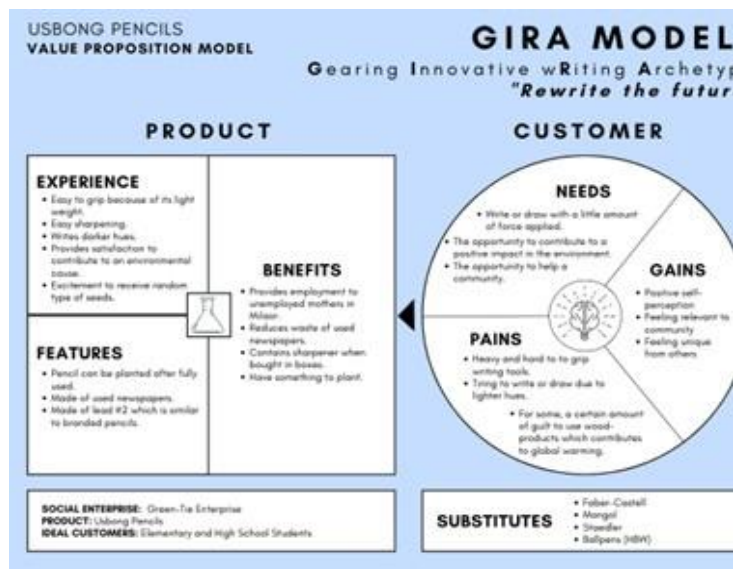


Figure 3. Unique Value Proposition Model for Usbong Pencils

The UVP tagline “Rewrite the Future” is a response to the call to protect the trees. It is global knowledge that humanity depends on trees for the air they provide. However, deforestation and global warming have threatened this vital purpose. At Green-tie Enterprise, the management is determined to go against the tide. The tagline reflects their ambition to change the future of a world without trees. Usbong allows people to draw, sketch, and learn without worrying about tomorrow’s fate. By using Usbong pencils, customers are reminded that they are allies in rewriting the future—a future where trees are not endangered but rather conserved and protected.

As shown in Figure 3, the model is divided into two major parts: the product and the customer portion. Under “customer,” it discusses relevant points about their attitudes towards purchasing a pencil. Interviews have shown that writers, artists, or cartoonists prefer their pencils to be lightweight but to write darker hues, as this does not require them to apply a greater amount of force when writing. Surveys also revealed that customers seek opportunities to contribute to environmental advocacy and community development. Moreover, customers look for the possibility of gaining

“positive self-perception” or the feeling of being relevant when they purchase pencils. According to Ling Wu, H. et al. (2021), the major reason people purchase SE products is that they primarily contribute to positive social influence. This highlights the importance of marketing the advocacies of SEs more than their product features. Additionally, another benefit considered by customers is the “feeling of being unique from others,” which enhances their appreciation of the purchased products. As mentioned by Ashidin (2022), the need for distinctiveness can significantly impact a consumer's purchasing decisions; thus, unique features should be considered in product innovation. Furthermore, customer pain points are also addressed by the GIRAModel. It shows that customers dislike heavy pencils because they are hard to grip and tiring to use. There is also a certain amount of guilt felt when purchasing commercial pencils, like Monggol, due to their direct connection to logging activities that adversely affect the environment.

In the “product” portion, relevant statements are presented on how Usbong pencils address these customer issues. Regarding “experience,” interviews revealed that Usbong pencils are “easy to grip” and “write darker hues,” allowing writers or cartoonists to create with minimal force. It also provides satisfaction from contributing positively to the environment and excitement over the type of seed they will receive after purchase. Moreover, presented in the GIRAModel are Usbong’s unique features. This is an upcycled pencil made from used newspapers, reflecting the business owners' advocacy for environmental causes. Although it does not undergo the usual process of manufacturing a pencil, it uses #2 lead, similar to commercial pencils. Among its features, the standout attribute is the plantable seed instead of an eraser, which makes it a major differentiating factor from its competitors. Conversely, the production of Usbong pencils benefits customers and stakeholders. The SE's owners support the community by employing mothers in Milaor, Camarines Sur, who craft the pencils. It also enhances social relevance by upcycling used newspapers rather than using traditional wood. Lastly, a pack of Usbong pencils includes a sharpener, leveraging its packaging strategy over others.

a. Gugu Bags: BAKLAY Model

The BAKLAY model focuses on how Gugu Bags can align with customer values and needs. Named BAKLAY, an acronym for Bagging Artistic Knowledge of Local Artisans & Youth, it directly reflects the people behind Gugu Bags as a Social Enterprise (SE). It started as a school project in 2010 by young business students who aimed to create a product while simultaneously providing employment to local artisans in Daraga, Albay. This model discusses the issues and concerns revealed through surveys and interviews and how these were addressed by Gugu’s value propositions in terms of experience, benefits, and features.

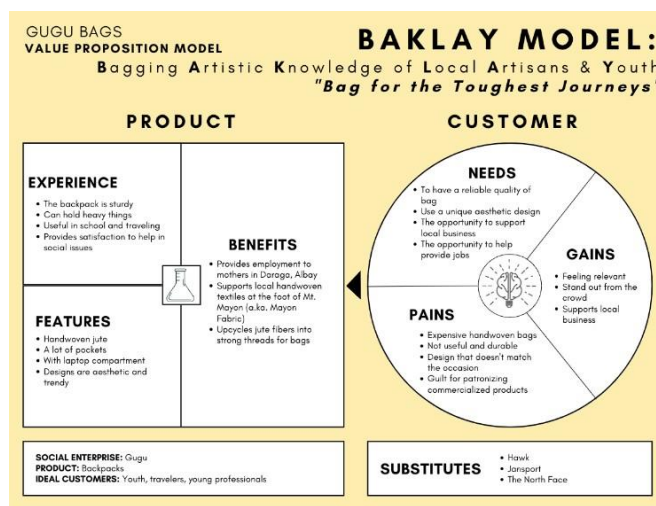


Figure 4. Unique Value Proposition Model for Gugu Bags

Gugu Bags

As a social enterprise, Gugu Bags aims to address issues by providing employment while preserving the weaving community at the same time. The tagline, “Bag for the Toughest Journeys,” conveys the bag’s durability and symbolizes the journey of the people behind its creation, who benefit with every purchase made by customers. It also represents the companionship of every Bicolano on their journey towards greater successes in life. When a customer buys and wears Gugu Bags, journeys do not have to be undertaken alone; with Gugu Bags, everyone has a companion.

In Figure 4, the model is divided into two major parts: the product and the customer portion. Under “customer,” it discusses relevant points about their attitudes towards purchasing a bag. Interviews have shown that customers prefer an aesthetically pleasing and reliable quality bag because it can carry more items and is durable. Surveys also revealed that customers are looking for opportunities to support local businesses and help provide jobs. Furthermore, they seek to gain attention by standing out from the crowd and feeling relevant by supporting social enterprises (SEs). According to Fox-Martin (2020), companies view societal benefits as a key motivation in marketing because social value can significantly impact profitability and overall growth. Additionally, customer pain points are addressed by the BAKLAY Model. Survey results indicate concerns about the high cost of handwoven bags due to the complex manufacturing process. There is also a sense of guilt associated with purchasing commercialized products from large companies and international brands.

On the other hand, the “product” portion presents how Gugu Bags addresses these issues. Regarding “experience,” interviews revealed that Gugu Bags are sturdy and can hold heavy items, making them useful for both school and travel. The bags provide satisfaction by helping address social issues simply through the purchase of handwoven items. Additionally, as shown in the BAKLAY Model, Gugu’s unique features include the upcycled handwoven jute textile, which is typically used for purses and wallets. Jute is a long, soft, shiny bast fiber that can be spun into a strong thread. The SE owners designed the bags to be trendy, durable, and useful, especially for students and young professionals, hence including a laptop compartment as well. The production of Gugu Bags benefits both customers and stakeholders. The SE supports the community by employing mothers in Daraga town, Albay, and uses textiles handwoven at the foot of Mt. Mayon, known as Mayon Fabric. Lastly, it increases social relevance by upcycling jute fiber into strong threads for bags.

a. Hataw Blankets: HABI Model

The HABI Model demonstrates the value proposition of Hataw Handwoven Products in meeting customer needs. “HABI” is a Filipino word meaning weaving. The HABI Model stands for “Handmade Artistic Bicol Innovation.” It transforms scrap fabrics and threads into new products, giving them a new life and purpose. This model addresses customer issues and adds value to their experience through Hataw’s offerings.

Handwoven blankets are considered traditional products often bought as souvenirs or gifts. However, Hataw’s blankets go beyond traditional patterns; they are made from recycled fabrics. Inspired by the Filipino saying, “Habang maikli ang kumot, matutong mamaluktot,” which means “while the blanket is short, learn to curl up,” Hataw enables the world to extend its life through upcycling materials.

With this, Hataw's mission is "Helping the World Stretch" from its curled situation, one blanket at a time.

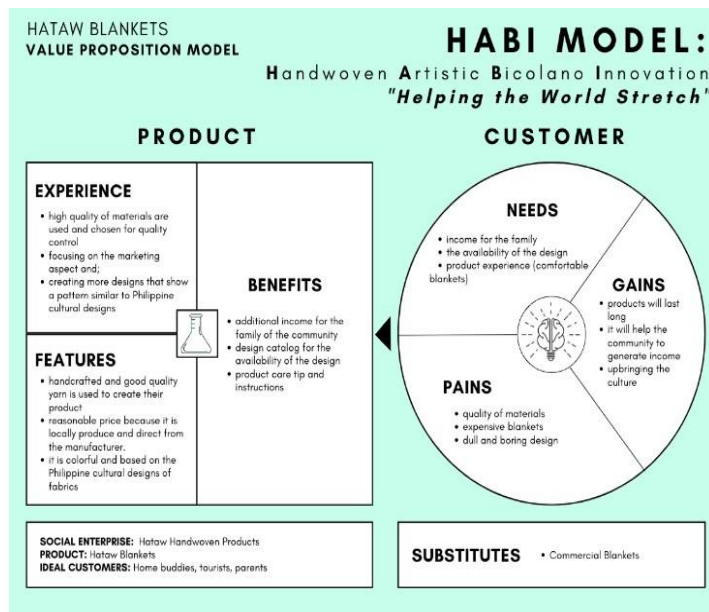


Figure 5. Unique Value Proposition Model for Hataw Blankets

Figure 5 shows that the model is segmented into two categories: the customer profile and the value map. The customer profile details the customer jobs, including what they are trying to achieve, their pains, and their hopes and standards for satisfaction with the products. On the other hand, the value map outlines the list of services and the value proposition, including the pain relievers that address how the enterprise solves customer pains and the gain creators that enhance customer expectations and achieve the desired results. This model will assist the enterprise in enhancing its value proposition to attract more customers.

The research indicates that Hataw's customers—referred to as "homebuddies," tourists, and locals—prefer aesthetically appealing and comfortable blankets that showcase the artistic and cultural designs of local weavers. Customers seek products to share with friends as gifts and souvenirs. Although the products are locally made, customers want to avoid low-quality, expensive items with boring designs. They desire products that also have a social impact on the community and promote Filipino culture. Hataw's value proposition effectively addresses these issues by offering high-quality, locally made products that support local weavers and feature aesthetically pleasing, culturally significant designs.

Furthermore, the research shows that Hataw customers are motivated to help preserve local weaving culture by supporting their products, showcasing them to friends from other countries, and giving them as gifts and souvenirs. An article published in *Manila Standard Lifestyle* titled "Gift Giving Pinoy Style" highlights that Filipinos love giving gifts to express their love and appreciation. This finding aligns with the survey results, where most respondents indicated that they would purchase Hataw products as souvenirs and gifts for their loved ones. Hataw's handwoven products have created

a product line that helps increase profits while contributing to environmental conservation by upcycling scrap fabrics and reducing textile waste through ongoing research and development.

Karaw Craftventures: UGMA Model

The UGMA model serves as a guide for Karaw Craftventures in understanding the varying perspectives of their customers regarding product experience, benefits, and features. Appropriately named ‘UGMA,’ which is a Bikol term meaning "happy," the model reflects the positive impact that toys can have, especially for children.

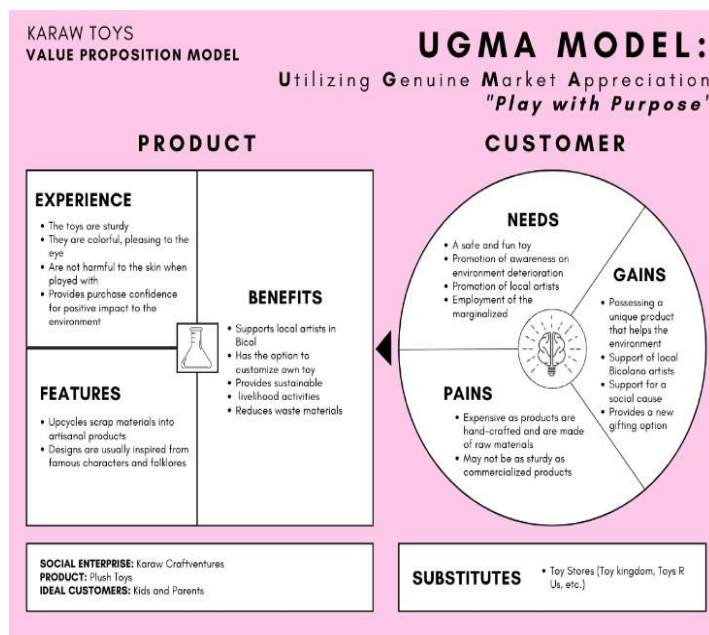


Figure 6. Unique Value Proposition Model for Karaw Craftventures Toys

Utilizing Genuine Market Appreciation (UGMA) Model

The “Utilizing Genuine Market Appreciation” (UGMA) model reveals customer concerns and preferences from surveys and interviews representative of Karaw Craftventures’ usual target market, delivering an effective framework for market differentiation.

Karaw Craftventures, as a social enterprise, has always centered its mission around creativity and advancing social causes. With the tagline “Play with Purpose,” the enterprise clearly communicates its commitment to honing creative minds while empowering marginalized sectors, protecting the environment, and promoting local artists.

Customer Profile

The first part of the UGMA model, shown in Figure 6, focuses on the customer profile. This section details the customers' needs, pains, and gains from purchasing Karaw Craftventures toys. Surveys and interviews reveal that support for social causes—such as preventing environmental degradation and empowering marginalized local artists—is a significant factor for the market, as reflected in customer needs and gains. This finding is supported by a study by Lee et al. (2020), which suggests that

education on the social value of a product increases the likelihood of purchase. Another key gain is the opportunity for the toy to be positioned as a gifting option.

According to the consumer decision-making process theory, adding intrinsic value to a product can favorably influence social enterprises during the decision stage. Customer concerns include the quality and price of social enterprise products, which are often perceived as expensive and less durable compared to commercial alternatives. However, the cultural theory of buying behavior provides an open door for understanding why these products might be valued more than competitors' offerings, due to their environmental and social impact.

Product Profile

The second part of the UGMA model addresses how Karaw Craftventures counters the issues identified in the customer profile. This is addressed through three aspects:

1. **Experience:** Findings reveal that the toys are sturdy and attractive. They are safe to play with, being non-harmful to the skin, and purchasing them provides a sense of fulfillment due to their positive environmental impact.
2. **Benefits:** Unique to the social enterprise is its support for local artists and empowerment of underappreciated individuals in society. Additionally, the opportunity for customizing toys and the reduction of waste materials in production are highlighted.
3. **Features:** The competitive advantage of Karaw Craftventures is attributed to features such as upcycling scrap materials and maintaining trendy and innovative toy designs. These aspects help achieve a genuine understanding of the target audience and address the identified problems.

Acceptability of UVP Models for Selected Social Enterprises

This section evaluates the level of acceptability of the Unique Value Proposition (UVP) Models among customers, management, and experts. The tables presented are based on surveys administered to stakeholders and qualifying statements determined from focused group discussions with business experts.

Customers

According to Table 7.1, the highest weighted mean of 4.92 is associated with the statements "The 'BENEFITS' gained from purchasing the product are factual" and "The UVP Model is easy to understand," both interpreted as "Very Highly Manifested." Conversely, the lowest weighted mean of 4.40 pertains to the statement "The 'NEEDS' of customers pertaining to the product were properly addressed by the UVP Model," which is also interpreted as "Very Highly Manifested."

Table 7.1: Customers' Acceptability of UVP Model for Selected Social Enterprises (SE)

Parameters	Customers		
	Mean	Rank	Interpretation
1. The "NEEDS" of customers pertaining to the product were properly addressed by the UVP Model.	4.40	10	VHM
2. The UVP Model accurately stated the "PAIN" points of the customers.	4.67	6	VHM
3. The statements referring to "GAINS" of the customer when purchasing the product are plausible.	4.53	9	VHM
4. The product "EXPERIENCE" stated in the UVP are true.	4.80	4	VHM
5. The product "FEATURE" was accurately incorporated in the UVP Model.	4.87	3	VHM
6. The "BENEFITS" gained from purchasing the product are factual.	4.93	1.5	VHM
7. The UVP Model provides a clear connection between the SE and customers.	4.73	5	VHM
8. The SE's Unique Value Proposition is effectively emphasized in the model.	4.67	7	VHM
9. The UVP Model helps to understand how the SE products will be effectively marketed.	4.60	8	VHM
10. The UVP Model is easy to understand.	4.93	1.5	VHM
Overall	4.71		VHM

According to Daniel Burstein (2021) in the article *An Effective Value Proposition: What It Is, Why It Is So Important to Business and Marketing Success, and How to Use It*, the value proposition is the fundamental reason a customer should choose your company. It is a single, clear statement that concisely communicates the value your company creates. In a market-based economy, a strong value proposition is crucial for a company's success and survival. The UVP Models have successfully created this message; however, there is a need to expand the social enterprise's market reach and effectively communicate their message to their target audience to improve their business.

Management

According to Table 7.2, the highest weighted mean of 4.67 is associated with the statement "The UVP Model is easy to understand," which is interpreted as "Very Highly Manifested." Conversely, the lowest weighted mean of 3.85 pertains to the statement "The statements referring to 'GAINS' of the customer when purchasing the product are plausible," which is interpreted as "Highly Manifested."

In the article *Value Proposition: What Is It, How It Works, and Why You Should Pay Attention to It* by A. Shukairy (2022), it is emphasized that identifying a unique value proposition in comparison to competitors is a key pillar for establishing success in both marketing and sales. An effective value proposition clearly articulates why a prospective customer should choose one company over its competitors. For Hataw, having the right message for the right audience and effectively communicating it to wider markets is crucial. The unique value proposition of this social enterprise helps management identify the problem they are solving and highlight the primary purpose of their products.

Table 7.2: Management's Acceptability of UVP Model for Selected Social Enterprises (SE)

Parameters	Management		
	Mean	Rank	Interpretation
1. The "NEEDS" of customers pertaining to the product were properly addressed by the UVP Model.	4.23	6	VHM
2. The UVP Model accurately stated the "PAIN" points of the customers.	4.17	8	HM
3. The statements referring to "GAINS" of the customer when purchasing the product are plausible.	3.87	10	HM
4. The product "EXPERIENCE" stated in the UVP are true.	4.27	5	VHM
5. The product "FEATURE" was accurately incorporated in the UVP Model.	4.17	8	HM
6. The "BENEFITS" gained from purchasing the product are factual.	4.30	4	VHM
7. The UVP Model provides a clear connection between the SE and customers.	4.33	3	VHM
8. The SE's Unique Value Proposition is effectively emphasized in the model.	4.37	2	VHM
9. The UVP Model helps to understand how the SE products will be effectively marketed.	4.17	8	HM
10. The UVP Model is easy to understand.	4.67	1	VHM
Overall	4.25		VHM

According to A. Shukairy (2022) in the article *Value Proposition: What Is It, How It Works, and Why You Should Pay Attention to It*, identifying a unique value proposition in comparison to competitors is a critical pillar for establishing a business's success in both marketing and sales. An effective value proposition clearly articulates why a prospective customer should choose one company over its competitors. Hataw's marketing strategy involves delivering the right message to the right audience and effectively communicating this to broader markets. The unique value proposition of this social enterprise assists management in identifying the problem they are addressing and highlighting the core purpose of their products.

Experts

According to Table 7.3, the highest weighted mean of 4.40 is associated with the statement "The product 'EXPERIENCE' stated in the UVP is true," which is interpreted as "Very Highly Manifested" (VHM). Conversely, the lowest weighted mean of 3.20 pertains to the statement "The UVP Model helps to understand how the SE products will be effectively marketed," which is interpreted as "Moderately Manifested" (MM).

Table 7.3: Experts' Acceptability of UVP Model for Selected Social Enterprises (SE)

Parameters	Mean	Rank	Interpretation
1. The "NEEDS" of customers pertaining to the product were properly addressed by the UVP Model.	3.60	7	HM
2. The UVP Model accurately stated the "PAIN" points of the customers.	3.60	7	HM
3. The statements referring to "GAINS" of the customer when purchasing the product are plausible.	4.00	3.5	HM
4. The product "EXPERIENCE" stated in the UVP are true.	4.40	1	VHM
5. The product "FEATURE" was accurately incorporated in the UVP Model.	3.60	7	HM
6. The "BENEFITS" gained from purchasing the product are factual.	4.00	3.5	HM
7. The UVP Model provides a clear connection between the SE and customers.	3.80	5	HM
8. The SE's Unique Value Proposition is effectively emphasized in the model.	3.40	9	MM
9. The UVP Model helps to understand how the SE products will be effectively marketed.	3.20	10	MM
10. The UVP Model is easy to understand.	4.20	2	HM
Average Weighted Mean	3.78		HM

According to Rintamäki and Saarijärvi (2021), a value proposition is a communication device that connects an organization with its customers and their expectations for delivering superior value. It creates a shared understanding necessary for forming a long-term relationship that meets the goals of both the company and its customers. Importantly, the concept of a value proposition as a communication tool extends beyond marketing and human resources communications; it also has a management function that should result in achieving concrete goals that guide resource allocation. Social enterprises (SEs) can capture the strategic role of proposing value through two main areas of focus: communicating the offering and managing the organization around the creation of customer value. The aforementioned literature can be utilized to further enhance the UVP models, as it addresses the importance of communication in aligning organizational efforts with customer expectations. Effective marketing of the UVP can only be achieved if the SE clearly understands the needs of its customers.

Overall

The highest weighted mean of 4.71, as shown in Table 7.4, is associated with customers' acceptability and is interpreted as "Very Highly Manifested" (VHM). Conversely, the lowest weighted mean of 3.78 pertains to experts' acceptability and is interpreted as "Highly Manifested" (HM).

Table 7.4: Summary of Acceptability of UVP Models

Parameters	Customers			Management			Experts		
	Mean	Rank	Interpretation	Mean	Rank	Interpretation	Mean	Rank	Interpretation
1. The "NEEDS" of customers pertaining to the product were properly addressed by the UVP Model.	4.40	10	HM	4.23	6	HM	3.60	7	HM
2. The UVP Model accurately stated the "PAIN" points of the customers.	4.67	6	VHM	4.17	8	HM	3.60	7	HM
3. The statements referring to "GAINS" of the customer when purchasing the product are plausible.	4.53	9	VHM	3.87	10	HM	4.00	3.5	HM
4. The product "EXPERIENCE" stated in the UVP are true.	4.80	4	VHM	4.27	5	HM	4.40	1	HM
5. The product "FEATURE" was accurately incorporated in the UVP Model.	4.87	3	VHM	4.17	8	HM	3.60	7	HM
6. The "BENEFITS" gained from purchasing the product are factual.	4.93	1.5	VHM	4.30	4	HM	4.00	3.5	HM
7. The UVP Model provides a clearconnection between the SE and customers.	4.73	5	VHM	4.33	3	HM	3.80	5	HM
8. The SE's Unique Value Propositions effectively emphasized in the model.	4.67	7	VHM	4.37	2	HM	3.40	9	MM
9. The UVP Model helps to understand how the SE products will beeffectively marketed.	4.60	8	VHM	4.17	8	HM	3.20	10	MM
10. The UVP Model is easy to understand.	4.93	1.5	VHM	4.67	1	VHM	4.20	2	HM
Overall	4.71		VHM	4.25		VHM	3.78		HM

Legends:

4.50–5.00 –Very HighlyManifested (VHM)

3.50– 4.49– HighlyManifested (HM)

2.50–3.49–ModeratelyManifested(MM)

1.50–2.49 –FairlyManifested (FM)

1.00– 1.49– PoorlyManifested (PM)

Based on the interview with marketing experts, there's a clear need to emphasize the differentiation of social enterprise (SE) products from competitors. The unique value proposition (UVP) should clearly communicate what sets the product apart. Research by Correa et al. (2021) shows that marketing actions with a cause are effective if they align with millennials' social ideals. Additionally, other studies (Duarte and Silva, 2018; Aggarwal and Singh, 2019) highlight the positive effect of environmental and social responsibility actions on consumer attitudes. Leveraging these insights can enhance UVP models by focusing more on the causes behind the products and developing unique ideas to convey the SE's purpose to attract a larger market.

CONCLUSION

PROBLEM NO. 1 *Describe the attitude of customers towards selected social enterprise products along quality, design, price, social impact, and intention of buying.*

Green-Tie Enterprise: Usbong Pencils

1. **Quality:** Customers appreciate the Usbong Pencils for their ease of grip, which requires less pressure while writing or drawing.
2. **Design:** The unique feature of being a "plantable pencil" with a seed at the end, rather than an eraser, makes it attractive.
3. **Price:** Despite a price difference, customers perceive locally made products as valuable and are willing to pay more.
4. **Social Impact:** Customers value the connection to community empowerment and appreciate the business's role in supporting local communities.
5. **Intention of Buying:** Usbong Pencils are seen as suitable gifts or souvenirs rather than personal use items.

Gugu Bags: Backpack

1. **Quality:** Customers value the Gugu Bag for its durability and the use of strong jute fabric that supports local employment.
2. **Design:** The inclusion of a laptop compartment is seen as beneficial for students and young professionals.
3. **Price:** Even with a higher price, customers are willing to buy due to the perceived value and local craftsmanship.
4. **Social Impact:** The bag's contribution to community income and preservation of weaving culture enhances its appeal.
5. **Intention of Buying:** Gugu Bags are considered more suitable for personal use rather than as souvenirs.

Hataw Handwoven Products: Hataw Blanket

1. **Quality:** Customers appreciate the durability of Hataw Blankets, which are made from scrap fabrics and support local weavers.
2. **Design:** The cultural and artistic designs of the blankets are valued.
3. **Price:** Despite a higher price, customers find the quality of Hataw Blankets superior to other options.
4. **Social Impact:** The support for local weavers and environmental impact adds to the product's appeal.
5. **Intention of Buying:** The blankets are viewed as ideal souvenirs or gifts due to their uniqueness.

Karaw Craftventures Products: Plush Toys

1. **Quality:** The durability and careful production of Karaw Plush Toys are appreciated.
2. **Design:** Customers like the colorful and playful designs.

3. **Price:** While locally made and more expensive, customers understand and accept the pricing.
4. **Social Impact:** Support for local artists and environmentally friendly practices enhance the product's value.
5. **Intention of Buying:** Plush Toys are seen as good gifts or souvenirs with a compelling backstory.

PROBLEM NO. 2 *Develop a unique value proposition for each social enterprise.*

Green-Tie Enterprise: Usbong Pencils The UVP of Usbong Pencils emphasizes their eco-friendliness and affordability. They offer a lighter, cost-effective option with the added benefit of plantable seeds, which enhances customers' positive self-perception by contributing to environmental causes.

Gugu Bags: Backpack Gugu Bags' UVP focuses on durability and functionality, including a laptop compartment made from strong jute fabric. It supports local employment and preserves weaving culture, offering customers both practical use and a contribution to community welfare.

Hataw Handwoven Products: Hataw Blankets Hataw Blankets' UVP highlights their high quality and cultural design, which supports local weavers. Despite a higher price, the blankets offer superior quality and cultural value, making them ideal for gifting and contributing to local craftsmanship.

Karaw Craftventures Products: Plush Toys The UVP of Karaw Plush Toys emphasizes their durability, colorful design, and the support for local artists. The toys are crafted from upcycled materials, providing sustainable livelihood and environmental benefits, making them appealing as gifts with an inspiring story.

PROBLEM NO. 3 *Determine the validity of the unique value proposition (UVP).*

1. **Customers:** They value the UVPs for their truthfulness and clarity. The directness and practical aspects of the UVPs make them effective.
2. **Management:** They find the UVPs understandable, which is crucial for aligning their operations with the social enterprise's goals.
3. **Experts:** The clear presentation of product experiences is vital. Understanding what the product entails helps SEs leverage their UVPs effectively.
4. **Overall:** The most consistent feedback across all stakeholders is the importance of UVPs being understandable, which remains a key parameter.

RECOMMENDATIONS

Green-Tie Enterprise: Usbong Pencils

1. Improve the pencil's body to make it sturdier while maintaining its light weight.
2. Emphasize the eco-friendly aspects of Usbong Pencils in marketing efforts.
3. Consider a price increase to account for inflation, within the accepted range of 25%.
4. Expand employment to include out-of-school youth and senior citizens.
5. Enhance packaging with cultural relevance to better position the pencils as souvenirs.

Gugu Bags: Backpack

1. Improve texture and finish without compromising durability.
2. Introduce more product variations and designs, and explore online marketing to manage costs.
3. Consider offering repair services and expanding support to urban marginalized communities.
4. Diversify product designs for different demographics, including children and parents.

Hataw Handwoven Products: Hataw Blanket

1. Focus on enhancing the blanket's texture and provide care instructions.
2. Add features such as a traveler's blanket or convertible pillow blanket.
3. Invest in improved packaging and consider establishing a weaving hub to attract tourists.
4. Enhance packaging to make the blankets more appealing as gifts.

Karaw Craftventures Products: Plush Toys

1. Capitalize on the product's durability and softness.
2. Stay updated with design trends and use vibrant colors.
3. Explore more affordable materials or donations to adjust pricing.
4. Market the toys' unique story and potential as souvenirs with bulk deals.

For the validity of UVPs:

1. Increase focus on marketing efforts and promote the UVPs effectively.
2. Specify individual needs in UVPs to address them more directly.
3. Ensure that UVPs include gains that resonate with customers for long-term appeal.

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