Factors Impinging Upon Thai Glassware Industry from Modern Wholesale and Retail Trades

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Abstract - This Participatory Action Research (PAR) on the factors affecting Thai glassware industry manufacturers and modern wholesale and retail trades emphasized the unfair transactions and aimed to study and analyze the factors affecting the glassware manufacturers and modern wholesale and retail trades in order to find some approaches, measures or policies to ameliorate the existing problems. Using the Delphi technique, this research was divided into three phases as follows:

1) The collection of qualitative data from the researches related to the manufacturers and modern wholesale trades for formulating a set of quantitative questionnaires to be administered with 499 respondents. The questionnaire items cover 6 factors: (a) government policies; (b) laws, rules and regulations; (c) relevant supporting agencies; (d) modern wholesale and retail trades; (e) glassware manufacturers; and (f) consumers. It was found from this phase that the factors impinging upon the manufacturers and modern wholesalers and retailers of glassware industry score high on government policy with an average score of 4.6 out of 5.0. These indicated that the respondents wish to resolve the government policy first. 2) This phase was involved with the in-depth interviews of 17 stakeholders on the problems of the government policy impacting the problem and problem resolution. The stakeholders were asked to prioritize the problem and problem resolutions whereas the measures were set under 8 headings: (a) development of effective manufacturers in terms of production costs, prices and technology investment; (b) development of manufacturers capable of increasing their markets, market channels and market shares, both domestic and international the country; (c) development of manufacturers to organize their associations and organizations in order to augment their bargaining power; (d) development of laws, rules and regulations on serious and concrete competitiveness or competitive advantage; (e) set up the regulatory agencies and empower them to regulate/control and bring to court the unfair business transaction on wholesale and retail trade; (f) decrease and lessen the volume to glassware industry trade by means of control through laws; (g) tax reduction policy on the products and services; and (h) set up a standard price on the products and service. 3) The research in phase III is a synthesis/review of the 8 headings appeared in phase II. The mean of each heading was 3.5-4.5. The relationship between and among variables based on a Pearson’s r value are then used for the eight recommendations via the development of effective manufacturers making them capable in their dealings in terms of cost, technology and innovation, marketing, investment and association formation, together with improvement of relevant laws, regulation, and concrete law enforcement.

Keywords - Modern Trade, Traditional Trade, Multinational Corporations,
Glassware Manufacturers, Table ware Products

I. BACKGROUND AND RATIONALE

The global exportation of the Thai glassware industry is currently around Bt. 1,715 millions. The long history of the glassware industry began when an experimental glass blowing factory was founded in 1946 under the affiliation of the Office of the Permanent Secretary for Defense. Later, the Glass Organization was established as a state enterprise in accordance with the Glass Organization Establishment Royal Decree B.E. 2498 (1955). Since the glass manufacturing in 1953 was extremely prosperous, the first glass factory was founded by the private sector with the joint investment with an Australian company under the name of “Thai Glass Manufacturing Co., Ltd.” In 1973, the company’s name was changed to “Thai Glass Industries Co., Ltd.” and “Thai Glass Industries PCL.” respectively. Later, Thai Glass Industries PCL, upon the growth of the glassware industry, has established its two glass factories, namely, Bangkok Glass Co., Ltd., and Siam Glass Industry Co., Ltd.

A. Objectives

1. To investigate the problems related to the Thai glassware industry caused by the modern wholesale and retail trades of the multinational corporations
2. To study and analyze the factors affecting the Thai glassware manufacturer caused by the modern wholesale and retail trades of the multinational corporations
3. To study and propose the appropriate guidelines in solving the Thai glassware industry affected by the modern wholesale and retail trades of the multinational corporations

B. Expected Benefits

1. The research findings can be used as the appropriate guidelines in managing the public policies among the Thai glassware manufacturers and the modern wholesale and retail trades of the multinational corporations
2. The competitive capability and strength can be enhanced to the Thai glassware manufacturers.
3. The unfair transactions among the wholesale and retail trades of the multinational corporations and the glassware manufacturers can be reduced.
4. The whole supply chain processes can be fairly connected from the glassware manufacturers, the distributors, and the consumers.

II. ANALYSIS OF RESEARCH FINDINGS

According to the 3 phases of the research using the Delphi technique, it found that the first phase was involved with the qualitative data collection from the relevant researches related to the factors affecting the Thai glassware manufacturers and the modern wholesale and retail traders. The case study of the glassware industry was applied. The data were synthesized as the questionnaire to be further used as the quantitative data. It could be noted that most of the questionnaire respondents were female (70%), aged 30-35 years old (50%), and married (63%). Most of them worked in the central region (60%), obtained the bachelor’s degree (71%), graduated from the field of political science (36%), worked as the private company employees (58%), gained the salary in the amount of Bt. 10,000 - 20,000 (62%), and were the representatives of the consumers (77%). Most of the respondents agreed that the current government policies, laws and regulations supported the modern wholesale and retail traders. They also agreed with the amendment on the government policies, laws and regulations. Most of the respondents representing the Thai glassware manufacturers (5%) encountered the problems while selling the products to the modern wholesale and retail traders. They then agreed that the current government policies, laws and regulations supported the modern wholesale and retail traders. They also agreed with the amendment on the government policies, laws and regulations. On the other hand, most of the
respondents representing the modern wholesale and retail traders (18%) viewed that the current government policies, laws and regulations mostly supported the consumers whereas the laws and regulations among the glassware manufacturers and the modern wholesale and retail traders should be amended. In short, all the respondents paid the highest importance to the government policies affecting the glassware manufacturers and the modern wholesale and retail traders.

The second phase of this research was the in-depth interviews of 17 stakeholders, namely, the glassware manufacturers and the modern wholesale and retail traders affected by the government policies. The aforementioned in-depth interviews were involved with the problems caused by the government policies and problem-solving guidelines. Then, the 17 stakeholders were informed about the summary of the problem-solving guidelines. These stakeholders were then asked to set the priorities of the problem resolutions pertaining to the government policies causing the problems to the glassware manufacturers and the modern wholesale and retail traders in each aspect. The data were adjusted and verified resulting in the 8 headings of measures or problem-solving policies. The analysis of this part showed that the public sector emphasized the problem-solving on the capacity development, marketing, and membership of the glassware manufacturers to enhance their bargain power against the modern wholesale and retail traders.

Finally, the third phase of this research was a synthesis/review of the 8 headings appeared in the second phase for the refined verification of appropriateness. According to the opinions of the samples, they paid importance to all items (mean = 3.51 - 4.50). However, the samples were not correlated in responding the questionnaire of each group. The respondents representing the glassware manufacturers paid the highest importance (4.96) to the policies on establishing the direct agency with the control authority to deal with the unfair transactions among the glassware manufacturers and the modern wholesale and retail traders. On the other hand, the representatives of the modern wholesale and retail traders paid highest importance (4.94) to the policies supporting the tax reductions and services while the representatives of the consumers paid highest importance (4.52) to the policies on setting the product standard prices. And finally, the respondents representing the public sector paid highest importance (4.82) on the policy of building the membership or union as the association or organization of the glassware manufacturers to enhance the bargain power against the modern wholesale and retail traders.

A. Policy Suggestions

- The manufacturers should be developed to achieve the highest efficiency in terms of the costs, prices, and technology investment.
- The manufacturers should expand their markets and marketing channels with higher marketing shares.
- The manufacturers should be grouped as the association or organization to enhance their bargain power against the modern wholesale and retail traders.
- The laws (acts) regarding the trading competition should be more concretely, seriously, and efficiently amended.
- The growth of the modern wholesale and retail trades should be limited and controlled by the enforcement of laws (acts) whereas the public sector should be more rigorous to the modern wholesale and retail trades.
- The policies on the tax reductions and standardized pricing should be more promoted whereas the taxes of the products domestically manufactured should be reduced as the incentives.

B. Practical Suggestions

The Thai glassware manufacturers should pay more attention and importance on improving their business potential in terms of the cost reductions, capacity enhancement, product standardization for global acceptance, branding, innovation, marketing both
domestically and internationally, for the effective and sustainable operations. The manufacturers should follow up the news and knowledge provided by the public sector and the private sector. They should be also flexible and adjust themselves to the competitive business, external conditions, and changing environment with the improvement on their outstanding characteristics like manufacturing capability, competitive services, and access of target groups for the highest satisfaction of the customers.

REFERENCES

(Arranged in the order of citation in the same fashion as the case of Footnotes.)


