THE PROBLEM AND SOLUTION GUIDELINES FOR EXPORT BUSINESS OPERATIONS OF SUITCASE MANUFACTURING INDUSTRY IN THAILAND

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Abstract - The purposes of this research were 1) to study the generality of export suitcase manufacturing industry in Thailand 2) to examine the operating results of export suitcase manufacturing industry in Thailand 3) to study the level of problems of export suitcase manufacturing industry in Thailand 4) to investigate the relationship between the generality of export suitcase manufacturing industry in Thailand, and the operating results of export suitcase manufacturing industry in Thailand and 5) to investigate the factors that affected to the export suitcase manufacturing industry in Thailand. The sampling of this research consisted of 56 managers or managing directors of export suitcase manufacturing industry in Thailand. The instruments used in this research was a questionnaire. The data were analyzed by frequency, percentage, mean, standard deviation and Pearson Chi-Square. Statistical was analyzed by computer. The results revealed that 1) the generality of export suitcase manufacturing industry in Thailand, most of them used more manpower than machine. The manufacturing industry produced by order from other company. The products have been exported to European Union, and most of the suitcase manufacturing industry has never been supported 2) the operating results of export suitcase manufacturing industry in Thailand showed that the number of production was less and sales value was decrease when compare with 2015 and 2016 3) the level of problems of export suitcase manufacturing industry in Thailand in the overall was at high level when considered in each aspect. There was marketing aspect, production aspect, exporting aspect and financial aspect, respectively in the level of problems 4) the relationships between the generality of export suitcase manufacturing industry in Thailand, divided by working aspect and production aspect, and the operating results of export suitcase manufacturing industry in Thailand were related at the statistical significance level of .05 and 5) the factors affected export business operations of suitcase in Thailand were production aspect and marketing aspect at the statistical significance level of .05.

Keywords - Suitcase Manufacturing ,Business Operation, Industry, Export

I. INTRODUCTION

Suitcase manufacturing industry was in the fashion industry that changed rapidly by trend of pattern of the product and quality of the product. These were resulted in high level of world market competition. Although the value of suitcase line was not high when compared with the value of other line product industry, suitcase manufacturing industry was co-operate with other manufacturing industry such as tanning leather industry, textile industry and chemical industry. Suitcase manufacturing industry was downstream of the process such as bleached leather and nylon plastic. The government promoted to tourism in Thailand and international influenced the travelers demanded to use and buy the suitcase. The manufacturers have improved trend of colors for serving the customers demands. These improvement showed that the business operations of suitcase manufacturing industry in Thailand might continuous growth. Due to business operation of suitcase manufacture had high rate of competition, some competitor could not. They had to decrease the production line which resulted in the business operations of suitcase manufacturing industrial output index in overall in Thailand dropped. According to export problems, there were effected the production, using machine, export index slow down. In addition, these problems affected the export value of suitcase decreased steadily. It was significance study from the export business operations of suitcase manufacturing industry to study for factors that affected export business operations of suitcase manufacturing industry for beneficial information for the government, to plan and lay down measures or set the policy which were beneficial for solve the business problems of suitcase manufacturing industry in Thailand, Information and Communication Technology Center Office of the Permanent Secretary Ministry of Commerce (2014) [1].

According to general situation and these problems, the researcher was interested to study and find the factors to solve the problems as a model for development and improvement the curriculum and producing graduates or manpower for suitcase manufacturing industry in Thailand on the need of enterprises and the relevant authorities. The research results might use to solve the problems to promote the production and develop the industry. This was consistent with the strategic for economic restructuring to be balanced and sustainable. The economic restructuring was for increasing productivity, product and service value based on wisdom and Thai for ASEAN Economic Community (AEC) since late 2015.

II. METHODOLOGY

Method

2.1. Purpose of the research

1) to study the generality of export suitcase manufacturing industry in Thailand 2) to examine the operating results of export suitcase manufacturing industry in Thailand 3) to study the level of problems of export suitcase manufacturing industry in Thailand 4) to investigate the relationships between the generality of export suitcase manufacturing industry in Thailand and the operating results of export suitcase manufacturing industry in Thailand and 5) to investigate the factors that affected to the export suitcase manufacturing industry in Thailand.

2.2. The study variables

Independent variables included: 1. generality of suitcase manufacturing industry such as product output and types of products 2. factors of business operations of suitcase manufacturing industry in Thailand such as production, financial, market, export.

Dependent variable was sales volume of suitcase manufacturing industry in Thailand such as 1. Quantity of suitcase production and 2. Sales value of suitcase

2.3. Population/Sample

The population in this study was 73 managers and managing directors of export business of suitcase manufacturing industry who were the member of Department of Export Promotion Ministry of Commerce in 2015. This study collected the data from all number of the population. However, the sample gave the data only 56 to qualify as a sample of this study.

2.4. Data collection

According to all number of population, the data could be collected 56 samples (77%) which was used as a sample of this study.

2.5.Data analysis

The data analysis on factors of export business operation of suitcase manufacturing industry was on the questionnaire with Rating Scale which analyzed by mean ($\overline{X}$) and standard deviation (S.D.) which were on the 5 rate scale by Likert (1999) [2] interpreted the data and divided the average data on the factors of export business operation of suitcase manufacturing industry by Best (1981) [3] analyzing the relation between generality of export suitcase manufacturing industry and operating results of export suitcase manufacturing industry in production output and kind of products were analyzed by statistic od Pearson Chi-Square. The questionnaire was open ended which was analyzed by content analysis, concluded in frequency and organized the data.

III. RESULTS

1. The study on generality of export suitcase manufacturing industry in Thailand found that 58.90% of enterprises used manpower for production, 66.10% was domestic sales and exports, and 55.40% was original equipment manufacturer (OEM). The main export market was the European Union 57.10%, and 66.10 % was non- supported manufacturer.
2. The study on export business operation of suitcase manufacturing industry in Thailand revealed that 44.60% of suitcase product reduced, and 42% of sale value decrease when compare with 2015 and 2016.
3. The results from data analysis on factors affected export business operation of suitcase manufacturing industryin Thailand showed in overall and aspect in Table 1.

Table 1 The average, standard deviation and level of factors in export business operationsof suitcase manufacturing industry in Thailand in overview and aspects

Factors in export business operationsof suitcase manufacturing industry	$\overline{X}$	S.D.	Level of Problems
Production	3.71	0.08	high
Materials	3.94	0.25	high
Labors	3.71	0.14	high
Technology for manufacturing	3.63	0.14	high
Manufacturing process	3.60	0.08	high
Financial	3.66	0.16	high
Marketing	3.89	0.13	high
Export	3.70	0.14	high
Total	3.72	0.05	high

Table 1 showed that the overview problems of most enterprises were at high levels when considered in each aspect which were production, financial, marketing and export respectively in descending order.

4. The study on relations between generality of export suitcase manufacturing industry and sales volume of export suitcase manufacturing industry were as follows:

4.1. Production output showed that the relation between product output and sales volume of export suitcase manufacturing industry were at P=.000 which less than .05. It can be concluded that was correlated with the assumption. The product output was related sales volume of export business operation of suitcase manufacturing industry at the statistical significance level of .05.

4.2 Types of product revealed that the relation between types of product and sales volume of export

suitcase manufacturing industry were at P=.000 which less than .05. It can be concluded that was correlated with the assumption. The types of product was related sales volume of export business operation of suitcase manufacturing industry at the statistical significance level of .05.

5. The study on factors affected export business operations of suitcase manufacturing in Thailand were as following:

5.1. Production affected with export business operations of suitcase manufacturing industry in Thailand at the statistical significance level of .05. in 4 issues 1) quality of raw materials 2) quality of secondary raw materials 3) quantity of secondary raw materials and 4) quantity of craftsmen.

5.2.Financial was not affected with export business operations of suitcase manufacturing industry in Thailand at the statistical significance level of .05.

5.3. Marketing affected with export business operations of suitcase manufacturing industry in Thailand at the statistical significance level of .05. in 2 issues 1) the ability of marketers and 2) source of suitcase fashion trend.

5.4. Export was not affected with export business operations of suitcase manufacturing industry in Thailand at the statistical significance level of .05.

DISCUSSION&CONCLUSION

1. The overview problems of enterprise in production was at high level when considered in each aspect was at high level in descending order which were material, labor, technology for manufacturing and manufacturing process. The finding correlated with Natcha (2008) [4]. This research studied on Education adaptability of enterprises Leather Thailand for export found that the entrepreneurs of leather products faced the problems with designing technique and design, quality of leather so the leather was imported from other country. In addition, customers who ordered, had ever ordered change the production base to China, India because the labor cost was lower, but same quality as Thailand.

2. The overview problems of enterprise in financial was at high level when considered in each aspect was at high level that was consist with Thanthip (2015) [5].This research studied on The impact of the economy major trading partners on the economy of Thailand using variable in this study included Gross Nation Product (GNP), short-term interest rates, inflation exchange and crude oil price in the world market comparing the data with Thailand, China, Japan, Singapore, Malaysia and the US. The results showed that every variable was interrelation in long term. Malaysia and The US inflations had the hidden external factors. When consider in each aspect found that Gross Nation Product (GNP), short-term interest rates, and exchange of Singapore had an effect on Thailand when compared with other country.

3. The overview problems of marketing was at high level when considered in each aspect complied with Economic Research and Training Center (2008) [6]. conducted on policy research, the assessment of trade liberalization for SMEs case study: FTA ASEAN European Union in leather industry and merchandise using for analysis Thai SMEs potential in European Union market. The results showed that the manufacturer did not have their own brand, so they cannot add the product values. Although, European Union had more purchasing power as this was the market for industrial products, there were standard regulation for trading that was the trade restriction.

4. The overview problems of export enterprise was at high level. Most of the enterprise found the problems with export accorded with Boonyakorn [7], studied on The impact of macroeconomic factors on the volatility of the value of exports and foreign direct investment in Thailand, revealed that the variable of volatility of exchange rate affected with export in The US, Malaysia and Denmark. The volatility of income of trading partner impacted with The US, Japan and Canada. The volatility of export price when compared with The US, and the study of affected of volatility of direct investment from other countries revealed that all variables were correlated with volatility of direct investment from other country. The volatility of exchange rate affected with The US, Japan, Malaysia and Denmark.

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