

Parkorn Udom 2007: The Competitiveness of Automotive Parts and Accessories Industry of Thailand. Master of Economics, Major Field: Economics, Department of Economics. Thesis Advisor: Mr. Jeerasak Pongpisanupichit, Ph.D. 103 pages.

This research aims to investigate the competitiveness of automotive parts and accessories industry of Thailand concerning its performance and factors determining the competitiveness of automotive parts and accessories industry of Thailand compared with China in Japan Market. The research was composed by using data during 2000-2006 to compare and analyze the competitiveness between Thailand and China according to Michael E. Porter's Diamond Model.

The resulting showed that Thailand was not in the position to compete with China in the Japan market because not only they were unskilled labor intensive, the same as China but facing higher labor cost than China, but also the logistic between China and Japan is less costly and faster than Thailand to Japan. Moreover, China was more abundant with raw materials and had large domestic market. Since all auto manufacturers tended to use global sourcing and supply chain in running their business, therefore Japan preferred to import the automotive part and accessories from China in stead of Thailand and China hold the highest import market share in Japan market. However, Japan still imported the said auto parts form Thailand because the manufacturers were the affiliateser joint ventures of Japan firms. Furthermore, due to differential of series of Japanese car in Japan and Thailand, some auto parts and accessories which were produced in Thailand were not comply with those cars.

In order to be more competitiveness, Thai government should render continuously more support to the said business especially the required raw material field. For private sector, they should pay more attention on research and development in order to be raise the capability in using high technology in their productions. In addition, Thai government should also negotiate with other countries for a new market and develop their port with more convenience.

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Thesis Advisor's signature

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