

ABSTRACT

TE 133383

The thesis entitled "Financial Cost Benefit Analysis of Internet Service Sub-Providers in Mueang District, Chiang Mai Province" is undertaken with three objectives. First, it is aimed to know financial cost, gross benefit and net benefit. Second, it is designed to know possibility for investment. Third, it is benefit to build up data for establishments and businesses related to internet service businesses. It is investigated through six dimensions necessary for the project analysis, such as technique, organization and business management, social, marketing, economics, and financial dimension, with emphasis on the financial one. Financial analysis is apply in order to find out Net Present Value, Internal Rate of Return, Benefit Cost ratio and Payback Period. The findings are used as an indicator. Through constructed questionnaire, data are collected from 38 entrepreneurs in Mueang District, Chiang Mai Province. The entrepreneurs are then divided into three groups: the small-scale, the medium-scale and the large-scale entrepreneurs.

Results of the study have revealed that the project of the above-mentioned three sizes is considered possible for investment because its net current value has come out positive. The rate of internal benefit is higher than that of the interest fixed at 12 percent during the study period. Likewise, the proportionate benefit per cost unit is higher than one percent. The sensitivity

analysis which classified into two cases: first, income declines by 5 percent, the project of these three sizes is unsuitable for investment: second, income increases by 5 percent, such a project is suitable for investment. However, if analysis is made of durability of the expense increase, it is found that the small-scale project has durability of the highest increase in expenses by 5.12 percent; the medium-scale project, 5.06 percent; and the large-scale, 6.27 percent.

It is concluded that the investment in the internet service in Mueang District, Chiang Mai Province is considered possible under the conditions of case study as determined. However, those who want to make an investment should consider a number of related factors in different dimensions apart from the financial one. In particular, it should be focused on technique, organization and business management, social, marketing, and economic dimension in order to help make decision and assess possibility of the project and its effectiveness.

This study was made when the internet service had been operated during 1999–2000 when this kind of business in Chiang Mai Province was not much found. Yet, at that time, the service charge was high if compared to the present. Besides, the interest rate was comparatively high as well. As a consequence, it is more likely that if feasibility study is conducted of the present situations, results of the study will be different from those of the previous one. Hence, for further studies the changing data should be collected in order to know possibility of this business under such circumstances.