

The purpose of this thesis is to study competitive strategies of vegetable oil producers in Thailand during 1985-1990

Time series data are analysed descriptively. A game theoretic model of strategic behavior is tested against the data to identify important strategic variables.

The results show that the vegetable oil industry is prone to a situation of excess supply due to the government's policy as follows :

(1) to promote the soybean production for domestic consumption and replace soybean import in response to the demand of the animal feed industry.

(2) to promote the palm oil production, so the supply of palm oil increased the market also.

Vegetable oil producers compete to increase their market shares by using the price strategies. Price competition occurs among both producers of the same and different kinds of vegetable oils.