# THE SATISACTION OF PLASTIC INJECTION MOLDING INDUSTRY IN CHONBURI PROVINCE OF THAILAND FOR KOREAN INVESTORS



A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE GRADUATE SCHOOL
STAMFORD INTERNATIONAL UNIVERSITY
MASTER OF BUSINESS ADMINISTRATION
ACADEMIC YEAR 2014

# THE SATISACTION OF PLASTIC INJECTION MOLDING INDUSTRY IN CHONBURI PROVINCE OF THAILAND FOR KOREAN INVESTORS



A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE GRADUATE SCHOOL
STAMFORD INTERNATIONAL UNIVERSITY
MASTER OF BUSINESS ADMINISTRATION
ACADEMIC YEAR 2014



© 2014 Jungseok Yeon All Rights Reserved

# The Research has been approved by Stamford International University The Graduate School

Title:	The Satisfaction of Plastic Injection	n Molding Industry in Chonburi
	Province of Thailand for Korean In	nvestors
Researcher:	Jungseok Yeon	
The Thesis (	Committee:	
Chairman		
	(A	ssoc.Prof.Dr.Chow Rodjanasang)
Advisor		
		( Dr. Apitep Saekow )
Committee M	Member	
	(Dr.	Boonyarat Samphanwattanachai)
Committee N	Member	
		Dr. Werayuth Charoenruengkit)
		( Dr. Apitep Saekow)
		Dean of Graduate School
		November, 2014

**Thesis title:** The Satisfaction of Plastic Injection Molding Industry in

Chonburi Province of Thailand for Korean Investors

**Researcher:** Jungseok Yeon **Student ID**: 013231008

**Degree:** Master of Business Administration

**Thesis advisors:** Dr. Apitep Saekow

Academic year: 2014

#### **Abstract**

The purpose of this study is to analyze the impact of the plastic injection molding industry on Korean investors. This paper investigates the important factors for the province of Chonburi, Thailand. There are four dimensions, these are; location advantages, infrastructures satisfaction, effective good labors and government relationship. These four dimensions all affect Korean investors, allowing them to maintain an influence in the Thai market and spread their investments in the south eastern market.

On the basis of these four dimensions, my studies analyze the strength of the Thai market. It identifies AKFTA for materials and machines importation. To explore the economic influences between the above factors, retentive data is collected from Thai and Korean investors in the Chonburi province. This is used to gain insight into the world of FDI and BOI within the Thai market.

This methodology adapts the qualitative approach through questionnaires with the aid of the in-depth interview. It is analyzed to examine the deviation of results from correct research. The results appear to show that all four of the dimensions used in gathering my research on the FDI for centralized Thailand study. The Thai environment aids Korean investor's survival within the plastic injection molding of manufacture industry in Chonburi. This information I have gathered through extensive study of the Thai market, a market to which I had no previous knowledge before the commencement of this study. This study identifies the injection molding industry for Korean investors. The research implications of the study are also discussed in the framework of Korea and the ASEAN countries.

**Keywords:** Korean investors, Locations services, Infrastructures satisfaction,

Effective good labors, the Korean and Thai relationship for the Thai market,

ASEAN countries, FDI, BOI, FTA The plastic molding injection industry

#### **ACKNOWLEDGMENT**

I appreciate my professor; Dr.Apitep Saekow. He helps my thesis process while he is busy with his compact schedule. He gives suggestion to create my thesis what it the priority factors. I set a guideline to create a proper study. His advices figure out my research problem. I would like to thank Dr.Apitep Saekow. His knowledge is uncountable range. He is looking forward my proper thesis in the advance.

He dedicated to my study. I was interested in my academic area such as tutorial hours and related FDI in Thailand. It was wonderful period to investigate my research. I think that his invaluable support was energy to strive this thesis. His advices were the groundwork to complete an academic study.

Moreover, Dr.Apitep Saekow understood me who am an international student and non-native person. He helped me to design my lack of understanding and suggest various clearer definitions. I appreciate him and his advice to finish my successful master's thesis.

I would also like to express my gratitude for the faculty of MBA members for Stamford International University. Dr. Apitep Saekow, Dr. Martin Goerlich, Dr. Noel Jones shared their accumulated knowledge how to approach in methodology for my thesis. They developed my research skill and recommend me to become a proper study. They were my motivation. I respect them to teach inside of classes and outside of classes. I always appreciate them to give many academic knowledge and their lives experiences. Finally, I want to send a thankful message for my parents. They support me many years in order to finish my study. They wait this honorable time. I respect their endeavors while I am studying in Stamford International University. They believe me who am an endurable person. I love them so much. I return my honor back my parents.

Jungseok Yeon

## **CONTENTS**

	Page
ABSTRACT	i
ACKNOWLEDGMENT	
LIST OF TABLES	
LIST OF TABLES	
LIST OF FIGURES	
LIST OF ABRIVATIONS	1X
CHAPTER 1 INTRODUCTION	
1.1 Background of the Study	
1.2 Statement of Problem	
1.3 Objective of the Study	
1.4 Research Question	
1.5 Benefit of the Study	
1.6 Scope of the Study	10
1.7 Limitation of the research	
1.8 Definition of Terms	12
1.9 Research Structure	12
CHAPTER 2 LITERATURE REVIEWS	
2.1 Korean investor's satisfaction	14
2.2 The perception of high quality environmental investment	15
2.3 To compare with JTEPA	17
2.4 Thailand policy for FTA and BOI	19
2.5 Preparation for Thailand in ASEAN and Korea's Comprehensive	
Economic Cooperation Agreement (AKFTA)	20
2.6 Global Manufacturing Competitiveness Index 2013 about Thailand	
2.7 The assessment of investment environmental risk for Thailand	23

# **CONTENTS** (Cont.)

	Page
	2.4
2.8 The literature of plastic molding injection industry	
2.9 Conceptual Framework	25
CHAPTER 3 RESEARCH METHODOLOGY	
3.1 Population and Sample size	
3.1.1 Study Population	27
3.1.2 Population size	
3.2 Respondent Design	
3.3 Research Instruments	31
3.4 Data Collection Method and Question Design	31
3.5 Content Analysis	32
3.6 Descriptive in-depth interview Analysis	_33
CHAPTER 4 RESEARCH FINDINGS	
4.1 The Interview Design	35
4.2 Findings of Research Questions	36
4.3. Studying Findings	
CHAPTER 5 SUMMARY, CONCLUSION & RECOMMENDATION	NS
5.1 Conclusion	58
5.2 Limitation of Study	63
5.3 Discussion	
5.4 Recommendation	
5.5 Future Research	
REFERRENCES	66

# **CONTENTS** (Cont.)

		Page
APPENDIX		
Appendix A	Interview Form For Discussion Guide	69
Appendix B	Non-Disclosure Agreement	71
Appendix C	Supplement Data Analyses	97
Appendix D	Outward Direct Investment	100
BIOGRAPHY		103

### LIST OF TABLES

Table 2.1 Global CEO Survey: 2013 Country manufacturing	
competitiveness index	23
Table 3.1 Companies' Amount of Selling size in Chonburi Province	29
Table 3.2 Criteria of Qualified Respondents	30
Table 4.1 Summary of Interviewees' Background	35
Table 4.2 What kind of positive or negative affect could be caused by plas	stic
injection molding industry investment in Chonburi province?	37
Table 4.3 How do you appreciate manufacturing investment for the plastic	c injection
molding industry in Chonburi province of Thailand?	38
Table 4.4 What location is better for future investment for injection molding	ing
companies in Chonburi province?	39
Table 4.5 How and what problems have you noticed with the Thai govern	ment in
preparing Korean investment in the plastic injection molding in	dustry?_40
Table 4.6 Do you have had problems with environmental factors to contin	iue
investment?	41
Table 4.7 Have you been conflicted with culture, environment and langua	.ge
barriers while investing in Thailand?	42
Table 4.8 What challenges do you face regarding FDI and BOI when you	
invest in Chonburi province of Thailand?	43
Table 4.9 What factor will influence the stability of investing in Chonburi	province
of Thailand?	44
Table 4.10 What advantage can you gain in the future plan from the invest	tment
of injection molding business?	45
Table 4.11 Could you recommend any ways to increase the satisfaction of	f Korean
investors?	46
Table 4.12 How do you get information, data and statistics, which help yo	ou to start
your business?	47

# LIST OF TABLES (Cont.)

Page

Table 4.13 How do you have a plan to prevent obstacles stopping your investmen	t
in Thailand?	48
Table 4.14 What suggestion do you want to provide FDI and BOI?	49
<b>Table 4.15</b> What do you appreciate from the ASEAN community in 2015?	50
Table 4.16 What would you adapt to AKFTA for the growth of investment?	52
Table 4.17 What kind of supports would you prefer from the Thai government,	
such as introductory workshops for increasing working performance?	53
Table 4.18 What impediments do you encounter when dealing with labor	
legislation?	54
Table 4.19 What kind of environmental factors help to maintain your	
injection molding business?	55
Table 4.20 Could you identify some tips that you need the working standard manual	ıal
for the plastic injection molding industry?	56
Table 5.1 Content Analysis: Comparison main factors with seven interviewees	61
Table 5.2 Content Analysis: Comparison main factors with seven interviewee	62

## LIST OF FIGURES

	Page
Figure 2.1 Conceptual Framework of Research	26



#### LIST OF ABRIVATIONS

FDI Foreign Direct Investment

ASEAN Association of Southeast Asian Nations

BOI Board of Investment

FTA Free Trade Agreement

OIE Office of Industrial Economics

JTEPA Japan-Thailand Economic Partnership Agreement

CTC Change in tariff classification

AKFTA ASEAN-Korea free trade agreement

E&E Electrical appliances and Electronics

ODI Outward Direct Investment

# CHAPTER 1 INTRODUCTION

#### 1.1 Background of the Study

Thailand is called "Muang Thai" by Thai citizens. It means to say "Land of the Free". Thailand's territory makes up a total area of 513,120 square kilometers. Thailand is located in the heart of Southeast Asia, which is made up of Laos and Cambodia to the east, Malaysia to the south and Myanmar to the west. This geographical advantage brings to flourish manufacturing industry in Southeast Asia. Chonburi province is the most popular industrial area. It is connected to eastern seaboard, which is Laem Chabang container port.

Chonburi province is located on the eastern coast of the Gulf of Thailand. It is only 80 kilometers from Bangkok. It takes only 1hour via the Bangkok–Chonburi Motorway. This good roadway in Chonburi helps to support the heart of the Eastern Seaboard Industrial Regions manufacturing and develop the plastic industry to improve and contribute to Thailand.

All industrial areas are designed by two government sections. "Industrial Estates are developed and managed by the Industrial Estate Authority of Thailand (IEAT) and Industrial Zones are under the Ministry of Industry (MOI). Industrial Parks are established entirely by the private sector, which is the Board of Investment (BOI)."(Thailandguru, 1999-2010)

Thai government steadily supports the plastic injection molding industry to lead the global market in the future. They have made a master plan for the continual growth of Thai plastics industry. This protects insures they maintain their success and grow in prosperity. They generate industrial balance to enhance business from secure market. It is steadily growing and having an influence on the Thai market.

Thai government offers a range of trade and non-tax incentives from The Board of Investment (BOI) for foreign investors. It takes the tax benefits, which exempt or reduce duties on corporate income tax, raw materials and machinery that is not produced in Thailand. Moreover, foreign corporations fully hold the properties

ownership. It takes permitted incomes and remits of foreign currency from abroad. The Thai government gives maximum investment incentives because the plastic manufacturing industry in is especially important to the export trade of Thailand. (Boi, 2012) The Chonburi province is a rapidly industrialized zone which can boost the Thai economy. There are many manufacturing plastic parts and injection molding factories to produce high quality plastic products. The plastic industry of Thailand is emerging as fast-growing sectors because Thailand is one of the leading plastic manufacturing countries in the world. The Thai government strives to design an industrial environment for FDI. It goes to say that the plastic molding injection manufacturing business is a high value industry which has the potential to expand the domestic Thai economy.

This industry is highly valuable and necessary. It is needed to improve Thailand's GDP and in turn the lives of its citizens and work force. Thailand has to concentrate on the plastic molding injection industry and the factories that produce plastic surface products such as household electric appliances and automobiles. It is an evident fact that Thailand must maintain current FDI and give the complex world of the plastic product market opportunity to expand. Thailand needs electronic technologies manufacturing and a highly skilled engineers. It is true that good production secures the need and desire for future business. This influences Thai economic growth. Recently, Thailand has become an important plastic producer in the global trade market. The Thai government has invested in plastic manufacturing for a few years. There are three sectors, which are electrical appliances and electronics and auto motives. These two industries are globally affected by Thailand's plastic manufacturing industry. Thailand's electrical appliances and electronics are the second-biggest producer of air conditioners and fourth for refrigerators globally. This makes up 30 percent of Thailand annual export revenue. It is the equivalent of US \$54 billion after shipment.

Thailand's automotive industry is within the top 10 industries in its field in the world. Annually, it generates US\$897.38 million from the production of plastic for machine parts used in the manufacturing of automobiles. Thailand expects an output of 3 million individual parts in 2015. (Boi, 2012) It is all about the plastic manufacturing industry in Thailand, which is based on injection molding technology.

This process produces parts on a massive scale in a relatively short time compared to other sectors of the industry. Thailand's plastic injection molding manufacturing industry is one of the fastest growing businesses. It receives significant FDI by Japanese car manufacturers. Korean investors get opportunities to maintain and open plastic injection molding factories. They can do this as the products produced in these factories used in various fields of industry by large enterprises. Thailand especially is a hub country for industry within ASEAN in 2015. The plastic injection molding industrial investors will come to invest more funds. Investors think that Thailand is a more affordable region to find skilled workers.

Thailand is an attractive location to spread the ASEAN market from and trade out of. This factor influences the business strategic location of investors in the plastic surface industry.

Nowadays, the world market has moved from East Asia to South East Asia, It goes to say that the economic shift is permanent. Plastic industrial Investors research for valuable economies and Thailand's economy has continued to growth healthily. This improves how Thailand is viewed when investors are appropriating the current global economic landscape. It confirms large amounts of capital investments coming to South East Asia where many countries are not fully industrialized for plastic manufacture production. Most of investors know that the rising labor cost will influence profits. These countries are researching how to get out of economic crisis and find suitable solutions for recovery of their economic problems. Meanwhile, the ASEAN community is an emerging market; these countries have been growing up on average 5 percent every year. They pose a threat to China in Asia. The ASEAN community forms an economic organization; it helps to develop regional economies without country borders. The ASEAN market has a youthful population and low-cost for manufacturing. (Food industry Asia, 2014)

This research seeks to understand how Thailand's environment influences Korean investors taking into consideration: locations, services, infrastructures, satisfaction and the preparation for future business expansion factors. These elements help create attractive investment opportunities in Thailand and help the global economy to improve.

There are 10 member countries, which are: Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei, Myanmar, Cambodia, Laos, and Vietnam. (Association of Southeast Asian Nations, 2012) While the ASEAN community is growing up, Thailand gets numerous growth opportunities from plastic surface manufacturing industry. Likewise, Thailand is the geographical heart of South-East Asia. It connects with three emerging countries such as Myanmar, Laos, and Cambodia. Thailand is a bridge to connect the golden triangle and the Mekong River countries. They are planning future injection molding manufacturer and industrial factories while labor cost is growing year and year out in Thailand. However, suitable FDI is based on a good infrastructure. Thailand has much better security than neighboring countries regardless of the fact that it is more expensive to invest here initially than in neighboring countries such as Laos and Myanmar. Most investors set up headquarters in Thailand first then they expand their business to Great Mekong sub-religion countries such as Myanmar, Laos, and Cambodia.

Foreign investors are comfortable with these risks and they can find opportunities in these markets to avoid increasing investment risk. It is evident that Thailand's domestic market continues to accelerate despite factors, such as neighboring country's economic growth. This regional attraction brings investors looking to give FDI in the plastic injection molding industry. They become aware of Thai market position in ASEAN, which achieves advantages through experience and knowledge. Business trends in ASEAN are vital for these Thai regional advantages and continued growth in investments in Thailand.

However, there are a few disadvantages to investing in Thailand. Recently, many investors postponed coming to Thailand because they were worried about the Thai political crisis and military coup.

The coup d'état has mounted the 12th coup since 1932. Thai military sets the barricades at strategic locations around the city. It aims to prevent trouble between the two sides. Thai military declarations bring the country peace from political and social structure. (Quartz, 2014) Thailand's economy is struggling to grow year after year. It is an incredible situation that investment, consumption and government spending were all down. This is directly affected by government decisions. The political crisis

has prevented over \$15billion of investment projects and frightened foreign investors, which are the most important things to the rise of the Thai economy. (Time, 2014)

We do not know if this is right or wrong. In the Last few days, the Thai military has decided to take over the Thai government. Their purpose is to set up a new political system and work towards suitable reorganization. They want to get rid of corrupt politicians, who negatively affect development for the Thai economy because Thailand is one of the most corrupt countries in the world. According to the Corruption Perceptions Index 2013, Thailand ranked 102th in 177 countries. (Transparency International, 2014) It is a serious point and creates problems in the development of Thailand. It goes to say that the Thai government has to support FDI. These main factors obstruct decisions to invest huge amounts of capital. They recognize rational ideas. They must give public assurances for foreign investors. It influences everyone who will invest and will prepare the good proposal for investors. This helps them to make it a reality to work with Thai government.

The purpose of this study is to examine Chonburi province of Thailand for Korean investors, the key factors will be: location advantages, infrastructures satisfaction, effective good labor forces and government relation. These all positively affect and encourage Korean investors to maintain their FDI in Thai plastic molding injection industry and spread their investments in the southeast and global market. These three key factors will be discussed with Korean investors who are starting to invest or are maintaining capitals in Thailand presently or in the future. These three main points will be the subject of discussion in next part of this study.

Interviewees will objectively examine the location business advantage for The Thai government and Korean investors in the plastic injection molding industry. A researcher investigates the regional effect of Thailand to analyze important factors for Korean investors. It can identify what problems there are. It is a right solution that research is to find evidence of improvement. Accurate research helps Korean investors to avoid existent high risks. This will identify potential problems and testify to the potential problems of their strategies in the future.

In this approach, the first step of this study develops a research model to create theoretical concepts, which is a falsifiable theory. This will give relevant data which can be added to the literature.

#### 1.2 Statement of Problem

This study is all about understanding the concepts of the plastic surface manufacturing industry in Thailand for Korean investors. This study aims to identify factors which are essential to Korean investors when making the decision to give FDI and BOI for of plastic molding injection business. They identify the impact of several things on each factor, which will be able to assist further actions towards the success of plastic manufacturing industry from molding injection machine.

Especially, in Thailand, the plastic industry provides a major part of the overall economy. If the Korean investors are not satisfied with Thai business environment, they would not consider staying and determining their future investment. It means that Thailand and ASEAN have to enact valuable FTA's to free FDI and BOI from legal limitation. All expectations influence capitals and regional subsidy to rise. Therefore, Thai government has to appreciate the plastic surface manufacturing industry and the molding injection industry, which increases numerical trade for domestic economy.

This investigation aims to show how we can improve the economic value of the injection molding industry in Thailand through FDI from Korea. It separates all segments of the market, and will study different markets and concentrate on all possibilities.

This study aims to look at how the perceived quality of industry in Thailand, may influence the satisfaction of the Korean investors. It is very important for a Thai government to understand these factors, which will encourage more investors and maintain centric industry.

The specific purpose of this qualitative study is to identify the demographic characteristics of the Korean business people in the Chonburi province of Thailand. Thai government will support Korean investor's investment requirements so as to satisfy them and raise capital.

A researcher will compare Thailand and Indonesia. Aspects have been identified which will improve the plastic manufacturing industrial business environment. These aspects generate more trade and revenue for Thailand.

According to an article, Indonesia's plastic injection molding industry has developed in West Java. Indonesia expects to refine 12.5 million barrels of oil every day because currently it encounters insufficient domestic production of polyolefin resin used in the industry. Indonesia is the second largest consumer of polyolefin resin in Southeast Asia. In recent years, Indonesia's state-owned oil and gas companies have produced 250,000 tons PP resin for one year. Those devices will be put into material operation in 2015. (Injection Molding Network, 2013)

Therefore, the purpose of this study is to examine Korean investor's requirements for investing in the plastic injection molding industry and how these requirements make Chonburi province of Thailand an ideal location for investment. These stipulations influence Korean businesses to invest in the plastics industry in specific locations. These different environmental factors help to maintain Korean investment in plastic surface manufacturing. These key factors and their advantages and disadvantages have a direct effect on the level of investment.

#### 1.3 Objective of the Study

- 1. To conduct research in order to gain current details of the plastic molding injection industry in Chonburi province Thailand and whether Korean investors are satisfied with environmental factors here.
- 2. To conduct research to gain details on whether or not Korean investors are willing to invest and maintain their business in the plastic injection molding industrial areas, which are located in the Chonburi province of Thailand.
- 3. To conduct research to identify if Korean investors expect, or plan to give future investment to the plastic injection molding industry in Chonburi province of Thailand.

#### 1.4 Research Questions

This researches main concern is the satisfaction of Korean investors' stipulations of investment in Chonburi province of Thailand in regards to the plastic manufacturing factories. It increases economic power and global trade. This researches objective is to identify the main factors which will determine future FDI and BOI. It will aim to help the plastic molding injection industry grow. The research questions are as follow:

**Question** 1: What are the problems in maintaining the plastic injection molding factories in The Chonburi province of Thailand?

**Question 2**: How can the Thai government improve their support of FDI and BOI to encourage Korean investors to increase the business and in turn increase the value of the plastic producers?

**Question 3**: Why the influence of the plastic industry in Chonburi province of Thailand on Thai general trade is important?

#### 1.5 Benefit of the Study

- 1. The study will identify the importance of the plastic manufacturing industry and specifically the plastic injection molding industry to the improvement of Thai and global trade.
- 2. The study will provide accurate current data which is not available at the moment. This data will encourage Korean investors to establish plastic molding industrial manufacturing in Thailand.
- 3. The study will clarify which factors influence prospective Korean investors in the plastic injection molding industry in Chonburi province of Thailand.

This investigation will look at the necessary factors needed to encourage Korean investors to invest in the plastic molding injection industry's business in the Chonburi province of Thailand. The various researches present potential possibilities and different critical theory from Korean investor's perspective. It is influenced by the personal experiences of a number of Korean investors. The ever changing plastic molding injection industry needs continual new studies to survive in the acute market for Korean investment. We have to look at the most valuable research, which will improve plastic injection molding industrial factories. This research adopts qualitative methodology, which is approached by the means of responsible questionnaires. We will identify the main points from the answers of the in-depth interview and analyze them to examine the deviation of results. The combined results show that plastic production industry is centralized in the Chonburi province of Thailand. This study will give a complete overview of the services and factors required for the satisfaction and retention of Korean investors. Thailand plastic industrial environments affect Korean investors who will invest in Thailand in the future. It is a clear objective to compare with other ASEAN markets because they are raising global trade with their resources and the advantage of low labor cost.

The Thai government has to appreciate Korean investors who supply more foreign direct investment for trade balances. They must be aware of Korean customers who are valuable investors. This paper figures out what the important factors are as well as gathers accurate information from the perspective of Korean investors. The research implications of the study are also discussed by the qualitative method. These important factors influence the number of Korean investors and overall plastic injection molding industrial manufacturing. It is all about business margins and high profitable sources. This rising competition helps plastic industrial environmental operations to improve investment quality. There are four main dimensions, which are reliability, tangibles, responsiveness, assurance. It explores the economic influences between all the factors and retentive data that are collected on Korean investor's satisfaction of the plastic surface manufacturing industry in the Chonburi province of Thailand. We will identify which factors Korean investor's seek satisfaction on for future research. These different points help the Chonburi province to achieve and sustain competitive advantages for future investment. I will make the point that the Thai government should make the decision to support suitable FDI and BOI at all times. It increases investment capital for the plastic injection molding manufacturing

industry. Those individual strategies create reasonable resources, which influence present and future business in the Chonburi province of Thailand.

#### 1.6 Scope of the Study

This investigation focuses on the plastic molding injection industry's manufactures in Chonburi province of Thailand. It assesses the current state of plastic injection molding business and evaluates separate research of the same topic, which attempts to understand the business environmental opportunities. They improve the current business model and generate a plastic molding injection manufacturing investment guideline.

Every Korean investor succeeds in their business from this valuable research. This study helps to achieve potential profits that would be useful to Korean investors who appreciate Thai economic background. This investigation tries to create new ways to secure FDI and BOI from Korean investors. It improves the current position of FTA in terms of future receivable investments.

The research data used in this investigation will be distinguished as primary and secondary data.

#### 1) Primary Data

This investigation used qualitative research instruments. There are two indepth interviews and 19 questionnaires. The number of target respondents that was used in this research included the plastic injection molding industry. The sampling was a choice of seven Korean companies who work in Chonburi province of Thailand. Those companies' lists are from SAMSUNG and LG electronics' first vendors.

#### 2) Secondary Data

They are related to the plastic injection molding industrial manufacturing. They are invested in by Korean business people. Academic literature was used to gather previously written information and secondary data. This information in the secondary data has influence on this study and will help us to better understand and develop solutions to current investment problems.

#### 1.7 Limitation of the research

The research focuses on the factors that help to satisfy Korean investors who have or will invest in the plastic molding injection industry in Chonburi province of Thailand. The study includes a few respondents and analyzes the information gathered. This was collected to investigate this study. However, this research had limitations, as the following explains:

- 1. It was hard to find out the specific information on the factors required for the satisfaction of Korean investors because their satisfactions of the factors differs and cannot be quantified. Those are all related to only Korean investors' research to write academic literature. Therefore, much information was required to interview from Korean business people.
- 2. There are not many the in-depth interviews in order to write about the detailed satisfaction of Korean investors. This was not been fully available for the creation of numerical research results.
- 3. When conducting interviews there were tight time constraints and scheduling issues that could not be overcome.
- 4. It was very difficult to make an appointment with seven Korean companies in Chonburi province of Thailand. They are busy with their personal tasks. A main researcher visited them after he called and persuaded them to give interviews for the purpose of research.
- 5. Some respondents do not want to give the required answers from a researcher's questions for the suitable interviews and distributed questionnaires.

#### 1.8 Definition of Terms

FTA is the acronym for Free Trade Agreement. It is regional multilateral agreement between neighboring countries after those countries sign WTO agreement. The legal framework maximizes different country's working together.

FDI is the acronym for Foreign Direct Investment. It influences to developing and emerging market countries. FDI observes growing market, which is importance to global economic growth.

BOI is Board of Investment in Thailand for foreign investment service. It supports and set up the best business operation in Thailand, which operates under the Ministry of Industry and is the principal government agency for encouraging investment. (Thailand Board of Investment, 2011)

#### 1.9 Research Structure

The structure of this research contains five Chapters appendixes. This study is organized as follows: Chapter 1 covers the introduction. It is general concern of the environmental this research areas. Chapter 2 presents the plastic molding injection as manufacturing industry overview and literature review that related to the main topic. Chapter 3 distributes the research methodologies and covering data collection. Those are utilized to the in-depth interview to get rational results from qualitative methods. Chapter 4 presents the data analysis from the result of research and the obtained primary and secondary data, which discuss the business performance about plastic surface manufacturing industry. This chapter creates new suitable model to improve the satisfaction of Korean investors. Chapter 5 considers the significant factors for this investigation. It gives reasonable conclusions and recommendations to make a guideline for future research.

#### **CHAPTER 2**

#### LITERATURE REVIEWS

Mold making is important as the plastic needs to be injected into it to create the finished product. This industry is related to products that constitute more than 70 percent of the components. Plastic molding injection is a versatile operation for automatically mass-producing complex plastic parts. There are the material characteristics, the mold design, and the process conditions. The quality of plastic molding injection is dependent on the effects of the process parameters. It is the most important that the process parameter are in order so as not to affect the shrinkage phenomenon, which is the final procedure of a finished good. However, the plastic molding injection has mostly relied on the technicians' personal experience, which leads to making adjustment of the process parameters. It needs much harder challenges to improve the knowledge of shrinkage control for producing high quality and injected good's design.

A researcher appreciates that numerous research projects have been carried out to reveal the business satisfaction between Korean investors and plastic molding injection industry in Chonburi province of Thailand. It will aim to improve the quality of plastic molding injection industry and will appreciate investment from Korean investors. These factors influence them who understand and access what necessary information is in the future. It can avoid the existing defective factors.

The literature review is a robust part to investigate the effects on BOI and FTA in the plastic molding injection industry in Chonburi province of Thailand for Korean investors.

It has a theoretical background on the major concepts. There are literatures, which are relevant to investigate for knowledge management. It will be an effective source to understand how to command the current system and provide an adequate business concept. These analyses identify environmental elements. This process provides a theoretical framework. Chapter two begins with explanations of definitions and a few measurements of Korean investor's satisfaction of required factors from FDI in Thailand. These factors aim to follow the plastic molding injection industry's

business relationship for Korean investors from FTA, which is enacted by ASEAN countries. Likewise, BOI in Thailand influences these fundamental factors and sets up the conceptual frame work of this research. It identifies various resources and generates a complete literature review for this chapter.

#### 2.1. Korean investor's satisfaction

Korean investors invest in the plastic injection molding manufacturing industry have requirements in four sectors: there are location advantages, infrastructures satisfaction, and effective labor force and government relations. They are sincere when they decide to invest in Chonburi province of Thailand for plastic manufacturing industry. The investors require detailed and complete information on opportunities to generate profit. It means to say getting maximum profit is for investor's satisfaction. Korean Investors have to research on either their interesting product or service it is termed of their ultimate satisfaction. It influences their feeling of pleasure to invest Chonburi province in Thailand, which is compared with other locations and countries. Korean Investors have to make right decision it outcome with their expatiations because they fulfill with different environmental investment. As a matter of fact, the satisfaction could be the pleasure derived by Thai government from the rational investment legislation or services from BOI, which offer for foreign investors. It is one of important sentences to be secure foreign direct investment in Thailand. Thai government's appreciated decision makes happy for foreign investors, they even have anarchy political situation. Investors' satisfaction is defined by the most essential thing for their profits after amount investment return back their creditable accounts. It is a reasonable fact to evaluate discrepancy between Korean investors and Thai government for the actual business performance by BOI and AKFTA as it outputs the plastic molding products and supporting their partners to flourish the plastic molding injection industrial manufacture in Chonburi province of Thailand. If those are very difficult to gratify with all Korean investors, it is not easy to determine future FDI. Therefore, it has been investigated for receivable investment's performance. Considering satisfaction requires to research on systematic

methods. Their studies diffuse several accesses for adaptable definitions. These influence to identify affective responses that pertain with specific products. Those disparate definitions suppose to come up various styles of Korean investors, who are satisfied with different product or service from plastic surface industrial factories.

Measuring investors' satisfaction is very difficult at all time because we are not sure what they really want to invest. It is depended on personal desire and feeling. They have to research on BOI and FTA in order for investment in term of the industrial plastic molding injection manufacture.

In 2013, The Plastics Institute of Thailand and OIE under the Ministry of Industry emphasize Thailand Plastics Industry Development. This seminar is discussed about that reduce plastic material importation and flourish plastic product exportation to global market as a leader in ASEAN. Thailand wants to achieve the benefits of plastic industry performance and situation. After huge foreign capital come, they get opportunities to possess a high technological possess. It supposes to build the main industry to trade plastic products in abroad. (Thailand Investment Review, 2013) Thai government strives to achieve FDI by offering incentives for investors who produce plastic surface products such as household electric appliances and automobiles.

However, many Korean investors are interaction business style, which are involved in family and regional group. A researcher has to study wild field to understand reasonable facts and emotional facts for potential occurs. It helps a researcher who applies various situations from Korean investors.

#### 2.2. The perception of high quality environmental investment

Korean investors require the most valuable AKFTA and Korean investors in Thailand. The high quality of environmental investment generates to continue the plastic injection molding manufacturing industry. According to a legal proposal, The Thai and Korean governments strive to develop the plastic manufacturing to raise economies, which cooperate with legal and positive investment. There are two important articles they are Article 9 Taxation and Article 21 Non-tariff Measures.

The Article 9 appreciates taxation. It provides the provision of this agreement that shall not apply to any taxation measures under obligation.

Article 21 Non-tariff Measures means that both governments except tariffs any goods under WTO agreement for exportation. Those are permitted and ensure the full compliance for abroad with obligation. (Agreement between Japan and the Kingdom of Thailand for an Economic Partnership, 2004). It was signed by two government leader in Tokyo in February, 2004. Two governments concentrate on international trade and cooperative investment. "Thailand has committed to allow Japan and Japanese citizens to hold up to 50percent equity in automotive production firms and the company established are not required to seek permission to operate the business." (Japan-Thailand Economic Partnership Agreement, 2004) Thai government strived to provide the most valuable economic factors from BOI and FDI for Japanese investors since past. In 2004, Thailand and Japan agreed an agreement to reduce tariffs. This cuts of 97percent importation taxes on two governments' requirements, which is equivalent \$36 billion in annual trade between two countries. This is mainly concentrated on further cooperation in the automotive sector because Thailand expects new investments of vehicle and engine industry. Those generated 19 billion bath and 3,500 new jobs. These flourishing factors help Thai economy and bring polytechnic industrial technologies. These BOI and FDI approval bring the master business plan and the scope of operational automobile industry for Japanese investors. (Thailand investment review, 2005)

Therefore, When South Korea deals with Thailand to improve the plastic manufacturing industry, it influences to grow overall Thai economy, which provide household alliances and auto-mobile products. Almost Thai industries are depends on foreign investors who invests capitals and technologies. Those investments create the infinitive job fields and generate company's profits and rising employees' salary. These advantages help to grow Thai economy, which access global trade from BOI. This plastic injection molding industry is supposed to raise monthly Thai exportation. The Thai government identifies that the plastic manufacturing industry become one of the most important business in Thailand. The high qualities of goods are the most valuable things that investors look at investment opportunities. Korean investors know that Thai government should provide suitable legislations what they need as to

imply Korean investors' desires. This quality of investments bears on reliability to achieve two government advantages. It is evident that is related to the most valuable things, which could evoke business satisfaction or dissatisfaction for Korean investors. Thai government should produce high quality of business environment. This identifies environmental factors and understands the large extent of real investment. This helps to intend the plastic manufacturing, which investors are observed in a good or bad proposal. It aims of industrial business quality is weather Korean investors satisfy with The Thai government support. Measuring industrial quality is a better way to identify whether the Korean investors will or are satisfied with FTA and BOI from Thai government. This concept appreciates a researcher optic and design to fit with evaluating manufacturing quality for their perspective. These ideal measurements generate logical investment services. It goes to say that the plastic molding injection industry what Thai government is supporting and how to grow Thai economy. Environmental investment quality is the important factor of this study to draw critical issues and components. These express opportunities to invest and learn the plastic surface manufacturing environment in Chonburi province of Thailand. Korean investors encounter complete business trend. They accompany with right investment in the future.

#### 2.3 To compare with JTEPA

In case of study, in 2003, the JTEPA is established for further enhance and deepen the Thai-Japan strategic partnership in wide range of areas concerned as to include FTA and BOI. These are more comprehensive relations between two countries for the better investment linkage. Japanese government has been sending hundreds of experts to variety of fields and accepting trainees from Thailand year after year. It specially supports to train the manufacturing industry such as household electric appliances and automobiles. Those are 74 percent of export from Thailand to Japan consists of industrial goods. In Thailand, Japan is the largest investor in terms of BOI in FDI. Thailand is amounted 39 percent of total FDI. They inflows Thai economy it significant influence factors in 2003. The CTC rule adds a tariff value to

be applied mainly for industrial products. It is applicable to any of the materials, which are originating goods. Those require a complete classification to use materials undergone sufficient manufacturing or processing. That government supports to Japanese investors who flourish trade and apply easy step for implement. Japan and Thailand exchange information and enhance knowledge for JTEPA. It appreciates the purpose of master plan for a framework. (Japan-Thailand Economic Partnership Agreement Task Force Report, 2003)

Thailand and Japan have had excellent economic relations over 120 years. Thailand has many strong points for doing business. There are more than 7,000 Japanese companies in Thailand. Those are the strength of local supporting industries such as the automotive, electronics and electrical goods. Thai government supports them to do economic cooperation and flourish exportation. JTEPA anticipates FTA, it is not only for Thailand and Japan. It is for ASEAN and India continent FTA in the future. The location advantage is free trade into those markets. The international economic policies of Thailand are one of the significant long term factors that contribute to the nation's investment climate for Japanese investors. Thai government gives an attraction for the BOI's investment promotions such as economic incentives for investors. Moreover, Thai government supports the stability of the baht to control its exchange rate. It influences to reduce currency problem for export companies' competitiveness and may eventually lead to a global Japanese manufacturer. (Thailand Investment Review, 2007) Thai government offers tax reduction policies and property ownership right for foreign investors. Thai government concern about the BOI provides the Unit for Industrial Linkage Development and also maintains the ASEAN Supporting Industry Database (Business in Asia com, 2009)

Especially, Thai Government initiated the two steps "Mold and Die Industry Development Project", which the Thai-German Institute was assigned to administer this endeavor since it was successful during the first five year period for 2005 to 2009 and then another second five year period is "Enhancement of Mold and Die Competitiveness Project" for 2009 to 2014.

Thai government expects to expand automotive and electronics and electrical appliances industries near future. The Thai mold builds supplicated high precision molds it support the growth the most common types of molding injection industry.

This field business is invited by Thai government for the mold and dies sector. "Those are classified by the Board of Investment as priority activities and receive an eight-year corporate income tax holiday and are exempt from import duties on machinery, regardless of location, as well as other location-based incentives." (Thailand Investment Review, 2013) The plastic mold and die industry are the growth in key sectors of the economy has created a strong demand for supportive exportation. Thailand enhances complex mold and die making manufacturing. The demanding plastic molding injection industry in Thailand serves better quality products. It supplies upcoming ASEAN and global market.

#### 2.4 Thailand policy for FTA and BOI

It is an important question how The Thai government provides FTA and BOI for investment satisfaction in Thailand with Korean investors. The answer requires the most valuable policy for Korea and Thai government. It is simple, which provides the strategic value to increase supportive legislations. The better two governments' contract influences to get more foreign direct investments for the expansion of the plastic manufacturing. These are defined to the investment guide in Thailand as it is very useful to express high receivable value. The right proposal provides great factors in the future, which are involved in Korean investors' satisfaction. There is an evidence to flourish the plastic surface manufacturing industry in Thailand. It is based on strong relations to satisfy Korean investors with the newly acquired contracts. This literature review is available research to study what comes across between two different types from investments. Thai government appreciates Korean investors to improve investment satisfaction for future strategies, which are positive strategies and negative strategies.

Positive strategies include creating Korean customer delight, it build conceptual legislation to perceive investment value for structural factor.

Negative strategies are possible to lock the Korean investors in Thai market by penalizing their existed relationship. Negative strategies impose high attention costs on Korean investors and discouraging their defection. It evaluates the difficult factors and appears controversial service quality.

The based research has to identify rational FTA and BOI to do the plastic injection and manufacturing business. This is a challenge to appreciate Thai market environment. The main aim of these services quality from Thai government improves their overall business environment, which generate the huge amounts of profitability for Korean investors. It is better for understanding Korean investors who satisfy with business quality.

# 2.5 Preparation for Thailand in ASEAN and Korea's Comprehensive Economic Cooperation Agreement (AKFTA)

Thailand is a gateway to Southeast Asia, which connect with the Greater Mekong Sub-region, where newly emerging markets offer great business potential. Investors are looking at ASEAN countries because FDI companies reduce trade cost. In especially, those countries are the fastest growing region in the world, it has 600milion population. Electronics and automobile industries are rising with the plastic manufactures under AKFTA. It is a comprehensive economic cooperation agreement between ASEAN and Korea. (FTAs and Thailand, 2008) "The ASEAN-Korea FTA is expected to vitalize trade and multiply exchanges in goods, services and investments by significantly cutting tariff barriers among the Parties." It influences to expand inter-regional exportation to be better economic scale. There are mainly production technology and product regulations. ASEAN and Korea predict that general trade and FDI \$150 billion by 2015. (ASEAN-Korea Free Trade Agreement, 2012) The economic integration is potentially large benefits. It is an important factor across individual benefits because it matters whether or not the FTA's impact both national economies. AKFTA removes trade barriers from high tariff and protect inefficient domestic producers. Korean investors prospect FDI into the ASEAN economies to become a larger common market. It means the both political commitments are negotiation and successful for FTA.

Thailand is a major trading partner and world's eleventh biggest economy. This is a significant country to reinforce the fundamental economic consideration. Thailand wants to be invested by technological advanced company into big market. It is attracted to capital and technology from Korean companies. (Asian Development Bank, 2008)

It is evidence that the rapid growth of ASEAN-Korean trade in recent years. According to Appendix 1, this is positive trade expansion within the free trade area. Suitable aggregation distributes Korean investors' benefits. They appreciate Thailand in the fast-growing ASEAN region. They seek geographical diversification of manufactured products in terms of technological capabilities.

The plastic injection molding is the most common method to produce part of electronics and electrical goods. It is an infinite variety of plastic designs. The objective of the pre-feasibility study is primarily to facilitate potential entrepreneurs in molding injection industry to prepare project identification for Korean investors. It is the basis of an important FDI decision to establish various aspects of project concept development. The purpose of this investigation appreciates to facilitate potential Korean investors in plastic products business by high technological produce. This literature review is all about a general understanding of the business with the intention of supporting future investors for crucial investment decisions. Those qualified research identifies and develop by existing enterprises by trial and error. It is regarding various aspects of business set-up in Thailand of ASEAN counties under AKFTA, which form the basis of any investment decision.

There is existence the positive impacts to invest complete FDI and BOI in Thailand of ASEAN countries for Korean investors. A researcher distinguish four dimensions, there are location advantages, infrastructures satisfaction, effective good labor workforces and government relations. Many Korean investors understand Thailand plastic manufacture. They appreciate satisfaction with business environment. It occurs to do business hard factors for the plastic injection molding industry in Chonburi province of Thailand. It is an important fact how Thai government must appreciate the Korean companies and their sub vendors for FDI and BOI. It is true that they get troubles and potential problems always raise the bad reputation of Korean business environment. Those are effective framework, which provide

inadequate service. This analysis identifies environmental element and Thai government treatment as the existing subsidy problems.

#### 2.6 Global Manufacturing Competitiveness Index 2013 about Thailand

This study examines the highly complex economy forces for driving the future of manufacturing growth and many of the structural changes reshaping the global economy.

Thailand is ranked as the 11 competitive manufacturing nations today and number 15 over the next five years from GMCI. It is still suitable cost and availability of labor. Those materials continue to transform the global landscapes, which significantly appreciates for global manufacturing and competitive advantages. Thailand economical benefits are low cost designation and high developing infrastructures. There are strong value chains to manufacture various products and support to cooperated companies. Those main factors reassess manufacturing environmental balance. It enacts to boost more competitive industrial environment. The influencing valuable efficiency gains from globally optimized value chains.

Thailand is a high ranking country in the world. Thailand produces more complex goods and achieves real manufacturing growth.

Manufacturing is essential to develop economy and more advance for economic prosperity for Thailand. This research identifies the knowledge networks in order to predict the variation global manufacturing competitiveness.

Deloitte's 2013 manufacturing competitiveness ranking was based on manufacturing executives' rating of the overall manufacturing competitiveness of particular countries. The Manufacturing Competitiveness Index' highlights read.

 Table 2.1 Global CEO Survey: 2013 Country manufacturing competitiveness index rankings

Current competitiveness Com			Comp	petitiveness in five years		
Rank	Country In	ndex score	Rank	Country	Index score	
	10=	High 1=Low			10=High 1=Low	
1	China	10.00	1	China	10.00	
2	Germany	7.98	2	India	8.49	
3	United state of America	7.84	3	Brazil	7.89	
4	India	7.65	4	Germany	7.82	
5	South Korea	7.59	5	United state of Ameri	ca 7.69	
6	Taiwan	7.57	6	South Korea	7.63	
7	Canada	7.24	7	Taiwan	7.18	
8	Brazil	7.13	8	Canada	6.99	
9	Singapore	6.64	9	Singapore	6.64	
10	Japan	6.60	10	Vietnam	6.50	
11	Thailand	6.21	11	Indonesia	6.49	
12	Mexico	6.17	12	Japan	6.46	
13	Malaysia	5.94	13	Mexico	6.38	
14	Poland	5.87	14	Malaysia	6.31	
15	United Kingdom	5.81	15	Thailand	6.24	
16	Australia	5.75	16	Turkey	5.99	
17	Indonesia	5.75	17	Australia	5.73	
18	Vietnam	5.73	18	Poland	5.69	
19	Czech Republic	5.71	19	United Kingdom	5.59	
20	Turkey	5.61	20	Swaziland	5.42	

Source: Deloitte, 2013 Global Manufacturing Competitiveness Index

#### 2.7 The assessment of investment environmental risk for Thailand

The most of South Korean companies have become smaller in Thailand by ODI since 2008. It is impacted by political issues and sluggish global economy, which is decreased for manufacturing investment by Korean investors. This factor influenced to reduce FDI, this numerical rate is 39.4 percent when it compares with

before 2011. Especially, Korea trade bank assess the credit was "B2 level" about Thailand. It is stable grade, but there is a potential investment risk.

BOI is concentrated on few manufacturing industry. The technological industries bring to improve future investment. That government appreciates what are valuable supports for foreign investors. The improved FDI policies help to continue investment that identifies future environmental risk.

As mentioned about potential risk for manufacturing investment in Thailand. The result of this research is compared with this study in chapter four. It appreciates diversity factors for Korean investors who are interested in the plastic injection molding industry. The purpose of this research was to provide right information about FDI and BOI in Thailand business. Research was qualitative research. Seven expatriate presents were in-depth interviewed in seven companies in Chonburi province. This investigation is quite concentrated on Korean investor's satisfaction because it researched only one industry and one province is whole cover for Thailand. Also research investigates future environmental risk.

Results of this research were identified by current owners. After that results were categorized into four themes, which were:

- 1. International/intercultural environmental risk in Chonburi province of Thai land
  - 2. Predicted data collection for preventing existing high risk
  - 3. Guidelines for company's owners who have planned to invest
- 4. Guidelines for new Korean investors with The plastic injection molding industry

## 2.8 The literature of plastic molding injection industry

It has been investigated in a literature, which reinforces lack of data. This study guides for Korean investors who are interested in the field of plastic injection molding industry in Chonburi province of Thailand. It explains the key factors, which concentrate on environmental factors and investment policy in Thailand. Those complex factors justify assessing future business.

Injection molding is one of the most important techniques to manufacture plastic products. Plastic injection molding is used for a number of applications from the automotive industry to electrical appliances industry for products' components. Molding injection machine produces very simple shapes or very complex. It creates products quantity and cost advantageous to make an entire part out for mass production. Injection molding has been a challenging process under quality requirement for many manufacturers in global competition. Those produced products supply for customers with suitable price. Determining optimal process parameter settings critically influences productivity, quality, and cost of production in the plastic molding injection industry. 'Those factors are affected by the quality of a molded part can be classified into four categories: part design, mold design, machine performance and processing conditions.' (Dow Elastomers, 2009)

## 2.9 Conceptual Framework

The study aims to summaries the theoretical ideas from my literature. I bring out the complete contributions. It is equivalent my all research to make a figure as a single paper that is related to a significant function. This investigation generates theoretical conceptual frame work. It is extracted from the past literature. I analyze the plastic injection molding industrial manufactures. This satisfies the most important things for Koran investors who want the most valuable investment quality. I classify four dimensions, there are location advantages, infrastructures satisfaction, effective labor workforces and both government relationship. Following these justifications accesses those four different views for Korean investors. This paper identifies future investment service from Thai business environment. I have been proven the concept of component and component. My theoretical frame influences between receiver and Korean investors.

#### **Four dimensions**

1.Location advantages
2.Infrastructures satisfaction
3.good labor workforces
4.Both government relationships

## **Main Theories**

1.FDI 2.FTA 3.BOI 4.The in-depth Interview

## The Satisfaction of Plastic Molding Injection Industry in Chonburi Province of Thailand for Korean Investors

Global manufacturing competitiveness in index 2013

Identifying business opportunities

## Figure 2.1 Conceptual Framework of Research

## **Research Question**

How does FDI and BOI supports for Korean investors to increase the plastic molding injection in Chonburi province of Thailand?

#### **CHAPTER 3**

## RESEARCH METHODOLOGY

The overall objective of this investigation is that Thai government has to understand Korean investors' business expectation. It is based on the plastic molding injection industry in Chonburi province of Thailand. The purpose of this research identifies the current business environment. It influences to improve quality and appreciates business atmosphere for plastic surface manufacturing industry. This chapter 3 assesses qualitative means in order to generate more valuable data collections. It finds out the specific purpose of this study from qualitative approach. Those data and answers will be discussed for this research to satisfy with Korean investors.

## 3.1 Population and Sample size

## 3.1.1 Study Population

The population of this research project was the plastic molding injection industry in Chonburi province of Thailand. The numerical population was assessed to reply qualitative in-depth interviews' design. The total number of the plastic molding injection industry in Chonburi province is 15 companies, which are established by Korean investors. They all are manufacturing with the plastic surface products.

Most of Korean factories are located in Chonburi city and Siracha city. It takes only 30mins from Laem Chabang harbor. A main researcher makes an appointment to survey the interpersonal interview. A researcher finds out seven factories in Chonburi province of Thailand to gather questionnaire while he was doing business trip in September to October, 2014. It is much ease to access his target interviewers and familiar with plastic manufacturing environmental province. A researcher assigns this limited time to identify valuable research.

#### **3.1.2 Population Size**

This interviewee follows a justification. It involves any procedure that generates the research design, which is based on measurements of a portion the population. (Zikmund all, 2013) A researcher requests to a manager in order for the Thailand global vendors of Samsung electronics and LG electronics in Chonburi province of Thailand. The sample size of plastic molding injection industry in Chonburi province of Thailand was interviewed based on seven vendors, who are from Korean investors. A researcher gets the spare time with seven presidents to do interview with 19 questions. Those answers are acquired by their personal opinion. It is based on environmental factors. A main researcher surveys them who are working in the different plastic surface manufacturing factories in Chonburi province

of Thailand. This investigation will represent and cover all Korean investors in overall

## 3.2 Respondent Design

Thailand.

Qualitative research is the in-depth interviews with individuals, which is designed to reveal target respondents range to drive those perceptions through specific questions. An accessible interview generates the essential and valuable answers. It supports the construction of the specific groups in this research that were chosen by seven plastic manufacturing factories in Chonburi province of Thailand. They are interviewed with the specific interpersonal questions. Those interviews used for this research was aimed at gaining purposive in-depth interviews' method. There are not any single options to choose respondents because the sizes of the Koreans' plastic surface manufacturing factories are small number of specific population through qualitative method. It requires more detail elements and more time to research this paper completely.

There are seven stages in the selection of a sampling design. It defines the target respondents to select a sampling frame, which determine size and conduct fieldwork for suitable research. (Zikmund all, 2010)

**Stage 1:** It is relevant topic about the plastic molding injection industry. It defines the target population. A researcher chooses target group. This population was wide enough to be found exactly the right Korean investors in Chonburi province for interviews.

**Stage 2:** The sampling framework for the research is. It is according to the SAMSUNG and LG vendor list. There are seven the plastic molding injection industry Chonburi province in Thailand.

**Stage 3:** The aim of research was not to maximize the numbers of respondents. It collects particular information from specific population. (Padgett, 2004) Quality of data was more important than quantity method.

**Stage 4:** Seven Korean interviewees have been divided into three categories, which distinguishes categories are small, medium size and large size. Also, a researcher knows how many companies in Thailand. It presented in table 3.1 with the amount of interviewees chosen by each category.

Table 3.1 Companies' Amount of Selling size in Chonburi Province

Amount of Selling	Number of Companies	%	Number of
			Interviews
600Million or less Bath	1	14.29%	1
(Small)			
600 to 850Million Bath	3	42.86%	3
(Small-Middle)			
850 to 1000Million Bath	2	28.58%	2
(Middle)			
Over 1000Million Bath	1	14.29%	1
(Large)			
TOTAL	7	100%	7

**Stage 5:** It was aim of this study that finds the right people and gets detailed data. That was big enough to get enough the plastic molding injection industry in Chonburi province of Thailand about quantity of data. There are seven Korean investors who manufacturing in Chonburi province of Thailand in the year 2014. A researcher chooses seven interviewees were presented the plastic molding injection industry in Thailand.

**Stage 6:** It is actual sampling factor. A researcher finds Korean investors who have been living for their manufacturing in Thailand. According to the in-depth interviews, there were seven Korean investors who managing the plastic molding injection industry in Chonburi province of Thailand.

All qualified participants provide and guarantee the collected data for this investigation. They were chosen carefully to describe interviewees into categories. That should be able to answer the specific questions with thesis topic.

Researcher wants to have Korean investors who work in different plastic manufacturing size to narrow data down, which should be much accurate primary sources. This qualitative method is divided into accessibility of interviewee, company location and truly mutual interview for business evaluation for investments.

This would cover whole of Chonburi province. There are four people from Siracha city and three people from Chonburi city were chosen.

A researcher contacts with them by e-mail or phone for arranging time. The respondents who interview all questions by the table 3.2 of each specific interviewee

**Table 3.2** Criteria of Qualified Respondents

Criteria	Yes	No
Position: Owner	Yes	
Those are the Same Province	Yes	
Location		No
Type of Industry	Yes	
Continuous business		No
Accessibility of Company	Yes	
Time to Invest		No

#### 3.3 Research Instruments

This study concentrated on small groups of people to guide. Qualitative research is easier to gain better understanding from the target market while a researcher is distributing the questionnaires. This investigation consists of qualitative research instruments. The qualitative method requires the in-depth interview to acquire suitable answers from respondents. It provides all research information that was needed for the research questions. It generates and identifies the complete research. Those advantages establish a basic research instruments to demonstrate important factors and identify high quality sources for this investigation.

Qualitative analysis is based on the Korean investor's judgment and experience. It includes the Korean investors' intuitive opinion and problem. It means that a researcher simply observes those respondents to find out similar problem and analyze existing factors, which depends on respondents' answers and personal consideration.

## 3.4 Data Collection Method and Question Design

This qualitative research is primary data, which was collected by in-depth interviews. It is one of the best ways to collect studious data. (Ghauri and Gronhaug 2005) A main researcher contact with seven Korean investors who is willing to give interviews hours. It grants to collects with reliable survey in Chonburi province of Thailand for the plastic molding injection manufacturing industry.

The benefit of this study was outcome anonymously it present question design included seven themes It organizes and analyzes the collected data. These seven stages apply interview structure. (Glenn A. Bowen, 2005)

Used interviews themes were;

- 1. Background information of interviewee and job position
- 2. Environment, Culture, communication

- 3. The challenges of investment via BOI and FDI in Chonburi province of Thailand?
- 4. What is the best solution of these challenges?
- 5. How to prevent the most common troubles investing the molding injection industry in Chonburi province of Thailand?
- 6. Korean Investors
- 7. Desires for Korean investors' satisfaction

Themes help to collect data about environmental factors and challenge. A researcher gets interviewees' background information and identifies the sample size of research. It finds out certain data to set specialized questionnaire up for advantage of in-depth interviews.

Question design meant that is their experiences of investment environment and investors' satisfaction. A researcher asks interviewees to describe the most challenging situation. It understands them through successful interviews. It gives instructions for new Korean investors what is positive and negative factors. Each indepth interview was approximately 30 minutes length and seven interviews were conducted in Korean for Korean investors. It would cover whole Chonburi province. There are four people from Siracha city and three people from Chonburi city were chosen.

## 3.5 Content Analysis

All recording forms and data collection are based on in-depth interview. A researcher analyze interviews and then it is reviewed the reliability correctness data. A researcher investigates the main factors to define this study purpose. There are secondary data and primary data. The electronic files and back up of data ensure secondary research distribution, but primary analysis are that the qualitative data collections were required to investigate the plastic molding injection industry in Chonburi province of Thailand. It means this research is fully a sincere study to observe Korean investors' hope. The qualitative data was described by conducting

interviews with specific group. Those affective research questions distributed to identify the influenced factors.

The investigated data was analyzed by interpersonal method to generate the specific point of analysis. (Ghauri and Gronhaug 2005) This research given questionnaire is surveyed to identify the satisfaction of Korean investors throughout the plastic surface manufacturing factories, which are seven companies. These data collections were used to analyze the dissatisfaction factors. This research helps to understand Korean investors and prepare to improve environmental influence for FDI and BOI.

## 3.6 Descriptive in-depth interview Analysis

The in-depth interview analysis that will be used in this research paper it identify the satisfaction of plastic molding injection industry in Chonburi province of Thailand for Korean investors.

The in-depth interview is an open-ended and discovery-oriented method that is well suited for describing both program processes and outcomes from the perspective of the target audience. The goal of the interview is to deeply explore the respondent's point of view, feelings and perspectives.

The in-depth interview will be used to obtain preliminary information. It develops compact survey from individual questionnaires. The respondents' answer is involved in seven Korean investors' experience.

#### Follow:

#### Part 1

It is analysis of seven interviewees' aspects of the plastic molding injection industry in Chonburi province of Thailand for Korean investor' satisfaction. This investigation is identified to qualitative methods by researcher.

#### Part 2

It is analysis of seven interviewees' aspects of the plastic molding injection industry in Chonburi province of Thailand for Korean investor' satisfaction. This

investigation is applied to develop instruments lists the questions or issues to be explored during interpersonal interview.

## Part 3

The in-depth interview of small group's aspect that is related to Korean investors' satisfaction for the plastic molding injection industry in Chonburi province of Thailand by qualitative analysis.

## Part 4

The in-depth interview of the in-depth interview is related to perception on qualitative research method for the plastic molding injection industry in Chonburi province of Thailand for Korean investor' satisfaction by using confidential interview.



# CHAPTER 4 RESEARCH FINDINGS

This chapter 4 describes and surveys for the purpose of this study, which is the plastic molding injection industry in Chonburi province of Thailand for Korean investors' satisfaction. The analyses of data are presented by qualitative to define this investigation. A researcher collects data and explains research questions.

## 4.1 The Interview Design

Seven interviewees were conducted for this research. Below in table 4.1 is the summary of participants and what location of companies where is located in the Chonubri province of Thailand. Findings are based on the interviewees' Korean investors' experience.

Table 4.1 Summary of Interviewees' Background

Headquarters	Gender	Location	Companies' size (Year)
South Korea	Male	Chonburi	1200 million bath
South Korea	Male	Siracha	720million bath
South Korea	Male	Chonburi	480million bath
South Korea	Male	Chonburi	720million bath
Thailand	Male	Siracha	840million bath
Thailand	Male	Siracha	960million bath
South Korea	Male	Siracha	960million bath

Qualitative data were collected from seven Korean investors who work mainly as managing director in the plastic molding injection companies. They all have managerial working experiences for 20 years and these Korean investors have been working in Thailand for 4years. Interviewees range in age from 45 to 60years old. Those educational backgrounds are all bachelor degree from university. The in-depth

interview concentrates on a researcher interviews 19 questionnaires of the target seven respondents in September to October, 2014. The results of answers are analyzed and presented by a researcher. Those researches identify important factors to satisfy with them.

## 4.2 Findings of Research Question

The research question is how can satisfy Korean investor to invest the plastic manufacturing in Chonburi province of Thailand. It is the key challenges to investigate this research. A researcher finds out different expectations and observations from Korean investors. The bared problems study to avoid future troubles. It takes efficiency challenges to increase Koreans' investment.

By asking questions interviewed Korean investors, an investigator analyzes current situations that clarify potential lack of investment

## 4.3. Studying Find

A researcher interviewed those investors by asking questions. Korean investors have different investment expectation and observation. It helps to find out more information what expects from plastic molding injection investment. A researcher discusses currents situations and gain with different opinions. The interview data are described to fit most logically.

#### 19 themes from the interviews

No

**Table 4.2** What kind of positive or negative affect could be caused by plastic injection molding industry investment in Chonburi province?

1 It is positive fact to invest the molding injection industry. The Chonburi province of Thailand is very close to Laem Chabang harbor. It takes only one hour distance to transport all containers.

Interviews

- 2 I think Chonburi province of Thailand is one of good locations to start manufacturing industry because it has close to Laem Chabang harbor with good infrastructure.
- It is always positive factor to invest any business when I observe Chonburi province as a good location. There is Laem Chabang harbor and good infrastructure to go to Rayoung industrial province.
- 4 It is positive fact to invest the plastic molding injection industry in Chonburi province of Thailand. There are located most of electronic factories and close to Laem Chabang harbor.
- The plastic molding injection industry is positive factor to invest in Chonburi province. There is Laem Chabang harbor and connects with Thailand main motorways.
- It is positive fact to invest the plastic molding injection industry in Chonburi province of Thailand. There is enough water supply, electricity and supporting good infrastructure. Moreover, Lam Chabang harbor is close to transport somewhere.
- It is positive fact to invest the plastic molding injection industry in Chonburi province of Thailand. I see the high ways, mortar way and supporting infrastructure are much better than other location.

The seven interviewees think that near future investments is absolutely positive to flourish their companies 'financial volume. Chonburi province of Thailand is one the best location to do the plastic molding injection industry. It is near to Laem Chabang container harbor. Most of plastic manufacturing factories are crowed with

few industrial zones. The straight high ways and arranged infrastructures cover all Chonburi provinces in one hour. The supportive transportation makes saving logistic cost. It supports enough water supplies and electricity is good reason to start manufacturing business.

**Table 4.3** How do you appreciate manufacturing investment for the plastic injection molding industry in Chonburi province of Thailand?

No

1	An advantag	ge is short	distance	to delivery	vendors'	products in	n conglomerate
	such as SA	MSUNG	and LG.	The time	is related	d to make	manufacturing
	industry's pr	ofits.					

Interviews

- In my opinion, Thailand is a blessing country. Thailand is consists of numerous natural resource. We usually achieve and extract from all materials in Thailand after we support technological factors in Chonburi province of Thailand.
- I appreciate logistic cost to transport goods for customers because most of Korean companies are located in Chonburi province. The delivery distance is very important to decrease products costs and any expenders in the manufacturing industry.
- 4 My customers are close to my factories. I can save time and reduce transportation cost.
- I appreciate Chonburi infrastructure and logistic cost to transport in Chonburi province. The most of Korean companies are located in Chonburi province. The short delivery distance provides less expender.
- 6 Transportation cost is not high because the most companies are located in few areas.
- 7 The most of Korean companies are located in Chonburi province. I appreciate Chonburi industrial areas, which is close to customers. So, logistic cost should be cheaper in Chonburi province.

Chonburi province of Thailand is crowded with many vendors and few conglomerate companies. They practice their high technologies and use local resources in order to produce high quality of products. The close factories save transportation cost and reach on time. The short delivery distance reduces insufficient cost and wages from labor cost.

**Table 4.4** What location is better for future investment for injection molding companies in Chonburi province?

No

1	Chonburi is the best location in Chonburi province of Thailand. Especially, two
	cities are close to Laem Chabang harbor and conglomerate to delivery our
	Finished Goods.

Interviews

- If I invest the plastic molding injection industry, I would appreciate and trade products from the Chonburi city in Chonburi province to other country, which is very close to Laem chabang harbor.
- 3 If I choose a city for future investment, I would invest in Siracha city of Chonburi province. It is very close to our customers to transport goods on time.
- 4 I may invest in Siracha city, it is close to my customers to transport our goods on times.
- I would invest in Siracha city of Chonburi province. It is very close to our customers to transport goods on time. I can cope with future any happened
- I think that Chonburi city is located the best location for my factories. My customers are only 15mins from my factories. I reduce insufficient transportation cost.
- 7 I think that Chonburi city is the best location to transport finished goods.

The respondents choose Sircha and Choburi cities, it takes less than half hour to go Laem Chabang container harbor. Two cities are industrial zones that are close to vendors and customers. It is easy to supply and transport goods on time. Korean investors can reduce insufficient transportation cost.

**Table 4.5** How and what problems do you noticed problems to Thai government about propering Versen investment for the plastic injection molding

	about preparing Korean investment for the plastic injection molung
	industry?
No	Interviews

- The infrastructure is lack of facts to delivery customers. Thai government has to 1 build high ways and motor ways to reduce delivery routes.
- 2 I am worry about rising basic labor salary. I moved our factor from South Korea to Thailand. I expected to invest low labor cost than South Korea.
- 3 The rising labor cost is a concern for Korean investors. It is a heavy factor to invest in the future.
- I think that Thai government has to build more infrastructures. It means that 4 include mortar ways and side roads to reach everywhere.
- 5 Thai government has to be serious to raise labor cost. It has debated by Korean investors to continue investment.
- Thai government has to solve the traffic congestion around Samsung industrial 6 zone. Thai government reinforces side roads and sub-infrastructure.
- 7 The rising labor cost has been debated topic by Korean investors to continue investment.

There two different answers. One is for the investment of supportive infrastructure. Another one is for rising labor cost. A researcher justifies what two different groups notice problems to Thai government. The 3 interviewees think that the delivery routes are not various ways to transport good in industrial zone. They may be satisfied with main roads, but industrial and side roads are too complicated. It takes traffic congestion from numerous trucks. The 4 interviewees think that the rising labor cost make Korean investors' feeling uncomfortable. Most of plastic manufacturing factories are sensitive from labor section. It often influences profits and loss accounts. They may not endure the rising labor cost. That means there is no option to invest anymore.

**Table 4.6** Do you have had problems with environmental factors to continue investment?

No Interviews

- Yes, I have had lack of manpower between other competitors. There are lots of manufacturers in Chonburi province. It makes unbalance job market, which is hard to find out high qualified employees.
- 2 Thailand was one of the safest countries to start manufacturing industry with valuable commerce legislation in the South East Asia. However, you see there are political issues between two different parties.
- It is a big obstacle that Thailand has happened internal political tensions and disasters every 2 years. I am worry about these environmental factors.
- 4 There is low manpower who applies to work in the plastic molding injection industry. The low supply of engineers makes troubles to organize and substitute factories.
- I think that it is a big obstacle that Thailand has happened internal political tensions. This environmental factor freeze to continue investment.
- There is low manpower who applies to work in small-medium Company. The low human resources make business troubles to organize factories.
- 7 I think that potential political issues are environmental factors.

There are two environmental factors to continue investment in Thailand.

First, Korean investors are concern about internal political tensions, it has happened every 2 years. They think that political issues appear lack of business security. Those troubles spread to overall economy from manufacturing to trade.

Second, the small-medium companies get problem to hire high eligibility of employees. The human resources competition is very low to organize in factories for survival. Low manpower gets obstacle to manage their own companies. The environmental factors can freeze Korean investors who continue investment.

**Table 4.7** Have you been conflicted with culture, environment and language barriers

while investing in Thailand?

No

I think that small and middle size company employees are not much educated. It means to say they cannot speak English to communicate with Korean investors. This language barrier makes miscommunication to work together.

Interviews

- 2 Especially, I was conflicted with communication when I come to Thailand at the first. I have to find out a translator to speak out my opinion. It means to say that there are only few English speakers who are working at factory.
- 3 I think that language is not big problem to communicate each other, but the understanding different culture is really hard to survival in Thailand. When we are working together, Korean loves to say "quickly" of habit, but Thai love to say "slowly" of habit. These two words make different feeling to do working at the same time.
- The most of factories workers cannot speak English and communicate with us. It 4 makes language barriers to understand working performance.
- I think that language barrier is not big problem to understand working 5 performance. It is just part of Thai culture, which is influenced from food and customs. So, I am learning Thai peoples' behaviors with Thai society.
- The most of factories workers cannot speak English and communicate with 6 foreign employees. It makes language barriers to understand working performance.
- 7 The language barrier makes less working performance and understanding. The most of factories workers cannot speak English and communicate with foreign employees.

Most of factory employees are not high educated employees. They conflict with different communication while they are working at the same time. They cannot communicate English with Korean investors. It makes misunderstanding and points for working performance. However, few Korean investors think language is not big problem to survive their own business. Language is part of Thai culture, it involves Thai peoples' working performance.

**Table 4.8** What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

No Interviews

- When we see injection plastic surfaces, we try to get almost materials in local. However, plastic manufacturing industry in Thailand is still not enough to use domestic market without material trade. We need more opened materials FDI without tariff like Japan. We produce the high quality of plastic product after we receive "A "grade material.
- I appreciate the Laem Chabang in Chonburi province of Thailand. Chonburi province is one of the best locations, which start to invest factories and trade BOI products. Logical ways is short distance, but Chonburi motorway is always traffic gem from many trades.
- Reducing trade distance is a big challenge. I think that logistic in Chonburi province is well built only main road. I mean the side roads are not arranged and under construction. It makes serious traffic gem.
- When we import few plastic materials from South Korea, the max materials weight is small and very limited by Thai government. All plastic BOI companies cannot import in those limited weight. The BOI organization has to give more material importation.
- When I transport my companies' goods in the morning and evening, there are heavy traffic gems to transports. The ministry of commerce must build more side roads to separate trucks and other transportations.
- I think that the BOI statement is too tight to import few plastic materials from South Korea. the max materials weight is small and very limited by Thai government. All plastic BOI companies cannot import in those limited weight. The BOI organization has to give more material importation.
- 7 The BOI organization has to give more material importation. It is too tight to import few plastic materials from South Korea. The max materials weight is not enough and very limited by Thai government.

All respondents have different thinking and challenge for achieving the advantages of BOI and FDI. I analyze them what Korean investors' hopes are.

First, they want to get more flexible BOI statement when they import machines and materials, those are not manufactured in Thailand. The max materials' importations are too tight and limited by Thai government. It is not enough to approve max material weight statement for all BOI companies.

Second, respondents point out side roads structures, which are complicated to transport in SAMSUNG industrial zone. There are few under construction on the way. It is lots of trucks from Laem Chabang container harbor. It makes traffic congestion early morning.

**Table 4.9** What factor will influence the stability to invest in Chonburi province of Thailand?

No

1	Location is	a main be	nefit it easy to	access Laem	Chabang	harbor and close to
	customers w	ho are con	nglomerate like	SAMSUNG	and LG	

Interviews

- 2 My company is BOI Company. It is close to Laem Chabang harbor. We trade lots of electronic goods to aboard. The location influences the stability investment.
- The big Laem Chabang harbor in Chonburi province gives business stability for BOI companies.
- 4 Chonburi province is a good location it easy to access Laem Chabang harbor and close to customers who are conglomerate like SAMSUNG and LG
- 5 Chonburi province is an industrial hub, there are high water supply networks, highways, transportation and supporting infrastructures. Those are attractive factors to do FDI.
- 6 Chonburi province is a good location, which has good infrastructure, enough water and electricity. Moreover, it easy to access Laem chabang harbor, I see the entire best environment to do business.
- 7 Chonburi province has all important things, which have Laem Chabang habor, good infrastructure, enough water and electricity.

All interviewees say that supplying enough water and electricity is the basic investment requirement for investors. Chonburi province is the best location to invest in Thailand. It has all location advantages it is close to Laem Chabang harbor and customers. These supporting infrastructure establish an industrial hub to be stable manufacturing business. Respondents think that Choburi province is a well arranged industrial network.

**Table 4.10** What advantage can you gain in the future plan from the investment of injection molding business?

No

1 The free trade agreement influences to do business outside of Thailand. We already knew that ASEAN community come true in 2015. It brings no tariff for many goods to transport the manufactured products everywhere in ASEAN territory.

Interviews

- I think the plastic products cannot replace to another things. The durability of plastic products is stronger and much light year to year.
- 3 The middle class in Thailand is rapidly growing. The demand will increase to buy because those people are looking for better electronic products. It is potential market to continue the investment of molding injection business.
- 4 The plastic products have developed that is more durability and stronger in the future. It makes business opportunities to invest everywhere.
- The electrical products and automotive manufacturer have invested in Thailand.

  Two industries really require plastic materials to assembly products. The plastic manufacturing industry is still potential and permanents.
- 6 The plastic manufacturing industry is potential and valuable business. It should be more durability and stronger in the future. It makes business opportunities to invest everywhere.
- The electrical products and automotive manufacturer have more potential and permanents. The manufactured factories have to satisfy with customers. We want plastic products must be durability and strong for future industry.

Interviewees think the plastic molding injection industry is potential and positive business from different opinion.

The plastic products have become lighter and durable. It is consumers' desire what they want to use. The plastic material cannot replace any single of products. This makes business factor opportunities to invest electrical and automotive products everywhere.

However, few interviewees expect ASEAN community in 2015. The free trade agreements approve that finished goods transport ASEAN territory without tariff. The growing middle class is willing to buy Thai manufactured products. The selling prices stimulate consumers who have price conscious.

They do not think about only Thailand to spread plastic manufacturing factories. They evaluate the material of plastic, which is potential and permanent.

**Table 4.11** Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

No Interviews

- Thailand is an attractive location to spread ASEAN market and trade out of Thailand. Thailand is a hub country in the ASEAN in 2015 and strategic location. However, we do not think that Thailand has affordable infrastructure to do business all ASEAN countries. Thai government has to invest the building strong infrastructure.
- When I see outside of big main cities, there is low infrastructure to do business. That government has to invest the building more high ways for better infrastructure.
- I think that the main road is sufficient to transport everywhere, but the side roads are very complicated and took many hours for driving in order to reach the destination.
- I believe the infrastructure in Thailand is not enough to revive investment and prepare ASEAN communities. Thai government has to build logistic road ways, which transport everywhere in the future. It will bring economical factor and

**Table 4.11** Could you recommend any suggestions in order to increase the satisfaction of Korean investors? (Cont.)

increase Korean investors' satisfaction.

- I think that the high ways and motor ways are sufficient to transport goods, but the road asphalt condition is required to repair damaged road parts because of heavy raining.
- I believe the infrastructure in Thailand is not enough to transport destination.

  The logistic infrastructure is very necessary to flourish future investment.
- I think the infrastructure in Thailand is not enough and low asphalt condition to drive destination. Thai government has to fix out this problem around industrial area because it brings big accidents.

Thai government should invest building roads and supportive infrastructure. Korean investors think that the affordable transportations are located in specific industrial zone. It is not all of Chonburi province, it is only few areas. These phenomenons are not useful to raise economical factor, which is lack of logistic condition. Korean investors suggest Thai government who repair roads and make sufficient transportation to flourish future investment.

**Table 4.12** How do you get information, data and statistics, which help you to start your business?

Interviews

I haven't received any plastic manufacturing industry statistic or data to understand current business trend from the ministry of commerce Thailand.

We have our investment research team to appreciate manufacturing industry. We achieve statistic data and information from them who has been investing in Thailand and neighboring countries.

- I receive all information, data and statistic from other Korean investors who hold big companies. It is much trustful and reliable research.
- 4 I haven't received any plastic manufacturing industry statistic, data,

**Table 4.12** How do you get information, data and statistics, which help you to start your business? (Cont.)

understanding business from the ministry of commerce Thailand.

- 5 I receive all information, data and statistic from our company research team from headquarters. They find out the best location and zone for future investments.
- 6 I haven't received any plastic manufacturing industry statistic, data, understanding business from the ministry of commerce Thailand.
- I have received any plastic manufacturing industry statistic, data, understanding business from the SAMSUNG and LG who are big partner.

Respondents haven't received any plastic manufacturing industry statistic, data and information from the ministry of commerce Thailand. Those respondents gather all from two ways.

First, few of them investigate their own research by Research & development department

Second, few of small companies analyze SAMSUNG and LG global trend to expect future business.

Thai government and Korean investors should conduct and perform the environmental research team for the satisfaction of Korean investors.

**Table 4.13** How do you have a plan to prevent the obstacle for the investment in Thailand?

No	Interviews
1	I have a plan to achieve Thai plastic statistic data, which forecast investment.
2	It is all about information war. My company observes partners who are related to
	our main industry products. After then I set strategy up and change plan.
3	I get some effective news or issues from conglomerates who are SAMSUNG
	and LG. That information impacts my business plan and investment in the
	future.

**Table 4.13** How do you have a plan to prevent the obstacle for the investment in Thailand? (Conts.)

- 4 I request SAMSUNG and LG to expect global market and forecast present.
- We have our own research team, but our business plan move with our customers. If they have planned to move other areas, we must follow them to support the manufactured goods.
- I concentrated on SAMSUNG and LG to forecast global market. I expect and prevent potential obstacle.
- I am concern with SAMSUNG and LG global plan in international market. I expect and prevent potential obstacle.

Especially, SAMSUNG and LG are important partners to prevent any obstacle for plastic manufacturing factories. The vendors are depends on SAMSUNG and LG global sales and market. It means there is no option to decide future investment in Thailand.

Table 4.14 What suggestion do you want to provide FDI and BOI?

No Interviews

- All investors are very sensitive about trade tariff. The ministry of commerce Thailand has to enact tariff –off for some machines and few materials when they import from South Korea.
- Thai government has to ensure sustainable development and continue to attract FDI. The well-established infrastructure will take better geographical advantage. It brings potential foreign investors for the long haul.
- 3 Thailand corporate income tax is 20 percents. It is higher than Singapore who is index 17 percents. The reduction of duties influences to get more profits for Korean investors.
- 4 FDI and BOI mean that involve logistic, high ways and supporting infrastructures. The ministry of commerce must improve those factors to flourish Chonburi province economy.
- 5 The BOI companies help to increase Thailand trade index. Thai government has

**Table 4.14** What suggestion do you want to provide FDI and BOI? (Cont.)

- to support investors who bring specific materials and machines without tariff because Thai government set a legislation to import products, which is not produced in Thailand, those products get no-tariff advantages.
- The ministry of commerce Thailand has to enact tariff –off for some machines and few materials when they import from South Korea. All investors are very sensitive about trade tariff.
- Thai government has to support investors who bring specific materials and machines with tariff-cut because Thai government set a legislation to import products, which is not produced in Thailand, those products get no-tariff advantages.

Respondents want that Thai government sets flexible legislation for BOI.

First, the interviewees are very sensitive about trade tariff for importing machines and materials from South Korea because two things are never manufactured in Thailand. Thai government has to provide tariff-off for industrial things.

Second, the reduction of profit duties should be lower than Singapore. Singapore is 17percent of income tax, but Thailand is 20percents. In 2015, the integrated ASEAN economy will impact to invite foreign capitals. It is influenced to increase FDI and BOI by free trade.

The low tariff and tax can invite foreign investment. It flourishes Thai economy.

Table 4.15 What do you appreciate from ASEAN community 2015?

Nο

110	interviews
1	After we produce in Thailand, it makes a silk road to connect with 10 countries.
2	ASEAN community appears free trade, which means tariff-cut between ASEAN
	nations. The elimination of tariffs provides the product of price reductions
	throughout ASEAN economic communities. They will be integrated into a
	single market which is an important point because the market will be stronger
	and larger with a high population. The export and investment sectors will

Interviews

**Table 4.15** What do you appreciate from ASEAN community 2015? (Cont.)

generate higher potential in the long term.

- 3 ASEAN community expresses the free boarder and free trade. The intergraded economy flourishes all ASEAN countries. The tariff-cut shows a single market to start the manufacturing industry in Thailand to other countries.
- 4 After I produce products in Thailand, it connects with 10 countries. ASEAN community expresses the free boarder and free trade. ASEAN is a single market to start the manufacturing industry in Thailand to other countries.
- 5 ASEAN community shapes a big country. The intergraded economy brings tariff-cuts. This single market influences to open new branch and manufacturing all ASEAN countries.
- 6 Thailand has good opportunities to produce electronic products and automotive products with 10 ASEAN countries. ASEAN community expresses the free boarder and free trade.
- ASEAN mean that is a single market. It connects with 10 countries. ASEAN community expresses the free boarder and free trade. A business person trades finished goods everywhere.

ASEAN Economic Community (AEC) those goals include a single market and production base within a highly competitive, equitable economy, fully integrated into the global economy. (Invest in ASEAN, 2013) An ASEAN is a single market free flow of goods, services, and investments, as well as freer flow of capital and skills. (Olswang, 2014) Those 5 factors facilitate the development of manufacturing production networks in ASEAN region for global supply chain. The non-tariff reduces transaction cost and sale production price.

**Table 4.16** What would you adapt to AKFTA for the growth of investment?

No Interviews

- 1 AKFTA mean that trade documentation should be simple to help investors. When they trade something, it should be very short-period and liberalize tariff.
- All factories trade row materials and intermediate goods used in automotive products, computers and household appliances. Those are related to the plastic manufacturing industries. AKFTA trade and services will enhance the competitiveness of ASEAN members. The reduced tariff brings international goods fair and sells low price. It expands business opportunities for all Korean entrepreneurs.
- 3 AKFTA grows business opportunities because this agenda do not impose lots of tax. It is easy to transport materials to manufacture everywhere under AKFTA.
- 4 AKFTA helps trades growth. It does not impose insufficient tax. It is easy to transport materials ASEAN countries under AKFTA.
- 5 AKFTA influence tax and tariff in order to avoid existing tax. It will be the first step to manufacture in ASEAN countries.
- 6 The tariff-cut provides low price products. AKFTA trade gets rid of insufficient tariff to influence overall investment.
- The reduced tariff brings products' price down. The decreased products' price enhances customers buying power. Entrepreneur forecasts new investment to satisfy with customers.

AKFTA boosts trades and economic developments. Makers reduce intraregional transactions cost.

First, the manufactured factories in ASEAN countries require importing automobiles and electronics component. It may be hard to use all domestic products and technologies.

Second, the non-tariff enhances ASEAN business to provide high quality and low price goods. The produced domestic products easily supply to another countries towards freer trade.

Third, those functions attract to 600million ASEAN customers. Entrepreneurs transport from South Korea to all ASEAN countries.

Those factors make efficient and develop for growth investment fo manufacturing business.

**Table 4.17** What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

No

It is very hard to achieve the plastic molding injection industry statistic data and research for Korean investors when we compare with Japanese association. If we receive much accurate information to expect our current business, we may be trust to invest in Thailand.

Interviews

- There is no information to provide the molding injection industry by Thai government. We receive the latest technologies and knowledge from conglomerate who are SAMSUNG and LG. They regularly call and train vendors with some clear working performance.
- It is lack of Thai government support to provide the business workshops. There are not much the plastic molding injection technology. We depend on the latest technologies and knowledge from conglomerate who are SAMSUNG and LG.
- Thai government does not provide any molding injection trains. My company regularly goes to practice the latest technologies at SAMSUNG and LG. It is useful to understand the plastic molding injection in different whether and working environment
- Thai government gives lack of introductory and workshop. The low working performance influence insufficient news and issues to prepare future environmental factors. Korean investors are concern with continuous investment for the plastic molding injection industry for Korean investors.
- That government does not provide any molding injection trains. My company regularly goes to practice the latest technologies at SAMSUNG and LG.
- Thai government does not provide any molding injection trains. SAMSUNG and LG regularly train those vendors in order to learn the latest technologies it increasing working performance.

All Korean investors are supported by SAMSUNG and LG who are business partners. They liberally open the plastic molding injection class in order to train and propagate the latest technologies. They may believe these campaigns help us to maximize the quality of products. Thai government and South Korean investors have to share different knowledge. Two interchange develops both plastic molding injection skills.

**Table 4.18** How do you encounter impediments into labor legislation?

No

Thailand labor legislation is patriotic tendency to give better salary for Thai nationality. Especially, rising basic salary influences to invest the plastic manufacturing factory. The manufactured industry is very sensitive by labor cost while it produces a finished good.

Interviews

- The low salary was merit to invest the manufacturing industry before Thai government raised basic salary. I think there is only one thing left it is geographical advantage to reduce logistic cost.
- 3 The manufacturing industry is sensitive of labor cost. It requires good manpower with skilled working performance. However, the basic salary is increasing since few years.
- 4 The manufactured industry is very sensitive by labor cost while it produces a finished good. The rising basic salary influences to invest the plastic manufacturing factory.
- 5 The basic labor salary has increased since few years. The raising labor cost makes concern with future investment because manufacturing investment is very sensitive from small increase.
- 6 The low salary was good advantage to invest the manufacturing industry before Thai government has raised basic salary.
- I am wondering to continue manufacturing investment. The raising basic salary does not make any single of reason to invest in Thailand.

Thai government has raised the basic salary of labor cost. It makes Korean investors' feeling uncomfortable to continue manufacturing investment because they move their own factories from South Korea to Thailand. It means that they could not have endured the rising labor cost. In fact, the increasing labor cost will reserve future investment in Thailand.

**Table 4.19** What kind of environmental factors that helps to maintain your injection molding business?

No				Interv	views				
1	First is all b	ousinesses	are worry	y about t	ax and	tariff	expenditur	e. Second is the	e
	efficient infi	ractructure							

- 2 I think that Thailand has to develop human resources. I mean that Thai government must establish the vocational education school to supply the high skilled labors. Low labor forces cannot produce high quality products and expand the manufacturing industry.
- 3 It is hard to find the long-period employees who are working in the plastic molding injection industry. Thai government should provide vocational education to train future human resources.
- I hope that Thai government reduces the corporate tax from 20 percents to 17 4 percents likes Singapore. Those profits invest other part of business.
- 5 The good human resource influences to create more profits. They reduce inferior goods and produce good quality products. This working performance affects lots of profits in the plastic molding injection industry.
- 6 It is hard to find the long-period employees who are working in the plastic molding injection industry. Thai government should provide vocational education to train future human resources.
- Thai government should provide more vocational education to train future human resources.

There are three different opinions to maintain the molding injection business.

First, the small medium sizes companies get insufficient human resource. It is hard to find skilled and educated labors from vocational school. Good human resources reduce inferior goods and produce high quality of products.

Second, the reduction corporate tax will return to invest more sub-lines and equipments.

Third, the industrial zones' infrastructure is not satisfied with him. All interviewees have different percepts to maintain their own business.

No

**Table 4.20** Could you identify some tips that you need the working standard manual for the plastic injection molding industry?

1	The plastic	molding injection products are affected by environmental factors,
	which is di	fferent temperature and humidity. It influences to control those
	injection ma	chines' manual functions, but we haven't received standard manual
	for investors	who start business at the first.

Interviews

- There is lack of the plastic molding injection industry. Thai government only looks at investors who bring better technologies and knowledge. We receive the plastic molding injection manual and introductory from our customers, who are SAMSUNG and LG. It means that Thai manufacturing industry is very week it depends on only foreign investors.
- I haven't received any working manual for the plastic molding injection industry. We use Korean version to teach Thai employees. That information helps them to understand working standard, the temperature is even very different.
- I need a standard manual to understand the different plastic molding injection. We are accustomed by cold weather, it is not tropical weather like Thailand. I need environmental factor book and manual to start business at the first.
- I haven't received any working manual from Thai government for the plastic molding injection industry. We use the standard manual from SAMSUNG and LG guide books, which is the standard manual to adapt Thai temperature.
- 6 I haven't received any working manual for the plastic molding injection industry

**Table 4.20** Could you identify some tips that you need the working standard manual for the plastic injection molding industry? (Cont.)

since I have invested. I need a standard manual to understand the different environmental factor for plastic molding injection. The standard book and manual make easy to start business at the first.

7 I need a standard manual to understand temperature for the different environmental factor for plastic molding injection.

The interviewees need an interchange Thai manual book for understanding different temperature and environment for the plastic molding injection skill. They know every molds and methods of working process are not the same. If we organized the same method of molding like South Korea, equipments easily get damages and troubles. The infernal goods rates suddenly rise up. Therefore, we learn environmental factors when we come to open factories at the first. Our educational class is provided by our partners through standard manual books for adaptable Thai environments.

## **CHAPTER 5**

## **CONCLUSION & RECOMMENDATIONS**

This chapter will be divided into five parts. The research of each study objective is described in the last part of this chapter. The study aimed to investigate the overall satisfaction of Korean investors who are willing to invest in the Chonburi province of Thailand. Chapter 5 presents the conclusions of the research and some relevant recommendation for dealing with these similar issues in the future.

The applied objective of this study was to report information that will be useful in designing and implementing programs at an individual or corporate level and determine future investment.

#### 5.1 Conclusion

This research examined the Korean investors' perceptions and satisfaction towards the future investment in Chonburi province of Thailand. It identifies essential factors needed to satisfy Korean investors for FDI in the plastic molding injection business. The various researches present potential possibilities and different critical theory from Korean investor perspective. A researcher identifies the impact of these terms on each factor, which will be able to assist further actions towards the success of plastic manufacturing industry from molding injection machine.

Especially, in Thailand, the plastic industry provides a major part of the overall economy. If the Korean investors are not satisfied with Thai business environment, they would not consider staying and determining their future investment. It means that Thailand and ASEAN have to support valuable FTA to set FDI and BOI from legal limitation. All expectations influence the rising of capital and regional subsidies. Therefore, Thai government has to appreciate the plastic surface manufacturing industry and the molding injection, which increase numerical trade for domestic economy.

This investigation aims to increase the economic value of the plastic injection molding industry by improving understanding on what encourages Korean investors

to invest in Thailand. It separates all segment of the market, which study more reasonable markets and concentrate on all possibilities.

This study aims to make clear the fact that the perceived quality, which may influence the "satisfaction" of the Korean investors. It is also important for the Thai government to understand these factors, which get more investors and maintain centric industry.

It is influenced by dissimilar personal experiences. The sensitive plastic molding injection industry needs new studies to survive in the acute market for Korean investment. We have to look at the most valuable research, which will improve plastic molding injection industrial factories. This research adopts qualitative methodology, which uses responsible questionnaires. It identifies the advantages of the in-depth interview and analyzes the results to understand the deviation of results gained. The combined results appear plastic production industry the centralized Chonburi province of Thailand. This study provides a complete services and satisfaction with adequate investment for retention of Korean investors.

It is a clear objective to compare Thailand with other ASEAN markets because they growing in global trade and have enough resources and low labor costs. However, Thai government has to appreciate Korean investors who supply more foreign direct investment for trade and human resource balances. They must be aware of Korean customers who are valuable investors. This paper figures out what the important factors are as well as gather right information from the perspective of Korean investors. The research implications of the study are also discussed by qualitative method. It affects the number of Korean investors and overall plastic molding injection industry. It is all about business margins and high profitable sources. This rising competition helps plastic industrial environmental operation to improve investment quality into four dimensions, which are reliability, tangibles, responsiveness, assurance. It explores the economic influences between all those factors and retentive data are collected by plastic surface manufacturing industry and Korean investors who has perspective of their satisfaction.. These different definitions help them who achieve and sustain competitive advantages for future investment. The Thai government should make the decision to support suitable FDI and BOI at all time. It increases investment capital for plastic molding injection manufacturing

industry. Those individual strategies create reasonable resources, which influence present and future business in Chonburi province of Thailand.

The seven Korean investors were interviewed for this investigation. They all have factories in Siracha or Chonburi city. A researcher separated four kind of factories size by selling amount for a year.

A researcher found out that the 19 questionnaires, which were most common among conducted interviews. Those respondents have different challenges, expectations and observation in the plastic injection molding industry. The seven Korean investors interviewed on their own experience and personal thinking by a researcher. This information is very useful and efficient to appreciate the plastic manufacture in Chonburi province of Thailand. It is based on primary and secondary data. A researcher collected data to provide a research book, which will be a guideline to understand the plastic molding injection industry. There are location advantages, infrastructures satisfaction, qualified labor force and strong government relations. Korean investors are sincere when they decide to invest in the future. They need complete and accurate information on opportunities for generating profit. A researcher investigates rational BOI and FDI to flow capital in Chonburi province. It is all for accurate investment to understand their desire and feeling. AKFTA informs them to appreciate ASEAN market around Thailand. The supporting FTA factors gratify with Korean investors. It improves the plastic manufacturing industry. This is a challenge to appreciate the Thai market environment. The main aim of these subsidies from the Thai government is to improve their overall business environment, which will generate increased profitability for Korean investors. It is better for the understanding of Korean investors who wish to be satisfied with business quality. The complete investment performance will be rich and satisfactory for investors.

I hope that this investigation inspires Korean investors' investment in the future. A researcher hopes that further research for this topic will be conducted in a scientific way in the future.

Table 5.1 Content Analysis: Comparison main factors with seven interviewees

Factors	Traffic congestion (From Q4 & Q7)	Necessary of supportive transportation (From Q4)	Influencing infrastructure (From Q2)	Political issues (From Q5)	Rising labor cost (From Q4 & 17)	Language barrier (From Q6)
Interviewee						
1						
Interviewee	$\sqrt{}$			$\sqrt{}$	$\sqrt{}$	$\sqrt{}$
2						
Interviewee	$\sqrt{}$			$\sqrt{}$		
3						
Interviewee		$\sqrt{}$	$\sqrt{}$			$\sqrt{}$
4						
Interviewee	$\sqrt{}$			$\sqrt{}$		
5						
Interviewee	$\sqrt{}$	$\sqrt{}$		- 4		$\sqrt{}$
6						
Interviewee						$\sqrt{}$
7						

(No Satisfaction 7<6<5<4<3<2<1<0 Satisfaction)

A researcher interviewed with 7 interviewees and identified 6 factors: there are Traffic congestion, Necessary of supportive transportation, Influencing infrastructure, Political issues and Rising labor cost and Language barrier.

First, the "Rising labor cost" is the most conflict doing business in Thailand. This factor affect Korean investors who will continue invest or not.

Second, the "Language barrier" is the second of hardest factor when Korean investors work with and communicate with Thai employees.

Third, "Political issues", "Traffic congestion" and "Influencing infrastructure" do not affect Korean to do the plastic injection molding industry. They think that Thailand is a good enough and has nice industrial environment in ASEAN.

Finally, "Necessary of supportive transportation" factor receive the lowest score to invest in Thailand from Korean investors' opinion.

Table 5.2 Content Analysis: Comparison main factors with seven interviewees

Factors	Flexibility (From Q7)	Lighter (From Q9)	Insufficient human resource (From Q9)	Durability (From Q18)	Sensitive trade tariff (From Q13)	Attractive investment (From Q15)
Interviewee	$\sqrt{}$			$\sqrt{}$	$\sqrt{}$	
1						
Interviewee			$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$
2						
Interviewee		$\sqrt{}$			$\sqrt{}$	$\sqrt{}$
3						
Interviewee	$\sqrt{}$	$\sqrt{}$				$\sqrt{}$
4						
Interviewee				$\sqrt{}$		$\sqrt{}$
5						
Interviewee	$\sqrt{}$			$\sqrt{}$		$\sqrt{}$
6						
Interviewee	$\sqrt{}$			$\sqrt{}$		$\sqrt{}$
7						

(No Satisfaction 7<6<5<4<3<2<1<0 Satisfaction)

A researcher interviewed with 7 interviewees and identified 6 factors: there are Flexibility, Lighter, insufficient human resource, Durability, Sensitive trade tariff, Attractive investment.

First, especially, the "Sensitive trade tariff" and "Attractive investment" were the most conflict doing business in Thailand. This factor affect Korean investors who will continue invest or not.

Second, the "Insufficient human resource" is the second of hardest factor when Korean investors hire the high quality of Thai employees in Choburi province of Thailand.

Overall, "Durability", "Flexibility", "Lighter" receive quite low score. Thailand has low political stability from potential action. Those are the most of worst for Korean investors who continue future investment. It goes to say that postpone investment and maintaining in capital for future investment.

#### **5.2 Limitation of Study**

The in-depth interviews of the results of this study were limited. The data collection had limitations on this study. A researcher had difficulty generalizing the findings of Korean investors. The small sample size also could not provide sufficient data to be analyzed. The satisfaction study was constructed from seven Korean investors' opinions, which cover investment components such as location advantages, infrastructures satisfaction, effective good labors and both government relationship.

Certain factors that can cause biasness of the findings of this research paper have been noted. One of such is the unwillingness of respondents to fill the interview questionnaires. The respondents can as well fill the questionnaires without making sure that the information is correct. There is also a time constraint in conducting this research paper.

#### 5.3 Discussion

The study was conducted with seven Korean investors in Chonburi province of Thailand. A researcher interviewed seven Korean companies from September to October, 2014. Whose owners have the same business industry, but the investment sizes are very different ranging from small to large. The prepared interpersonal questions were 19 research questions; it was applied by their knowledge, experiences and satisfaction. The in-depth interview was available in Korean language. Those obtained researches were analyzed by qualitative analysis. There are several important findings for this study.

Those 4 factors were gathered by Korean investors with the in depth interview. First, it requires the location advantages in Chonburi province of Thailand. This research identifies Thai government subsidy and supporting expenses.

Second, it requires infrastructures satisfaction. The logistic distance is related to reduce delivery time and save unnecessary expenses.

Third, it requires a qualified and experienced work force. That government must be careful to increase the basic salary year and year. That government provides

vocational training schools or programs to be skilled in the plastic molding injection industry.

Fourth, it requires improving both government relationships for supporting FDI and FTA. It influences corporate and income tax. It also reduces maintenance cost, which is electric and water expenses. These all affect Korean investors who are maintaining in Thai market and spread their investments in Chonburi province of Thailand. These four factors if this fulfilled should result in reliable investments. The Thai government should make the decision to appreciate the plastic manufacturing investment. The findings are discussed with the literature to identify what the existing four important factors are. Discussion is arranged based on the conceptual framework, which is used by interpersonal interview for perception of the plastic molding injection industry.

#### **5.4 Recommendations**

Based on the research findings of this paper Korean investors' expressed that they were satisfied to investment in the Chonburi province of Thailand. The results of the study indicated that there were differences in the overall satisfaction of Korean investors in term of FDI and BOI for business environment. It combines differences from the in- depth interview from seven respondents as well as the effect of Investment satisfaction by economical factors. It would achieve organizational goal together with individual or objectives of Korean investors. Results of this research are the survey of environmental factors to find out current problems. In this research, the biggest challenges are location advantages, infrastructures satisfaction, effective good labors and both government relationship. Recommendations are clear to Thai government to satisfy with Korean investors. The adaptation and acceptance of environmental factors will improve the plastic molding injection industry in Chonburi province of Thailand. Thai government should listen to what Korean investors want at industrial zones and areas. There are four dimensions. Location advantages help Korean investors from Thai government subsidy to increase all about infrastructures satisfaction. The effective good labors are that raising salary impacts less investment

or transfer business from Thailand to another country. A researcher appreciates both government relationships to improve into bigger and larger business through FDI, FTA and BOI in the future. It reduces future conflict with potential troubles. One day, Korean investors may decide to move into other nations, which have better business environments. An investigator hopes that this detailed information will help Thailand to understand and cope with Korean investors.

.

#### **5.5 Future Research**

This research paper is on the factors that influence the satisfaction of Korean investors in the plastic molding injection industry in Chonburi province of Thailand. It concentrates on the plastic manufactures who are the main vendors with Samsung and LG. Further research work can be done to understand the effect of environmental factors on Korean investors, who improve the industry in Chonburi province of Thailand. The findings of future research can be investigated to support different national economies. It compares the effects national policy and legislation. The scope of the research can be expanded for further research.

#### REFERENCES

- Agreement between Japan and the Kingdom of Thailand for an Economic

  Partnership, 2004. (2004). Retrieved 18 July, 2014 from

  http://www.mofa.go.jp/region/asia-paci/thailand/epa0704/agreement.pdf
- Anderson, Sweeney, Williams, Camm, Ccchran, Fry & Ohlmann.

  (2013). Quantitative methods for business, *Quantitative Analysis (Second Edition)*, P7
- ASEAN-Korea Free Trade Agreement, *Benefits of AKFTA*. (2012). Retrieved 25 July, 2014 from http://akfta.asean.org/index.php?page=benefits-of-akfta
- Asian Development Bank, *Is the ASEAN-Korea Free Trade Area (AKFTA) an Optimal Free Trade Area?* (August, 2008). Retrieved 25 July, 2014 from http://www.adb.org/sites/default/files/pub/2008/WP21-ASEAN-Korea-FTA.pdf
- Association of Southeast Asian Nations. (2012). Para.1, About ASEAN overview,

  The ASEAN Secretariat. Retrieved 14 June, 2014 from

  http://www.asean.org/asean/about-asean/overview
- BOI, (2012). *Thai Plastics Industry Adding Value*, Environment Protection, para 1, 7. Retrieved 15 June, 2014 from <a href="http://www.boi.go.th/tir/issue\_content.php?issueid=94;page=42">http://www.boi.go.th/tir/issue\_content.php?issueid=94;page=42</a>
- Business in Asia com, *Thailand's Automotive Industry to See Growth Accelerate*.

  (November 2009). Retrieved 10 November, 2014

  from http://www.business-in-asia.com/automotive/thailand\_automotive.html
- Coakes, S.J., Steed, L. & Ong, C.(2010). SPSS: Analysis Without Anguish Using Spss Version 17.0 for Windows. John Wiley & Sons, Inc.
- Dow elastomers (2009). *Injection Molding Processing Guide*, burning & desolation, p7
- Food Industry Asia (2012). *Understanding ASEAN*: Seven Things You Need to Know. Retrieved 2 August, 2014 from http://foodindustry.asia/understanding-asean-seven-things-you-need-to-know
- Ghauri, P. and Gronhaug, K. (2005). *Research Methods in Business Studies*: A practical Guide, 3rd edition, Harlow: Financial Times Prentice Hall.

#### **REFERENCES (Cont.)**

- Glenn, A. Bowen. (2005). *Preparing a qualitative research- based dissertation*: lesson Learned. pp. 217
- Invest in ASEAN, Single Market and Production Base (2013).

  Retrieved 13 November, 2014 from

  http://www.olswang.com/articles/2014/10/freer-trade-asean-economic-community-and-the-trans-pacific-partnership-annual-review-2015/
- Injection molding network, *Polyolefin rising demand in Southeast Asia is still dependent on imports of* (24, May, 2013). Retrieved 2 November, 2014 from http://injectionmolding.0086zhusu.com/zhusu\_1/content/?994.html
- Japan Thailand Economic Partnership Agreement (JTEPA). (2004).

  Retrieved 18 July, 2014 from http://www.thaifta.com/english/eng\_jp.html
- Japan-Thailand Economic Partnership Agreement Task Force Report,

  (December, 2003). Retrieved 21 July, 2014 from

  http://www.mofa.go.jp/region/asia-paci/thailand/joint0312.pdf
- Olswang (2014). Freer Trade: *ASEAN Economic Community and the Trans-Pacific Partnership*, Annual Review 2015, (October, 2014). Retrieved 13 November, 2014 from http://investasean.asean.org/index.php/page/view/asean economic-community/view/670/newsid/758/single-market-and-production-base.html
- Padgett, D. (2004). *The qualitative research experience*. Belmont, CA: Wadsworth/Thomson learning. pp. 52
- Quartz, What a coup d'état looks like in Thailand (22, May, 2014). Retrieved 3

  October, 2014 from http://qz.com/212246/what-a-coup-detat-looks-like-in-thailand/
- Thailandguru (1999-2010). *Houses, Condominiums, and Apartments in*Pattaya and the Eastern Industrial Seaboard. Retrieved 14 June, 2014 from http://www.thailandguru.com/pattaya-chonburi-rayong-eastern-seaboard.html
- Thailand Board of Investment, (2011). Para 1, *what we do*, Retrieved 7 July,2014 from http://www.boi.go.th/index.php?page=what\_we\_do

#### **REFERENCES (Cont.)**

- Thailand Investment Review, *Companies spot light, Mitsui & Co (Thailand)*, (October, 2007). Retrieved 16 September from http://www.boi.go.th/tir/issue/200710\_17\_10/3.htm
- Thailand Investment Review, *FTAs and Thailand*, (August, 2008). Retrieved 16 September, 2014 from http://www.boi.go.th/tir/issue/200808\_18\_8/cover.htm
- Thailand investment review, *Japan is Next in Line to Sign FTA with Thailand* (August, 2005). Retrieved 17 September, 2014 from http://www.boi.go.th/tir/issue/200508\_18\_8/document.pdf
- Thailand Investment Review, Industry focus, *Molds & Dies Industry*, (August, 2013).

  Retrieved 16 September, 2014 from

  http://www.boi.go.th/tir/issue/201308\_23\_8/42.htm
- Thailand Investment Review, *Thailand Plastics Development*, (4, October, 2013).

  Retrieved 13 November, 2014 from

  http://www.boi.go.th/tir/issue\_content.php?issueid=104;page=280
- Time, *Thailand Is Doing a Great Job of Screwing Up Its Potential* (23, May, 2014).

  Retrieved 25 November, 2014 from http://time.com/110059/thai-coup-thailand-brics-developing-economies-potential-politics/
- Transparency International, (2014). *Transparency International*Corruption Perceptions Index 2013. Place: EMEIA Marketing Agency 1000750.
- Zikmund, Babin, Carr, Griffin. (2013). Business Research Methods (5<sup>th</sup> edition).

# APPENDIX A INTERVIEW FORM FOR DISCUSSION GUIDE

#### INTERVIEW SCHEDULE

Thesis Title: The satisfaction of plastic injection molding industry in Chonburi province of Thailand for Korean investors

#### Part One. General information

- 1. Background information of interviewee and job position
- (E.g. Investors' education, working experience, various environmental factors, companies' size)

#### Part two. Interview questions

- 2. Environment, Culture, communication
- 1) What kind of factors or differences have you conflict with that for investment?
- 2) Have you ever gotten differences in concept of investment in Chonburi province of Thailand?
- 3. The challenges of investment via BOI and FDI in Chonburi province of Thailand?
- 1) How do you challenge theses supportive BOI and FDI?
- 2) What is the effective way of investment for Korean investors?
- 4. What is the best solution of these challenges?
- 5. How to prevent the most common troubles investing the injection molding industry in Chonburi province of Thailand?
- 6. Korean Investors
- 7. Desires for Korean investors' satisfaction
- 1) How does Thai government influence your investment satisfaction?

## APPENDIX B NON-DISCLOSURE AGREEMENT

A confidentiality agreement is a legally binding contract in which a person or business promises to treat specific information as a trade secret and promises not to disclose the secret to others without proper authorization.

It is my responsibility to use the given information responsibly.

A researcher may share collected information just as it is provided. It does not need details from respondents. A researcher may change and the real name of interviewee and the name of the company can be published.

A researcher may share collected information just as it is provided. It is clear to inform and understand those interviewees, who are not published and used in presentation. The details personal might be confidentially. A researcher protect interviewees identifiable information and any happened.

Please specify the data which needs to be modified to unidentifiable:

Would interviewee like to receive the summary	of research by email?
Two signed copies are made from this agreement	ent, one to each party.
Interviewee signature	Interviewer signature
Name	Name
Date	Date

#### **Interview 1**

1. What kind of positive or negative affect could be caused by plastic molding injection industry investment in Chonburi province?

It is positive fact to invest the molding injection industry. The Chonburi province of Thailand is very close to Laem Chabang harbor. It takes only one hour distance to transport all containers.

2. How do you appreciate manufacturing investment for the plastic molding injection industry in Chonburi province of Thailand?

An advantage is short distance to delivery vendors' products in conglomerate such as SAMSUNG and LG. The time is related to make manufacturing industry's profits.

3. What location is better for future investment for molding injection companies in Chonburi province?

Chonburi city is the best location in Chonburi province of Thailand. Especially, two cities are close to Laem Chabang harbor and conglomerate to delivery our Finished Goods.

- 4. How and what problems do you noticed problems to Thai government about preparing Korean investment for the plastic molding injection industry?

  The infrastructure is lack of facts to delivery customers. Thai government has to build high ways and motor ways to reduce delivery routes.
- 5. Do you have had problems with environmental factors to continue investment? Yes, I have had lack of manpower between other competitors. There are lots of manufacturers in Chonburi province. It makes unbalance job market, which is hard to find out high qualified employees.
- 6. Have you been conflicted with culture, environment and language barriers while investing in Thailand?

I think that small and middle size company employees are not much educated. It means to say they cannot speak English to communicate with Korean investors. This language barrier makes miscommunication to work together.

7. What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

When we injection plastic surfaces, we try to get almost materials in local. However, plastic manufacturing industry in Thailand is still not enough to use domestic market without material trade. We need more opened materials FDI without tariff like Japan. We produce the high quality of plastic product after we receive "A "grade material.

8. What factor will influence the stability to invest in Chonburi province of Thailand?

Location is a main benefit it easy to access Laem Chabang harbor and close to customers who are conglomerate like SAMSUNG and LG

9. What advantage can you gain in the future plan from the investment of molding injection business?

The free trade agreement influences to do business outside of Thailand. We already knew that ASEAN community come true in 2015. It brings no tariff for many goods to transport the manufactured products everywhere in ASEAN territory.

10. Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

Thailand is an attractive location to spread ASEAN market and trade out of Thailand. Thailand is a hub country in the ASEAN in 2015 and strategic location. However, we do not think that Thailand has affordable infrastructure to do business all ASEAN countries. Thai government has to invest the building strong infrastructure.

11. How do you get information, data and statistics, which help you to start your business?

I haven't received any plastic manufacturing industry statistic or data to understand current business trend from the ministry of commerce Thailand.

12. How do you have a plan to prevent the obstacle for the investment in Thailand?

I have a plan to achieve Thai plastic statistic data, which forecast investment.

#### 13. What suggestion do you want to provide FDI and BOI?

All investors are very sensitive about trade tariff. The ministry of commerce Thailand has to enact tariff –off for some machines and few materials when they import from South Korea.

14. What do you appreciate from ASEAN community 2015?

After we produce in Thailand, it makes a silk road to connect with 10 countries.

15. What would you adapt to AKFTA for the growth of investment?

AKFTA mean that trade documentation should be simple to help investors. When they trade something, it should be very short-period and liberalize tariff.

16. What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

It is very hard to achieve the plastic molding injection industry statistic data and research for Korean investors when we compare with Japanese association. If we receive much accurate information to expect our current business, we may be trust to invest in Thailand.

17. How do you encounter impediments into labor legislation?

Thailand labor legislation is patriotic tendency to give better salary for Thai nationality. Especially, rising basic salary influences to invest the plastic manufacturing factory. The manufactured industry is very sensitive by labor cost while it produces a finished good.

18. What kind of environmental factors those help to maintain your molding injection business?

First is all businesses are worry about tax and tariff expenditure. Second is the efficient infrastructure

19. Could you specify some tips that you need the standard manual for the plastic molding injection industry?

The plastic molding injection products are affected by environmental factors, which is different temperature and humidity. It influences to control those injection machines' manual functions, but we haven't received standard manual for investors who start business at the first.

#### **Interview 2**

- 1. What kind of positive or negative affect could be caused by plastic molding injection industry investment in Chonburi province?
- I think the Chonburi province of Thailand is one of good locations to start manufacturing industry because it has close to Laem Chabang harbor with good infrastructure.
- 2. How do you appreciate manufacturing investment for the plastic molding injection industry in Chonburi province of Thailand?

In my opinion, Thailand is a blessing country. Thailand is consists of numerous natural resource. We usually achieve and extract from all materials in Thailand after we support technological factors in Chonburi province of Thailand.

3. What location is better for future investment for molding injection companies in Chonburi province?

If I invest the plastic molding injection industry, I would appreciate and trade products from the Chonburi city in Chonburi province to other country, which is very close to Laem chabang harbor.

- 4. How and what problems do you noticed problems to Thai government about preparing Korean investment for the plastic molding injection industry?

  I am worry about rising basic labor salary. I moved our factor from South Korea to Thailand. I expected to invest low labor cost than South Korea.
- 5. Do you have had problems with environmental factors to continue investment? Thailand was one of the safest countries to start manufacturing industry with valuable commerce legislation in the South East Asia. However, you see there are political issues between two different parties.
- 6. Have you been conflicted with culture, environment and language barriers while investing in Thailand?

Especially, I was conflicted with communication when I come to Thailand at the first. I have to find out a translator to speak out my opinion. It means to say that there are only few English speakers who are working at factory.

7. What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

I appreciate the Laem Chabang in Chonburi province of Thailand. Chonburi province is one of the best locations, which start to invest factories and trade BOI products. Logical ways is short distance, but Chonburi motorway is always traffic gem from many trades.

8. What factor will influence the stability to invest in Chonburi province of Thailand?

My company is BOI Company. It is close to Laem Chabang harbor. We trade lots of electronic goods to aboard. The location influences the stability investment.

9. What advantage can you gain in the future plan from the investment of molding injection business?

I think the plastic products cannot replace to another things. The durability of plastic products is stronger and much light year to year.

10. Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

When I see outside of big main cities, there is low infrastructure to do business. Thai government has to invest the building more high ways for better infrastructure.

11. How do you get information, data and statistics, which help you to start your business?

We have our investment research team to appreciate manufacturing industry. We achieve statistic data and information from them who has been investing in Thailand and neighboring countries.

12. How do you have a plan to prevent the obstacle for the investment in Thailand?

It is all about information war. My company observes partners who are related to our main industry products. After then I set strategy up and change plan.

13. What suggestion do you want to provide FDI and BOI?

That government has to ensure sustainable development and continue to attract FDI.

The well-established infrastructure will take better geographical advantage. It brings potential foreign investors for the long haul

14. What do you appreciate from ASEAN community 2015?

ASEAN community appears free trade, which means tariff-cut between ASEAN nations. The elimination of tariffs provides the product of price reductions throughout ASEAN economic communities. They will be integrated into a single market which

is an important point because the market will be stronger and larger with a high population. The export and investment sectors will generate higher potential in the long term.

#### 15. What would you adapt to AKFTA for the growth of investment?

All factories trade row materials and intermediate goods used in automotive products, computers and household appliances. Those are related to the plastic manufacturing industries. AKFTA trade and services will enhance the competitiveness of ASEAN members. The reduced tariff brings international goods fair and sells low price. It expands business opportunities for all Korean entrepreneurs.

16. What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

There is no information to provide the molding injection industry by Thai government. We receive the latest technologies and knowledge from conglomerate who are SAMSUNG and LG. They regularly call and train vendors with some clear working performance.

#### 17. How do you encounter impediments into labor legislation?

The low salary was merit to invest the manufacturing industry before Thai government raised basic salary. I think there is only one thing left it is geographical advantage to reduce logistic cost.

18. What kind of environmental factors those help to maintain your molding injection business?

I think that Thailand has to develop human resources. I mean that Thai government must establish the vocational education school to supply the high skilled labors. Low labor forces cannot produce high quality products and expand the manufacturing industry.

19. Could you specify some tips that you need the standard manual for the plastic molding injection industry?

There is lack of the plastic molding injection industry. That government only looks at investors who bring better technologies and knowledge. We receive the plastic molding injection manual and introductory from our customers, who are SAMSUNG and LG. It means that That manufacturing industry is very week it depends on only foreign investors.

#### **Interview 3**

1. What kind of positive or negative affect could be caused by plastic molding injection industry investment in Chonburi province?

It is always positive factor to invest any business when I observe Chonburi province as a good location. There is Laem Chabang harbor and good infrastructure to go to Rayoung industrial province.

2. How do you appreciate manufacturing investment for the plastic molding injection industry in Chonburi province of Thailand?

I appreciate logistic cost to transport goods for customers because most of Korean companies are located in Chonburi province. The delivery distance is very important to decrease products costs and any expenders in the manufacturing industry.

3. What location is better for future investment for molding injection companies in Chonburi province?

If I choose a city for future investment, I would invest in Siracha city of Chonburi province. It is very close to our customers to transport goods on time.

4. How and what problems do you noticed problems to Thai government about preparing Korean investment for the plastic molding injection industry?

The rising labor cost is a concern for Korean investors. It is a heavy factor to invest in the future.

- 5. Do you have had problems with environmental factors to continue investment? It is a big obstacle that Thailand has happened internal political tensions and disasters every 2 years. I am worry about these environmental factors.
- 6. Have you been conflicted with culture, environment and language barriers while investing in Thailand?

I think that language is not big problem to communicate each other, but the understanding different culture is really hard to survival in Thailand. When we are working together, Korean loves to say "quickly" of habit, but Thai love to say "slowly" of habit. These two words make different feeling to do working at the same time.

7. What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

Reducing trade distance is a big challenge. I think that logistic in Chonburi province is well built only main road. I mean the side roads are not arranged and under construction. It makes serious traffic gem.

8. What factor will influence the stability to invest in Chonburi province of Thailand?

The big Laem Chabang harbor in Chonburi province gives business stability for BOI companies.

9. What advantage can you gain in the future plan from the investment of molding injection business?

The middle class in Thailand is rapidly growing. The demand will increase to buy because those people are looking for better electronic products. It is potential market to continue the investment of molding injection business.

10. Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

I think that the main road is sufficient to transport everywhere, but the side roads are very complicated and took many hours for driving in order to reach the destination.

11. How do you get information, data and statistics, which help you to start your business?

I receive all information, data and statistic from other Korean investors who hold big companies. It is much trustful and reliable research.

12. How do you have a plan to prevent the obstacle for the investment in Thailand?

I get some effective news or issues from conglomerates who are SAMSUNG and LG. That information impacts my business plan and investment in the future.

13. What suggestion do you want to provide FDI and BOI?

Thailand corporate income tax is 20 percents. It is higher than Singapore who is index 17 percents. The reduction of duties influences to get more profits for Korean investors.

14. What do you appreciate from ASEAN community 2015?

ASEAN community expresses the free boarder and free trade. The intergraded economy flourishes all ASEAN countries. The tariff-cut shows a single market to start the manufacturing industry in Thailand to other countries.

- 15. What would you adapt to AKFTA for the growth of investment?

  AKFTA grows business opportunities because this agenda do not impose lots of tax.

  It is easy to transport materials to manufacture everywhere under AKFTA.
- 16. What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

It is lack of Thai government support to provide the business workshops. There are not much the plastic molding injection technology. We depend on the latest technologies and knowledge from conglomerate who are SAMSUNG and LG.

17. How do you encounter impediments into labor legislation?

The manufacturing industry is sensitive of labor cost. It requires good manpower with skilled working performance. However, the basic salary is increasing since few years.

18. What kind of environmental factors those help to maintain your molding injection business?

It is hard to find the long-period employees who are working in the plastic molding injection industry. That government should provide vocational education to train future human resources.

19. Could you specify some tips that you need the standard manual for the plastic molding injection industry?

I haven't received any working manual for the plastic molding injection industry. We use Korean version to teach Thai employees. That information helps them to understand working standard, the temperature is even very different.

#### **Interview 4**

1. What kind of positive or negative affect could be caused by plastic molding injection industry investment in Chonburi province?

It is positive fact to invest the plastic molding injection industry in Chonburi province of Thailand. There are located most of electronic factories and close to Laem Chabang harbor.

2. How do you appreciate manufacturing investment for the plastic molding injection industry in Chonburi province of Thailand?

My customers are close to my factories. I can save time and reduce transportation cost.

3. What location is better for future investment for molding injection companies in Chonburi province?

I may invest in Siracha city, it is close to my customers to transport our goods on times.

- 4. How and what problems do you noticed problems to Thai government about preparing Korean investment for the plastic molding injection industry?

  I think that Thai government has to build more infrastructures. It means that include mortar ways and side roads to reach everywhere.
- 5. Do you have had problems with environmental factors to continue investment? There is low manpower who applies to work in the plastic molding injection industry. The low supply of engineers makes troubles to organize and substitute factories.
- 6. Have you been conflicted with culture, environment and language barriers while investing in Thailand?

The most of factories workers cannot speak English and communicate with us. It makes language barriers to understand working performance.

7. What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

When we import few plastic materials from South Korea, the max materials weight is small and very limited by Thai government. All plastic BOI companies cannot import in those limited weight. The BOI organization has to give more material importation.

8. What factor will influence the stability to invest in Chonburi province of Thailand?

Chonburi province is a good location it easy to access Laem Chabang harbor and close to customers who are conglomerate like SAMSUNG and LG

9. What advantage can you gain in the future plan from the investment of molding injection business?

The plastic products have developed that is more durability and stronger in the future. It makes business opportunities to invest everywhere.

10. Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

I believe the infrastructure in Thailand is not enough to revive investment and prepare ASEAN communities. Thai government has to build logistic road ways, which transport everywhere in the future. It will bring economical factor and increase Korean investors' satisfaction.

11. How do you get information, data and statistics, which help you to start your business?

I haven't received any plastic manufacturing industry statistic, data, understanding business from the ministry of commerce Thailand.

12. How do you have a plan to prevent the obstacle for the investment in Thailand?

I request SAMSUNG and LG to expect global market and forecast present.

13. What suggestion do you want to provide FDI and BOI?

FDI and BOI mean that involve logistic, high ways and supporting infrastructures. The ministry of commerce must improve those factors to flourish the Chonburi province economy.

14. What do you appreciate from ASEAN community 2015?

After I produce products in Thailand, it connects with 10 countries. ASEAN community expresses the free boarder and free trade. ASEAN is a single market to start the manufacturing industry in Thailand to other countries.

15. What would you adapt to AKFTA for the growth of investment?

AKFTA helps trades growth. It does not impose insufficient tax. It is easy to transport materials ASEAN countries under AKFTA.

16. What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

Thai government does not provide any molding injection trains. My company regularly goes to practice the latest technologies at SAMSUNG and LG. It is useful to understand the plastic molding injection in different whether and working environment

17. How do you encounter impediments into labor legislation?

The manufactured industry is very sensitive by labor cost while it produces a finished good. The rising basic salary influences to invest the plastic manufacturing factory.

18. What kind of environmental factors those help to maintain your molding injection business?

I hope that Thai government reduces the corporate tax from 20 percents to 17 percents likes Singapore. Those profits invest other part of business.

19. Could you specify some tips that you need the standard manual for the plastic molding injection industry?

I need a standard manual to understand the different plastic molding injection. We are accustomed by cold weather, it is not tropical weather like Thailand. I need environmental factor book and manual to start business at the first.

#### **Interview 5**

1. What kind of positive or negative affect could be caused by plastic molding injection industry investment in Chonburi province?

The plastic molding njection industry is positive factor to invest in Chonburi province. There is Laem Chabang harbor and connects with Thailand main motorways.

2. How do you appreciate manufacturing investment for the plastic molding injection industry in Chonburi province of Thailand?

I appreciate Chonburi infrastructure and logistic cost to transport in Chonburi province. The most of Korean companies are located in Chonburi province. The short delivery distance provides less expender.

3. What location is better for future investment for molding injection companies in Chonburi province?

I would invest in Siracha city of Chonburi province. It is very close to our customers to transport goods on time. I can cope with future any happened

4. How and what problems do you noticed problems to Thai government about preparing Korean investment for the plastic molding injection industry?

Thai government has to be serious to raise labor cost. It has debated by Korean investors to continue investment.

- 5. Do you have had problems with environmental factors to continue investment? I think that it is a big obstacle that Thailand has happened internal political tensions. This environmental factor freeze to continue investment.
- 6. Have you been conflicted with culture, environment and language barriers while investing in Thailand?

I think that language barrier is not big problem to understand working performance. It is just part of Thai culture, which is influenced from food and customs. So, I am learning Thai peoples' behaviors with Thai society.

7. What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

When I transport my companies' goods in the morning and evening, there are heavy traffic gems to transports. The ministry of commerce must build more side roads to separate trucks and other transportations.

8. What factor will influence the stability to invest in Chonburi province of Thailand?

The Chonburi province is an industrial hub, there are high water supply networks, highways, transportation and supporting infrastructures. Those are attractive factors to do FDI.

9. What advantage can you gain in the future plan from the investment of molding injection business?

The electrical products and automotive manufacturer have invested in Thailand. Two industries really require plastic materials to assembly products. The plastic manufacturing industry is still potential and permanents.

10. Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

I think that the high ways and motor ways are sufficient to transport goods, but the road asphalt condition is required to repair damaged road parts because of heavy raining.

11. How do you get information, data and statistics, which help you to start your business?

I receive all information, data and statistic from our company research team from headquarters. They find out the best location and zone for future investments.

12. How do you have a plan to prevent the obstacle for the investment in Thailand?

We have our own research team, but our business plan move with our customers. If they have planned to move other areas, we must follow them to support the manufactured goods.

#### 13. What suggestion do you want to provide FDI and BOI?

The BOI companies help to increase Thailand trade index. Thai government has to support investors who bring specific materials and machines without tariff because Thai government set a legislation to import products, which is not produced in Thailand, those products get no-tariff advantages.

#### 14. What do you appreciate from ASEAN community 2015?

ASEAN community shapes a big country. The intergraded economy brings tariff-cuts. This single market influences to open new branch and manufacturing all ASEAN countries.

15. What would you adapt to AKFTA for the growth of investment?

AKFTA influence tax and tariff in order to avoid existing tax. It will be the first step to manufacture in ASEAN countries.

16. What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

Thai government gives lack of introductory and workshop. The low working performance influence insufficient news and issues to prepare future environmental factors. Korean investors are concern with continuous investment for the plastic molding injection industry for Korean investors.

#### 17. How do you encounter impediments into labor legislation?

The basic labor salary has increased since few years. The raising labor cost makes concern with future investment because manufacturing investment is very sensitive from small increase.

18. What kind of environmental factors those help to maintain your molding injection business?

The good human resource influences to create more profits. They reduce inferior goods and produce good quality products. This working performance affects lots of profits in the plastic molding injection industry.

19. Could you specify some tips that you need the standard manual for the plastic molding injection industry?

I haven't received any working manual from Thai government for the plastic molding injection industry. We use the standard manual from SAMSUNG and LG guide books, which is the standard manual to adapt Thai temperature.

#### **Interview 6**

1. What kind of positive or negative affect could be caused by plastic molding injection industry investment in Chonburi province?

It is positive fact to invest the plastic molding injection industry in Chonburi province of Thailand. There is enough water supply, electricity and supporting good infrastructure. Moreover, Lam Chabang harbor is close to transport somewhere.

2. How do you appreciate manufacturing investment for the plastic injection molding industry in Chonburi province of Thailand?

Transportation cost is not high because the most companies are located in few areas.

3. What location is better for future investment for molding injection companies in Chonburi province?

I think that Chonburi city is located the best location for my factories. My customers are only 15mins from my factories. I reduce insufficient transportation cost.

4. How and what problems do you noticed problems to Thai government about preparing Korean investment for the plastic molding injection industry?

Thai government has to solve the traffic congestion around Samsung industrial zone. Thai government reinforces side roads and sub-infrastructure.

- 5. Do you have had problems with environmental factors to continue investment? There is low manpower who applies to work in small-medium Company. The low human resources make business troubles to organize factories.
- 6. Have you been conflicted with culture, environment and language barriers while investing in Thailand?

The most of factories workers cannot speak English and communicate with foreign employees. It makes language barriers to understand working performance.

7. What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

I think that the BOI statement is too tight to import few plastic materials from South Korea. the max materials weight is small and very limited by Thai government. All plastic BOI companies cannot import in those limited weight. The BOI organization has to give more material importation.

8. What factor will influence the stability to invest in Chonburi province of Thailand?

Chonburi province is a good location, which has good infrastructure, enough water and electricity. Moreover, it easy to access Laem chabang harbor, I see the entire best environment to do business.

9. What advantage can you gain in the future plan from the investment of molding injection business?

The plastic manufacturing industry is potential and valuable business. It should be more durability and stronger in the future. It makes business opportunities to invest everywhere.

10. Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

I believe the infrastructure in Thailand is not enough to transport destination. The logistic infrastructure is very necessary to flourish future investment.

11. How do you get information, data and statistics, which help you to start your business?

I haven't received any plastic manufacturing industry statistic, data, understanding business from the ministry of commerce Thailand.

12. How do you have a plan to prevent the obstacle for the investment in Thailand?

I concentrated on SAMSUNG and LG to forecast global market. I expect and prevent potential obstacle.

13. What suggestion do you want to provide FDI and BOI?

The ministry of commerce Thailand has to enact tariff –off for some machines and few materials when they import from South Korea. All investors are very sensitive about trade tariff.

14. What do you appreciate from ASEAN community 2015?

Thailand has good opportunities to produce electronic products and automotive products with 10 ASEAN countries. ASEAN community expresses the free boarder and free trade.

15. What would you adapt to AKFTA for the growth of investment?

The tariff-cut provides low price products. AKFTA trade gets rid of insufficient tariff to influence overall investment.

16. What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

Thai government does not provide any molding injection trains. My company regularly goes to practice the latest technologies at SAMSUNG and LG.

17. How do you encounter impediments into labor legislation?

The low salary was good advantage to invest the manufacturing industry before Thai government has raised basic salary.

18. What kind of environmental factors those help to maintain your molding injection business?

It is hard to find the long-period employees who are working in the plastic molding injection industry. Thai government should provide vocational education to train future human resources.

19. Could you specify some tips that you need the standard manual for the plastic molding injection industry?

I haven't received any working manual for the plastic molding injection industry since I have invested. I need a standard manual to understand the different environmental factor for plastic molding injection. The standard book and manual make easy to start business at the first.

#### **Interview 7**

1. What kind of positive or negative affect could be caused by plastic molding injection industry investment in Chonburi province?

It is positive fact to invest the plastic molding injection industry in Chonburi province of Thailand. I see the high ways, mortar way and supporting infrastructure are much better than other location.

2. How do you appreciate manufacturing investment for the plastic molding injection industry in Chonburi province of Thailand?

The most of Korean companies are located in Chonburi province. I appreciate Chonburi industrial areas, which is close to customers. So, logistic cost should be cheaper in Chonburi province.

3. What location is better for future investment for molding injection companies in Chonburi province?

I think that Chonburi city is the best location to transport finished goods.

4. How and what problems do you noticed problems to Thai government about preparing Korean investment for the plastic molding injection industry?

The rising labor cost has been debated topic by Korean investors to continue investment.

- 5. Do you have had problems with environmental factors to continue investment? I think that potential political issues are environmental factors.
- 6. Have you been conflicted with culture, environment and language barriers while investing in Thailand?

The language barrier makes less working performance and understanding. The most of factories workers cannot speak English and communicate with foreign employees.

7. What challenge you face with regarding FDI and BOI when you invest in Chonburi province of Thailand?

The BOI organization has to give more material importation. It is too tight to import few plastic materials from South Korea. The max materials weight is not enough and very limited by Thai government.

8. What factor will influence the stability to invest in Chonburi province of Thailand?

Chonburi province has all important things, which have Laem Chabang habor, good infrastructure, enough water and electricity.

9. What advantage can you gain in the future plan from the investment of molding injection business?

The electrical products and automotive manufacturer have more potential and permanents. The manufactured factories have to satisfy with customers. We want plastic products must be durability and strong for future industry.

10. Could you recommend any suggestions in order to increase the satisfaction of Korean investors?

I think the infrastructure in Thailand is not enough and low asphalt condition to drive destination. Thai government has to fix out this problem around industrial area because it brings big accidents.

11. How do you get information, data and statistics, which help you to start your business?

I have received any plastic manufacturing industry statistic, data, understanding business from the SAMSUNG and LG who are big partner.

12. How do you have a plan to prevent the obstacle for the investment in Thailand?

I am concern with SAMSUNG and LG global plan in international market. I expect and prevent potential obstacle.

13. What suggestion do you want to provide FDI and BOI?

Thai government has to support investors who bring specific materials and machines with tariff-cut because Thai government set a legislation to import products, which is not produced in Thailand, those products get no-tariff advantages.

14. What do you appreciate from ASEAN community 2015?

ASEAN mean that is a single market. It connects with 10 countries. ASEAN community expresses the free boarder and free trade. A business person trades finished goods everywhere.

15. What would you adapt to AKFTA for the growth of investment?

The reduced tariff brings products' price down. The decreased products' price enhances customers buying power. Entrepreneur forecasts new investment to satisfy with customers.

16. What kind of supports would you prefer from Thai government such as introductory workshops for increasing working performance?

That government does not provide any molding injection trains. SAMSUNG and LG regularly train those vendors in order to learn the latest technologies it increasing working performance.

17. How do you encounter impediments into labor legislation?

I am wondering to continue manufacturing investment. The raising basic salary does not make any single of reason to invest in Thailand.

18. What kind of environmental factors those help to maintain your molding injection business?

Thai government should provide more vocational education to train future human resources.

19. Could you specify some tips that you need the standard manual for the plastic molding injection industry?

I need a standard manual to understand temperature for the different environmental factor for plastic molding injection.

# APPENDIX C SUPPLYMENT DATA ANALYSES



Figure 1: Supplemental data analysis: Competitiveness driven differently among most competitive nations

- Notes:

  Average figures mentioned are: average of 38 index countries for Labor Preductivity, Manufacturing GDP five year Compound Annual Growth Rate (CAGR) (2005-2010), Manufacturing as percentage of GDP (2010), Manufacturing experientage o USE, and Vietnam is not available.

  Manufacturing as percentage of GDP and manufacturing as percentage of Exports at 2010 prices and exchange rates.

  Corporate tax have represents the highest corporate tax bracket for a given nation.

  See additional details in Supplemental country analysis section (Appendix A).

2013 Global Manufacturing Competitiveness Index 4

2011 manufacturing trade export levels for 2013 top 10 GMCI countries Their major export partners Exports for Index's top 10 nations China Germany Japan South Korea Taiwan Singapore India Americas United Canada Brazil Canada Brazil Singapore Pacific Africa Source: Deloitte Analytics HIVE (Highly Immersive Visual Environment) and Deloitte Touche Tohmatsu Limited analysis (iv)

Figure 8: Supplemental Data Analysis: A look at where and what type of manufacturing goods the most competitive nations are exporting

Exports of manufactured goods with high skill and technology intensity Exports of manufactured goods with medium skill and technology intensity

Exports of manufactured goods with low skill and technology intensity; and labor-intensive and resource-based manufactured goods

Notes:
The classification of goods into different degrees is based on Standard International Trade Classification (SITC) codes, UNCTAD (6)
Regional definitions — Europe (excludes Germany), Asia (excludes China, Japan, South Korea, Taiwan, Singapore, and India), Americas (excludes United States, Canada, and Brazil)

2013 Global Manufacturing Competitiveness Index 14

## APPENDIX D

OUTWARD DIRECT INVESTMENT

#### 태국의 투자환경위험 평가보고서

(2012. 5. 4)

#### I.투자통계평가

#### I-1. 우리나라의 대 대국 해외직접투자(ODI) 실적

단위: 건, 천 달러

	2009	2010	2011	투자누계
연중 투자건수	40	34	53	686
연중 투자총액	31,276	80,850	579,432	1,765,328
(전년대비 증감률)	(-65.7%)	(158.5%)	(616.7%)	

#### □우리나라의 대 태국 해외직접투자 동향(요약)

- 우리 기업의 대 태국 직접투자(ODI)는 주로 제조업 중심으로 이루어지고 있으며, 신규법인의 건수 증가는 크지 않으나 건별 투자금액이 증가하면서 지속적인 증가세를 보여 왔음. 그러나 2008년 하반기 이후의 세계경기 침체로 태국도 경기 위축을 겪으면서 2009년에는 전년 대비 큰 폭의 감소세를 기록함.
   2010년 이후에는 경기의 일시적 회복으로 태국과의 교역규모가 확대됨에 따라 직접투자도 증가하였고 2011
- 년에는 전년 대비 616.7%의 큰 폭의 증가세를 시현함.

#### I-2. 대 태국 외국인직접투자(FDI) 유입 실적

단위: 백만 달러

	2009	2010	2011
연중 유입금액	4,975	5,812	3,520
(전년대비 증감률)	(-41.1%)	(16.8%)	(-39.4%)

#### □ 대 태국 외국인직접투자 동향(요약)

- 태국에 대한 외국인직접투자(FDI)는 제조업 및 에너지 사업을 중심으로 지속적인 증가세를 유지하고 있었으나, 2008~09년 태국의 경기 위축 및 정정 불안으로 감소세를 보였음.
   2010년에는 외국인직접투자가 전년 대비 16.8% 증가하였으나 2008년 수준에는 크게 못 미쳤으며, 세계경기침체의 영향으로 2011년에도 전년대비 39.4% 감소한 것으로 나타남.

#### II. 국가위험도 평가

#### II-1. 태국 국가신용등급

		No. Service	2011. 4 등급	
	2009	2010		
한국수출입은행	B2(Stable)	B2(Stable)	B2(Stable)	
OECD	3	3	3	
S&P	BBB+/Stable	BBB+/Stable	BBB+/Stable	
Moody's	Baa1/Negative	Baa1/Negative	Baa1/Stable	
Fitch	BBB/Stable	BBB/Stable	BBB/Stable	

- □ 대 태국 국가신용등급 변동내역(요약)

   OECD, S&P, 무디스의 태국에 대한 국가신용등급은 각각 3등급, BBB+, Baa1 수준으로 평가되고 있음.
   Fitch가 2006년 9월의 쿠데타 이후 지속되는 탁신 지지세력 및 반탁신 세력 칸의 갈등으로 사회적 혼란이 증폭됨에 따라 2009년 4월 태국 신용등급을 BBB로 하향 조정한 이후 주요 신용도 평가기관의 추가적인 등 급 조정은 없음.

#### II-2. 태국 단기유동성위험

	2011
2010	지표
30.2	30.2
9.5	7.5
4.8	4.0
26.3	20.1
0.2	0.2
	9.5 4.8 26.3

### II-3. 태국 수용·송금위험

	진1	<b>관점수</b>
	2011.4	2012.4
수용위험(계약실행 가능성)	2.5	3.0
이윤 송금위험	2.5	2.5
대외지급 연체위험	2.5	3.0

주) PRS, ICRG 기준.

#### **BIOGRAPHY**

NAME Jungseok Yeon

**DATE OF BIRHT** 1/12/1986

#### **EDUCATION**

#### **MASTER DEGREE**

2014 Master of Business Administration,

Stamford International University, Thailand

#### **BACHELOR DEGREE**

2013 Management, Bachelor of Business

Administration, Stamford International

University, Thailand

2011 Business Administration, Diploma Level 6,

New Zealand College of Business, New Zealand

NATIONALITY South Korea

**HOME ADDRESS** 148, Yunjeong-ri, Iwon-myeon, Okcheon-gun,

Chungcheongbuk-do, Korea

**EMAIL ADDRESS** jungseokyeon@hotmail.com

**POSITION** Assistant Manager