

## **Executive Summary**

### **A Secondary Data Review of Small and Medium Enterprise in Home Furniture and Decoration Retail-Whole Sales Business**

The home furniture and decoration retail-whole sales business of Thailand has the export market of 70% and the local market of 30%. The major export market is the U.S.A. and Japan. The large, medium, and small factories respectively produce 30%, 50% and 20% of all the furniture. The large and medium factories mostly produce for export. Meanwhile, the some medium and small factories mostly produce for local sales. The enterprises are registered as the juristic person and the individual by 70% and 30% respectively.

The development of the home furniture and decoration retail-whole sales business is like the other hand craft industries such as fabrication, jewelries etc. The enterprises begin their original equipment manufacturers (OEM), then own design manufacturers (ODM), and own brand manufacturers (OBM) finally.

Consider the business position by Boston Consultant Group method, the home furniture and decoration retail-whole sales business in 2007 compared to that in 2006 has 32.9% growth rate. Meanwhile, that of the national average of all the industries is 15.2 %. The home furniture and decoration retail-whole sales business in 2007 compared to that in 2006 has 0.013% market share. Meanwhile, that of the national average of all the industries is 0.027%. Consequently, the relative market share of the home furniture and decoration retail-whole sales business is 0.48, which is in the Question Mark zone.

Consider the business position by Boston Consultant Group method, the export home furniture and decoration retail-whole sales business in 2007 compared to that in 2006 has 43.2% growth rate. Meanwhile, that of the national average of all the industries is 14.5%. The export home furniture and decoration retail-whole sales business in 2007 compared to that in 2006 has 0.038% market share. Meanwhile, that of the national average of all the industries is 0.027%. Consequently, the relative market share of the home furniture and decoration retail-whole sales business is 1.41, which is in the Star zone.

Recently, the home furniture and decoration retail-whole sales business has both export and local marketing crisis. The export market has the problems of the world economic, the

stability of Thai Baht currency, the recession of the real estate sector, the inflexibility of the enterprises, and price war. In case of the local market, the Thai consumers rarely change the furniture, unlike the western customers which change the furniture every 2-3 years.

Thailand has high performance skilled labors, but lacks of marketing skill to add value into the products. The solution for the OEM enterprises is to add design into the products. The Thai enterprises recently focus on the exclusive design for branding to be recognized among the mass market. Hence, the critical success factors is the skill labor and the value added products.

The consult suggests the practical process to improve the home furniture and decoration retail-whole sales business of Thailand as follows. Firstly, select the typical enterprises as prototypes to improve and develop the management system. Secondly, investigate all the data and information. Thirdly, improve according to the individual context. Fourthly, compare the critical indices before and after. This can allow the enterprises learn by doing tangibly. Fifthly, introduce the best practice in every process to the others based on the same database management system. Sixthly, develop a network to promote the cooperation among the enterprises to investment in research and development, to optimize the resources etc. Finally, develop the feasible optimal technology to increase the competing ability of the home furniture and decoration retail-whole sales business of Thailand.