

ABSTRACT

Title : Marketing Efficiency of Rubber Auction Market in
 Nakorn Srithammarat Province

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The rubber auction market is a type of marketing institute, established and managed by the government as well as conducting various marketing activities in order to reduce problems of crepe rubber sheet marketing at a local level.

This research was conducted with the following objectives :

1. To study production costs of producers, marketing costs of the rubber auction market, local middlemen, smoking plants and rubber exporters in Nakorn Srithammarat;

2. To analyze marketing efficiency of the auction market by comparing its marketing margin, number of rubber growers and incoming amount of rubber sheets with those of the local market; and

3. To study price fluctuation and trend of crepe and smoked rubber sheets.

The primary data were collected by interviewing 220 rubber growers who sold their products through the auction market, and analyzed descriptively and quantitatively. The results revealed that most of the respondents (72.73%) were mainly engaged in rubber growing and owned rubber plantation of 10-19 rais. The majority of the rubber growers (52.27%) belonged to the Quality Improvement Group. The total costs of rubber sheet production and marketing was 25.76 baht per kilogram. The average selling, price at the auction market was 30.66 baht per kilogram, 1.90 baht higher than that at the local market. However 63.64% of the growers were not satisfied with the received price and 45.45% faced a problem of delayed payment and other inconveniences.

The comparison of marketing efficiency between the auction market and the local market showed that the auction was less efficient, in terms of price, than the local market. That is its marketing cost was 8.57 baht per kilogram while that of the local market was only 1.36 baht per kilogram. The auction market had achieved its roles in creating price stability and in increasing number of buyers in the local market, but its price efficiency function was less efficiency than the local market merchants. Moreover, when the number of farmers doing business with the market and the volume of rubber flowing into the market at 27.43% and 1.09% were taken into consideration, the auction market was also less efficient.

However, the farmers selling their products through the auction market received higher prices than those selling through

the local market. This reflected the success of the auction market in creating price efficiency, which is one way of solving rubber marketing problems.

There was a close correlation between the export price and the price which the growers received. The price of crepe rubber sheets was controlled by the smoking plant along the way to the local buyers and the growers respectively. At each level of transaction, the marketing cost and profit were included in the price.

The exporters received highest marketing margins and returns, 26.82% and 5.87% of the buying prices from the rubber growers respectively, followed by local buyers receiving 10.89% and 4.95% of the buying prices from the growers.

The analysis of Songkla Port's and Haad Yai market's smoked rubber sheet F.O.B. prices and the prices of crepe rubber sheets revealed clearly that the price fluctuation was not affected by time and cyclical factors but it was very much affected by season. From November to April, the price decreased continuously and increased again from May to October. For unusual economic situations, the F.O.B. price of smoked rubber sheets at Haad yai and the price of crepe rubber sheets were found to fluctuate at the highest and the lowest levels of 2.96 and 1.46 baht/kg respectively.