

ABSTRACT

Abstract of thesis submitted to the Graduate School of Maejo University in partial fulfillment of the requirements for the degree of Master of Science in Agricultural Economics

**MARKETING STRUCTURE AND BEHAVIOR OF FROZEN AND CHILLED
FRUIT AND VEGETABLE INDUSTRIES IN CHIANGMAI PROVINCE**

By

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The purposes of this research were 1) to study marketing structure of frozen and chilled fruit and vegetable industries in Chiangmai province; 2) to find out their marketing behavior; and 3) to determine ways for making improvements in frozen and chilled fruit and vegetable industries in Chiangmai province.

Quantitative and descriptive analysis were used for the study of marketing structure and descriptive analysis was used for the study of marketing behavior and guidelines for improvements. Concentration ratio and Herfindahl index were used for quantitative analysis with the calculation of the capital investment and total sales of frozen and chilled fruit and vegetable industries in Chiangmai during the years 1995 – 1997. The descriptive analysis was carried out by applying principles and theories of microeconomic, percentage and mean.

The results of the study of the marketing structure revealed that the market was oligopoly when considering the number of businesses and types of products. There were a few businesses but various types of raw materials or products. Each industry

manufactured similar products. Frozen and chilled products were different due to differences in manufacturing procedures and raw materials used. The results of the study using CR_4 , CR_8 and CR_{16} together with the data of registered investment capital and CR_2 , CR_4 and CR_8 together with the total sales of the large-sized businesses 4, 8, 16 and 2, 4, 8 during the years 1995-1997 revealed a high concentration of frozen and chilled fruit and vegetable industries and the results of the use of HI in 1995 – 1997 also indicated a medium to a high level of concentration, showing the oligopoly type of industries but the concentration may decline.

The study of the problems of new businesses in the market indicated that large businesses had the most difficulties, followed by medium - sized businesses and small - sized businesses as large - scale businesses needed large amounts of capital and high technologies.

The study of marketing behaviour showed that manufacturing behaviour of each factory was similar when examining seasonal raw materials used and prices and quantities of raw materials. Price - determining factors for intranational sales included investment capital, competitors' prices, price movement and changes in market demand. For sales in foreign countries, the factors included export prices, quality of products and competitors' prices. When there was a middle-man involved, the price – determining factors included the quality of the products and the agreement between the manufacturer and the middle-man. Concerning the competition between manufacturers, factories of all sizes did not use price policies, but others e.g. standards of products from Thai Food And Medicine Organization. Medium - sized and small factories were highly competitive.