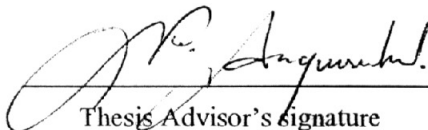


Chulabhorn Ruangthep 2006: An Analysis of Transportation Management of Beer Brewing Business in Thailand: A Case Study Beer Company. Master of Arts (Agribusiness), Major Field: Agribusiness, Department of Agricultural and Resource Economics. Thesis Advisor: Assistant Professor Nongnuch Angyurekul, M.B.A. 163 pages.
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The objectives of this study were the overview of beer brewing business and transportation activity of beer brewing business in Thailand by using a case study: Beer Company. Cost analysis was done for every step during transportation process. In addition, factors affecting distribution cost was studied. Transportation management was analyzed by the basic function of management. Transportation cost by a 10-wheel truck was analyzed for 4 types of beers including a large box, a small box, a tray and fresh beer, using activity base costing analysis. Moreover factors affecting the transportation cost were analyzed by using Stepwise Multiple Regression Analysis. Data used was collected in 2004.

According to the study, the structure of transportation within the transportation division of Beer Company could be divided into 2 sections: Beer in box and fresh beer. The division manager has the highest authority to plan distribution schedule and quantity. The company used creative incentives to motivate their staffs to work efficiently. In addition, a new technology was applied to improve the division internally. The company calculated cost by using the conventional accounting method but it caused the error which the average cost of transportation was added up into cost per unit of all products. Moreover some cost was not included into the transportation cost. Spreading cost was done by using only the distribution distance. Categorization of cost was not correct; as a result, calculated cost had deviation from the actual cost. When the activity base costing system was applied, transportation process could be divided into 9 activities. There were 15 cost items during the transportation process. Cost was assigned to different steps using the optimum cost pusher. Comparing to the conventional method, sometimes cost was the same, sometimes cost was increased, and sometimes cost was decreased. From analysis, the transportation cost calculated by the activity base costing system could reduce the error of the conventional method. Therefore, it provided more accurate information than did the conventional method. Factors affecting the transportation cost were fuel and allowance. They could explain the transportation cost for 98.5%. Therefore the company should revise structure of transportation division and use activity base costing together with the conventional accounting method to calculate the transportation cost. Alternated way to transport should be consideration. Low-alcohol beer is interested beer segment.

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