

Naruemol Tharadol 2009: An Economic Analysis of Production and Consumption of Hom Thong Banana under a Good Agricultural Practice (GAP) Scheme.
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This study analyzed the cost and return of Hom Thong banana production compared between GAP and non-GAP schemes. Factors affecting the consumers' decision on purchasing the product (Hom Thong banana under GAP schemes) were also explored. Data of 2007/2008 crop year were collected by interviewing 10 GAP members of "Group of Rangsit Hom Thong Banana Farmer" and 10 non-GAP individual farmers in Rangsit. For the consumption survey, 250 customers who bought the products at a retail shop (a fruit stand inside Kasetsart University) were requested to fill in the structured questionnaires.

The results showed that the average production costs of GAP and non-GAP products were 10,750.05 and 12,501.60 baht/rai/year, respectively. The main item was the labor cost, which comprised 42.20 and 46.71 percent for GAP and non-GAP. The sale revenues were 20,966.67 and 22,083.33 baht/rai/year. Thus the net profits of the two groups were 10,216.62 and 9,581.73 baht/rai/year respectively. Based on the consumers survey, it was found that the consumers were concerned about the following factors: food safety label (Q mark), environmental friendly practice (reduced chemical use), product freshness, guidance from vendors, confident on production source, suitable size of a fruit, suitable number of fruits per package, buying convenience, reasonable price and trustful market place. Meanwhile, the factors on peel defect and advertising on the product were not the major concern.

The study revealed that the Hom Thong banana product with safety label can make a difference on the consumers' decision. Promoting the GAP scheme would increase the production of quality product to serve a wider group of consumers. The increasing demand for the product would encourage the group of farmers to adopt the practice, and thus help the farmers reduce the production cost by exchanging of labors within the group. Applying the scheme would then lead to economic viability.

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Thesis Advisor's signature

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