

Phonphimon Amornchote 2010: Marketing of Wood Cement Particleboard Industry in Thailand.
Master of Science (Forest Resource Management), Major Field: Forest Resource Management,
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113 pages.

Objectives of this study were to determine the production, marketing mixes, market structure, market conduct and five competitive forces analysis of wood cement particleboard (WCP) industry in Thailand. Questionnaires were used as tools to collect data. Statistical methods used in the analysis were frequency, percent, mean, minimum and maximum.

Results showed that in 2009 there were only 3 active WCP entrepreneurs. The main raw materials using for WCP production were eucalyptus and Portland cement. During 2005-2009, the production continuously increased the average rate was 37.88 percent per annum. The production problems were log stocking, shortage of logs, low efficiency of old machines, and shortage of workers. The products of WCP showed natural cement color. Six standard sizes of WCP by sheet thickness were 8, 10, 12, 16, 20 and 24 mm and with their average prices of 359.03, 409.24, 466.76, 586.91, 703.50 and 842.38 baht per sheet, respectively. The products were distributed for domestic consumption at 66.67 percent, while 33.33 percent was exports. Sale promotions of WCP products were advertising, personal selling, sales promotion by exposition, offer marketing service through websites, news and public relations, and customer relation management (CRM). Market structure at producer level was monopoly. Product differentiation presented to customers could be classified in several forms, namely, quality, size, thickness, shape, and service. The barrier to entry was rather severe, mainly due to high value of investment and production cost as well as familiarity of customers with old brands. The market behavior comprised policy of export price determination which directly related to world market price, while domestic price was determined by the leader factory. There were policies of product standardization, product development and serving ordered production. Domestic marketing problems were imperfection of regional product distribution; product distributions through retailers were not sufficient and needed to be more spread out, and transportation costs by sea were quite high. The five competitive forces analysis showed that there were threat of new entrants and rivalry among existing firms for sharing the market. It was difficult for new potential entrants to this industry. Substitute products of WCP was wood wool cement board, wood cement fiberboard, and wood plastic composite. Bargaining power of suppliers, the price of logs was determined by WCP producers while Portland cement was determined by suppliers. There was bargaining power of buyers during the economic crisis period, the producers set discount rate, credit, and return products.

Student's signature

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