



The Feasibility Study of Economic Environment Business: A Case Study of Rubber Marketing in Thailand

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Abstract: To examine the rubber market for develop strategies to stimulate growth, expansion to preserve their market share by using manufacturers involved in the rubber business include: 1. Shifting focus to international trade 2. Corporate restructuring, and 3. Changing production methods or materials. For this the researcher using the purposive method to collect the data. It will prepare such questions ended with opened ending. This kind of questions we need to know in depth on how Thailand boosts its marketing to expand their rubber business. All of the answers are obtained from interviews with around 15 of the rubber enterprises in Phuket.

Keyword: Economic Environment, Rubber, Marketing

I. INTRODUCTION

Mostly nowadays automobiles have hundreds of rubber-based parts, and automotive tires alone constitute the majority of both synthetic and natural rubber consumption. Rubber is a profoundly successful material for tire creation since it is versatile, hermetically sealed, wear safe, water safe, and ready to ingest a moderately huge level of stun. These attributes additionally making helpful for assembling sealers, covers, hoses, cylinders, gloves, and numerous different items. Most industries, rubber manufacturing is not a static business, but is often developing new methods, products, and technologies to meet changing consumer needs. Regardless of whether assessing and updating financial works on, growing new techniques for rubber handling and creation, or tending to natural concerns, elastic producers are responding to changing conditions fully expecting consumer demand. Thailand has also parlayed an abundance of natural resources into becoming the world's foremost producer and exporter of high-quality rubber, and welcomes an array of international rubber-related trade shows. Thailand accounts for 40% of global rubber production, exporting \$13 billion (USD) worth each year. Its five key business sectors are China, adjoining Malaysia, Japan, the EU, and the US, and keeping in mind that rubber tree cover 3 million hectares of land, 95% of them have a place with little landowners.

The creation and utilization of rubber product in Thailand has kept on exhibiting reliable development in the course of recent years at a yearly development growth of 5.81% and 5.39%, respectively. Development in the Thai rubber market is being driven by the nation's strong and set up assembling base, as reflected in huge volume and worth of assorted scope of items accessible. Thailand has also recognized an opportunity and is transforming itself into a leading industrial destination – in the rubber industry and many others – as MNCs realize it is best to diversify their production bases and include locations other than China, where productions costs are sometimes higher than Thailand's. Plus, the government has made the manufacture of rubber products a top priority, and offers investors significant breaks on duties and taxes.

In addition, concentrated latex is also processed into various consumer products such as mattresses, pillows, cushions, shoes, etc., for domestic sales and mainly exports to the Chinese market. Research and development to upgrade the production of such consumer products to meet consumer trends such as health products. products for the elderly Environmentally friendly products, etc. will transform rubber into products with higher added value. as well as being able to expand into new export markets other than China, such as Europe, the

United States, Japan, etc., which are markets with purchasing power and it is a market where consumers pay attention to shopping that can meet their lifestyles.

A source from the rubber export industry said to "Prachachat Business" that the outlook for rubber exports in 2021 has greatly improved. According to the latest figures from the Ministry of Commerce, exports March volume was 349,427 tons, an increase of 65.50%, a value of USD 587 million, an increase of 109.18%, resulting in rubber exports in the first quarter amounted to 870,030 tons, an increase of 10.68%, a value of USD 1,441 million, an increase of 38.14%, especially in the market. China, the number one market, accounted for 32 percent of exports, with a 17% increase in demand for rubber. Secondary markets are Malaysia, Japan, the US all growing and most importantly, the Indian market grew by 127% and not only rubber. But rubber products also increased, valued at \$3,932 million, an increase of 32.54%. Auction sells thousand tons rubber stock that has been stored almost 10 years, even though there is only one bidder. and may affect the market price in the short term but the trend will be good for the price in the long run. Because there will be no stock to put pressure on the production of rubber that is about to be released in the market at the end of May, causing many parties to estimate that the overall exports this year should expand by more than 3.7 million tons. Now it has improved to 70 baht again, while the price of fresh latex is at 61.50 baht and the 3rd class smoked sheet rubber is at 66.02 baht."

Nakorn Tarrakwirapat, Governor of the Rubber Authority of Thailand (RAOT), said "Prachachat Business" that in 2021, the situation in rubber prices in the country is very stable. The price of rubber continues to adjust in a good direction. Now, the price of smoked sheet rubber is in the range of 60-65 baht per kilogram. The main factor was the decrease in the amount of rubber coming to the market. because it is in the closing period and inclement weather In addition, operators have a demand for tires. to deliver and expand production capacity continuously

Another important factor is the continuous increase in the sales and distribution of automobiles in China. Compared to last year because China is starting to return to normal clearly began to have economic activity including not adjusting the interest rate of the US Federal Reserve Make entrepreneurs to ease their worries about investing. As a result, the direction of Thai rubber prices has increased accordingly.

In particular, the trend of global demand for concentrated latex has resulted in this year the consumption of concentrated latex in the country will increase by "double". Currently, Thailand produces about 1 million tons of concentrated latex, some of which will be sent to China and Malaysia. We use only more than 100,000 tons, but this year the domestic demand will double.

Therefore, it is expected that in the future, rubber glove factories will switch to using natural latex as raw material for production more and more. because it is cheaper than synthetic rubber but higher profit The use of natural rubber has a greater profit potential.

However, it's overturn, the rubber tappers, especially the farmers in Thailand are getting suffered with their lower income. Thus, this research is focusing on how does Thailand boost its marketing to expand their rubber business.

Conceptual Framework



Significance of the Study

As the Thai Rubber Association (2023), the undertaking of rubber plantation was begun by the Ministry of Agriculture and Cooperatives in 2011. All rubber farmer were upheld by participation with the auxiliary association. In the north-eastern Region of Thailand, the regions under rubber estates have expanded in the wake of presenting the Para rubber undertakings going from around 240,000 hectares in 2009, or 9.5% of the horticultural territory, to 18.3 million hectares in 2010. The tapping spaces of 377,441.8 hectares delivered 230,504 tons, or 247 kg for each section of land (7.6% of public creation) in 2010. Rubber farmer of upper east Thailand can possibly play significant part for the entire country. This is on the grounds that the development of developed regions will prompt the achievement of the elastic area as opposed to the improvement of yield and specialized productivity (Poungchompu and Chantanop, 2015).

Among the best ten export item gatherings of the country during 2016, rubber stands firm on the fifth situation and the sharing rate is 5.7% to the all-out trade pay of the nation (Workman, 2017a). Of the absolute collected rubber, more than 90% are utilized for sends out (The Daily Records, 2017) and the revenue from the export of rubber is more than that from fares of rice. Thus, this research is concerned with

the case of rubber market.

Scope of the Research Study

According to Thomas Industry Update some common practices used by manufacturers involved in the rubber business are as the following:

1. Shifting focus to international trade. Investment can be utilized to modernize and extend existing plants abroad, or to expand creation rates in areas where interest for rubber product keeps on developing. A large part of the current development is driven by extending auto businesses in nations like China and India, and a few tire producers have reacted to this expanding utilization by creating
2. Corporate restructuring. To reorganize the business model that may involve workforce reductions, changes in management, or the elimination of non-essential practices. These actions are planned to balance costs and improve an organization's open market valuation by augmenting its income.
3. Changing production methods or materials. Changing production methods may be useful to shift resources toward a different type of rubber that is more cost-effective to obtain. Moreover, reducing travel time for components between manufacturing stages and introducing dedicated assembly-specific cells into a machining operation can increase production efficiency.

Hypotheses Study

- 1.The factor of shifting focus to international trade has influenced Thailand to boost its marketing to expand their rubber business.
- 2.The factor of corporate restructuring has made Thailand boost its marketing to expand their rubber business.
- 3.The factor of changing production methods or materials has push Thailand to boost its marketing to expand their rubber business.

II. LITERATURE REVIEW

J Occup Med Toxicol (2015) studied on the rubber manufacturing industry: a case report and review of cutaneous exposure and sequelae and found that exposure to chemical carcinogens in rubber manufacturing remains a serious occupational health concern. Laborers are exposed to these carcinogens to skin or inhalation. Rubber assembling work is related with a high predominance of dermatologic diseases like eczema, allergic contact dermatitis and atopic dermatitis. The role that epidermal openness plays in the improvement of malignancies historically associated with the rubber industry is less certain. We showing a case that relate to this discussion and survey the role of skin exposure in the rubber industry, providing an overview of the cutaneous and systemic manifestations of occupational exposures in modern day rubber workers.

Japan Rubber Weekly (2015) studied on The Japanese Rubber Industry and found that About 20 companies operate synthetic rubber manufacturing plants in Japan. Also, there are more than 1,200 organizations that assembling rubber product. They incorporate four of Japan's tire makers, Bridgestone Corp., Sumitomo Rubber Industries Ltd., Yokohama Rubber Co. Ltd., and Toyo Tire and Rubber Co. Ltd. These situation of the Japanese rubber industry in car items is in enormous section an aftereffect of Japan's prevailing situation in the car business around the world. According to the "2014 Survey of Chemical Technology Research," a study by Japan's Ministry of Internal Affairs and Communications covering trends in research expenses by companies in Japan, total R&D uses in the auto area in 2013 in Japan added up to more than \$27 billion (3.25 trillion yen). even though the overall number of engine vehicles created in Japan would appear to have levelled, there is no loosening in the speed of advancement of future, harmless to the ecosystem vehicles. What's more, nor is there any loosening in the speed of R&D to improve the presentation and worth of the rubber parts that will go into those vehicles. This rubber R&D isn't restricted to tires and rubber car, to guarantee that its utilization can stay feasible. It additionally covers fundamental R&D in regards to manufactured elastic got from biomass.

Walaiporn (2012) Studied about affects the ability of Thailand export workers Environment United Nations, including problems and guidelines for the development of rubber industry There is a study method by assessing export of natural rubber products during the year 2005-2009 by using a variable to be a tool for analysis There are 5 criteria in the production and export of the world market. Revealed Comparative Advantage Index (RCA) and other related parameters such as world market, growth rate of export value Popular products in the world market and labor advantages by natural rubber products that have been studied, consisting of smoked rubber sheets (HS 40012100), technical natural rubber (HS 40012200) and latex concentrate (HS 40011000) because the amount of rubber production of these 3 types accounted for approximately 95 percent of the total rubber production volume. In each country by choosing to compare Indonesia, Malaysia and Vietnam. Due to being the first country that has the importance of Thailand and the amount of Total natural rubber output of 4 countries is 90% of the total volume of natural rubber. The export of natural rubber in the world, in 4 countries, is therefore considered a significant role. In the rubber processing industry, The nature of the world.

Methodology

This research is aimed to examine a research question on how does Thailand boost its marketing to expand the rubber business? According to Thomas Industry Update, during periods of uncertainty in the rubber market, many companies develop strategies to stimulate growth, expansion, or to preserve their market share. Some common practices used by manufacturers involved in the rubber business include: 1) Shifting focus to international trade 2) Corporate restructuring, and 3) Changing production methods or materials. For this the researcher using the purposive method to collect the data. To answer the research question, this research will prepare two sets of questionnaires to question the respondents of rubber SMEs, enterprises or industries in Phuket province.

Set 1. The questionnaires for Quantitative Method. It will prepare such questions ended with closed ending. This kind of questions we need to know the frequencies from the output of our measurement between the set of pre-conditions and the set of occurrences.

Set 2. The questionnaires for Qualitative Method. It will prepare such questions ended with opened ending. This kind of questions we need to know in depth on how Thailand boosts its marketing to expand their rubber business. All of the answers are obtained from interviews with around 15 of the rubber enterprises in Phuket. The output from this kind of questions is to support the output from the process in the quantitative of this research.

To obtain the probability of the research, we will measure the relations between the set of pre-conditions and the set of occurrences. And, the output of frequencies measured from the relation between the set of pre-conditions and the set of occurrences in higher degrees that will be decided as the answer of the research.

Population and Samples

The rubber industries in Phuket are totalling 22 units, divided into first category 1, second category 4 and third category 17. *Location:* Phuket Province-Southern Thailand

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III. CONCLUSION

Rubber wood's impact on the country's economic and export systems makes the role of the Thai Rubber Wood Association important, and has integrated cooperation with economic organizations in both the public and private sectors of Thailand, such as the Rubber Authority of Thailand, Ministry of Finance Ministry of Agriculture Ministry of Industry Ministry of Commerce

1) Developing marketing to make the world aware of the value and use of Thai rubber wood, which can promote an environmentally friendly economic system and help reduce greenhouse gas emissions Enable each country to achieve its NET Zero Emission goals. This is said because the rubber wood is certified with carbon credits. To help reduce global warming Reduce greenhouse gas emissions, so when you turn to using rubber wood, it helps reduce carbon credits as well.

2) Developing and supporting financial sources in the form of Supply Chain Financing to support the entire supply chain of Thai rubber wood. Production has been raised with innovation and is more environmentally friendly.

From what has been mentioned about the benefits of rubber wood Thailand to export to the world market Therefore, I would like to pay respects to the Chinese government, including Chinese entrepreneurs in related product groups Together we encourage furniture users and furniture factories in China. Turn to using more rubber wood as a raw material for production. (Online Manager ,2023)

As Thomas Industry Update, during times of vulnerability in the rubber market, numerous organizations create methodologies to animate development, extension, or to protect their piece of the pie. Some common practices utilized by producers associated with the rubber business include: 1. Shifting focus to international trade 2. Corporate restructuring, and 3. Changing production methods or materials. For this the researcher using the purposive method to collect the data.

However, to solve such structural problems, whether it is to reduce the supply of rubber to the market. Increasing the use of rubber in the country Expanding new rubber export markets to reduce dependence on the Chinese market including research and development to transform rubber into products with higher added value. Still need to integrate the work. From production planning, processing, research and development to create added value, and marketing, which requires cooperation from all sectors in the rubber industry supply chain, including the government, farmers and the private sector.

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