

CHAPTER 8

CONCLUSION AND RECOMMENDATION

Conclusion and recommendation will be presented in this chapter. In conclusion, the summary of the results from this research is presented. Some recommends about this research can be described in the final section.

8.1 Conclusion

Clothing industry is one of important industries in Thailand. In each year, clothing products are exported to other countries around the world, which can create high income to Thailand. However, in the past five years, trend of growth rate of clothing exports to global market is quite low compare to growth rate trend before economic crisis in Asia. This can be the result from the problems within industry and the affect from external environment.

Thus, it is essential to analyze the industry situation and provide key factors including their strategies in order to develop and increase potential of clothing industry in Thailand, which is the objective of this research. However, before the analysis of industry situation, the information about clothing industry needs to be gathered. Data gathering is a significant step to ensure that the situation can be analyzed correctly.

In this research, the data is collected from research reports, articles, journals, historical statistics, interviewing with the experts and dispatching the questionnaires to entrepreneurs. These information are applied to analyze the strengths, weaknesses, opportunities and threats of the industry. After that, we define the key factors and their strategies, which can lead to increasing the competitive advantage of Thai clothing industry.

The key success factors that we recommend in this research can be presented as:

➤ **Technology:**

Technology is the first key success factor of Thai clothing industry. Nowadays, most of machines used in manufacturing processes have low technology, which can effect the productivity, quality of product, production lead-time, etc. If technology is developed, it will lead to better production processes. Thus, technology can be the important factors to help for increasing of industry potential. In this case, the government should support the development of technology and provide cheaper machines to entrepreneurs.

➤ **Human resource:**

Because clothing industry is labor intensive industry, human resource will be important factor to develop the business. Developing human resource for clothing industry involves improving labors' skills in production processes and enhancement the capability of designers and specialists. To achieve this factor, the related government sector should arrange seminar and training program in order to increase knowledge and skill to workers. Moreover, the curriculum in educational institutes should be developed as well.

➤ **Brand name:**

At the present, Thai brand name is still not popular in global market, which is difficult to complete with other foreign competitors. Thus, brand name will become the significant factor to help Thai clothing industry has more competitive advantage. To develop brand name effectively, government and private sectors should support and promote Thai brand name to international stage.

➤ **Tax:**

Every industry in Thailand including clothing industry needs to import some materials and machines from abroad. Too high tax rate can lead to high cost of production. Thus, tax is an important factor to help Thai clothing manufacturers complete with other competitors in term of products' price. For this case, the government should have the suitable policy for import duty rate.

➤ **Financial support:**

Most of Thai clothing manufacturers have small and medium size of business. To expand the production capacity or invest in new technology, these manufacturers need to spend more money to operate. Thus, it can be stated that financial support is the significant factor to Thai clothing industry. To achieve this factor, the government sector should support the capital investment to be the opportunity for Thai entrepreneurs to develop their business and to increase their potential in competing with other foreign countries.

➤ **Raw material:**

Raw material is one of critical success factors for Thai clothing industry. Although there are many kinds of raw material manufactured in Thailand, many of them have to be imported from other foreign countries. To help entrepreneurs in this case, the government should reduce imported raw material tax and support coordination within textile industry.

8.2 Recommendation

This research is to present the key success factors of clothing industry in Thailand. Moreover, the strategies to achieve these factors are also provided. However, there are some recommendations on this research as follow;

- For the process of data collection, we use questionnaire to be the tool to gather the important information. In this case, the groups of interviewees are so small compare to the total number of clothing manufacturers in Thailand. Therefore, the information received from this source can be inconsistent.

- The scope of this research focuses only on clothing industry, which is the final part of textile industry. The method of this research can be applied with other related industries such as the fiber production industry, knitting and weaving industry and so on.

- This research is to define the significant factor that will help manufacturers have more potential to complete in international market and also provide the strategies to achieve that factors. However, it is the process of analysis and providing the appropriate ways for many manufacturers of Thai clothing, which does not specify on a company. Thus, these factors can help in developing the overview of industry, which may not suitable for every company.