

CHAPTER V

CONCLUSION

5.1. Conclusions

We have conducted the analyses in several approaches to study the internationalization of the Thai movie industry. The findings through such analyses can be summarized as follows.

Firstly the analysis of competitiveness revealed the factors which compose of the competitiveness of the Thai movie industry and Thai movies to commercially export abroad.

The favourable change in technology and lifestyle in Thailand increased the competitiveness of the Thai movie industry in macro level, and the upgraded qualities of human resources, especially those of movie directors, in cooperation with abundance and availability of capital resources, contributed to add more values and qualities in Thai movies, while the weaknesses of scriptwriters are still obstacles to gain more competitive advantage.

The role of government is unfavourable for the Thai movie industry. The censorship, in particular, discourages Thai movie producers and directors to adopt experimental ideas into scripts and scenes, which consequently makes Thai movies less diversified and inactive in challenging themes.

The access to the international market, as well as the cooperation of the international sales agency was both favourable for the Thai movie industry and they accelerated the export of Thai movies abroad.

The factual data of exported Thai movies by each Thai movie company match with the theory of competitive advantage. The data revealed that the most competitive Thai movie company, GTH, could export their movies the most.

Secondly the analysis of internationalization revealed that the export of Thai movies emerged not only by the increased competitiveness of the Thai movies but also by the product life cycle of movies generated by the innovation in quality, as well as by the trend of feeling of new and fresh by international demanders.

Through the Linder Hypothesis, the export of Thai movies can be explainable by difference of demand structure between Thailand and Japan. Thai movies which are made for the representative demand in Thailand can be served for the unrepresentative demand in Japan, whose utility tend not o be satisfied by the supplies of Japanese movies.

In conclusion, we can say that there are at least two kinds of Thai movies which could be exported to Japan; relatively sophisticated and upgraded quality movie and so-called B-grade movie. The export of the former movies can be explained by the theories of competitive advantage, while the export of the latter movies is merely served for the niche market in Japan, matching with the Linder Hypothesis.

Whatever the reasoning is, the cultural discount can be found in the comparisons of exported movies and not exported movies.

5.2. Recommendations

There is a perspective gap between Thailand and Japan about the Thai movies. The Japanese distributors randomly select or pick up some Thai movies as one of the choices basically for niche market in Japan regardless of its quality, while Thai production companies and, especially, the government and media in Thailand, are proud of the emergence of Thai movies export abroad including toward the Japanese market.

If the Thai suppliers' goal is merely to provide as many movies as possible to the Japanese market regardless of its qualities, the recommendation is very simple. Produce so-called "B-grade" movies at the cheapest costs and export them at the cheapest price to serve for the unrepresentative niche demand in Japan. As far as such niche demand exists in Japan, the Japanese distributors are willing to purchase the relatively cheap movies at

lower costs than the Japanese ones, and consequently the Thai movie industry can constantly export certain amounts of movies to Japan.

The problem is, however, the images of such “B-grade” Thai movies are likely to associate with the images of Thai arts and cultures in general, as a movie implicitly or explicitly contains cultural factors and often disseminates its culture abroad. Therefore, if Thailand as a whole wants to keep its brand image as a nation and still tries to export movies sustainably, government should take more actions to increase its competitiveness to upgrade the quality, as well as introduce Thai cultures abroad to increase the understanding of Thai values and cultures by foreigners.

In order to increase the competitiveness, firstly, the role of scriptwriter should be strengthened by giving more time for developing the script and giving more fees to make the role professional. If the market cannot do it by its own system, government should supply funds or subsidiary as seed money, and conduct workshops for scriptwriters to give more opportunities for the potential human resources to practice developing abstract ideas into concrete scripts.

Secondly, the roles of the other human resources such as art director, cinematographer, composer for movies, sound engineer, etc., should be more promoted to be professionals for potential human suppliers. Universities and other educational institutions can invite these current professionals to conduct lectures and workshops to spread the know-how and knowledge what are their roles in movie production for the general public as well as students.

Thirdly, as the sustainable quality comes from continual innovative trials, government should give subsidiaries for experimental ideas and trials to make them in production. The censorship system should be also shifted into a rating system in order to encourage producers and directors to make more controversial stories and ideas in production which might cultivate new demand in the future.

For the sustainable competitive advantage, government should make efforts to reduce the cultural discount as much as possible. One solution is to establish so-called Thailand Cultural Foundation which has similar functions to the Japan Foundation,

British Council, and Goethe Institute, and support foreigner's understandings about Thai cultures by sending Thai cultural and language experts/specialists for seminars and lectures, as well as screening Thai movies for free with sub-titles in each language, so that foreigners will have more intimacy to Thai arts and culture and accumulate the codes and rules in Thai culture to enjoy more movies.

5.3. Suggestions for further study

A full-fledged empirical test was beyond the scope of this study due to strict limitation to access to the numerical data for production. If the more data are open to the public in the future, rigorous empirical test for theories of trade will be applicable for further study.

As movies are totally differentiated products, the cost decisive theories seem to be inadequate to explain the pattern of trade in the movie industry. More demand-oriented survey and research should be conducted to fully understand the pattern of trade in the future.

As the price of consuming a Thai movie at a theatre or even as a DVD in the Japanese market is almost the same with the price of consuming other movies such as Hollywood and Japanese movies, the similarity in the same income level in consuming a movie as we explained through the Linder Hypothesis framework in the section 4.2.2 in Chapter IV might be inadequate. Due to the time limitation, we could not conduct the research on the audience per se in the Japanese market. Therefore, one of the possibilities for further study is in investigating carefully more details on the tastes and clusters of the audience in the Japanese market. The audience might be mostly Thais living in Japan, or Japanese who are interested in Thai culture before or after touring in Thailand. The further study will help to elaborate the explanation on the pattern of trade based on the demands in the Japanese market.