

ABSTRACT

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THE ANALYSIS OF FACTORS AFFECTING DEMAND FOR LONGAN EXPORT OF THAILAND

By

JIN KLAWIKORN

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Chairman : Numpet Vinichaikun

Department / Faculty : Department of Agricultural Economics and Cooperatives, Faculty
of Agricultural Business

This study was conducted to analyze factors affecting demand for Thailand 's longan export and to forecast the main customer countries ' future longan consumption demand. An econometric model in a multiple regression form and the ordinary least square method were used to estimate coefficients of independent variables influencing demand for Thailand 's longan export.

The results of the export demand analysis indicated that Hong Kong 's demand for Thailand 's fresh longan export was determined by gross domestic products and that of Singapore by average export prices. The forecast results revealed that, during the years 2000 □2004, Hong Kong 's increase in fresh longan import would be 2.72 % and should be accelerated due to comparative advantage but that of Singapore could not be estimated.

It was found that the demands for Thailand 's dried longan export of China

and Hong Kong were determined by gross domestic products. The forecast results during the years 2000 - 2004 suggested that China's increase in dried longan import would be 5.05 % and should be accelerated due to comparative advantage and that of Hong Kong would be 4.57 %.

The demands for Thailand's canned longan export of Malaysia and Singapore were determined by their gross domestic products and that of the United States, by gross domestic products and average export prices. The forecast results during the years 2000 - 2004 suggested that increases in canned longan import of Malaysia, Singapore and the United States would be 10.42 %, 3.81 %, and 11.30 % respectively, and more export to Malaysia should be encouraged due to comparative advantage and low transport costs.

The demand for Thailand's frozen longan export of the United States was determined by average export prices and that of France by both average export prices and gross domestic products. The forecast indicated that France's increase in frozen longan import would be 8.34 % during the years 2000 - 2004 but that of the United States could not be estimated and should be accelerated due to comparative advantage and the country being the largest market.

Longan has been considered Thailand's luxurious product of quality and good standard. To increase longan quantities and export values, its good quality should be maintained and packaging should be well prepared. Governmental and private sectors should cooperate in planning, developing and encouraging activities related to exporting longan. Groups of local longan producers should be formed to accommodate increased demands for longan export in the future, leading to tremendously increased incomes.