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# “Surviving in a Disruptive World: Integration and Mobilization”

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*The Proceedings of the 7th ICADA 2018*

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**“Surviving in a Disruptive World: Integration and Mobilization”**

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**LINGUISTIC EXPRESSION AND SEXUAL IDENTITY IN *CAROL* (2015)**

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**ABSTRACT**

This study was intended to (1) investigate linguistic features indexing sexual identities of speakers as lesbians and (2) study forms and functions of these linguistic features found in the American movie, *Carol* (2015). Following a textual analytical framework of data analysis, this research offered an investigation into how language practices denote sexual identities of the speakers. Using the notion of women's language propounded by Lakoff (1973), as well as the works of Cameron and Kulick (2003) and Wood (1999) as analytical models, this study focused its examination on how the screenplay of *Carol* (2015) established the relationship between language and gender/sexual identities. Findings showed that both female and male characters occasionally use women's language contradictory to the common assumption that lesbians and non-heterosexual identified people adopt language codes of their opposite gender. Also, other elements such as age, social status, and social norms might have influenced the individuals' gender-variable language styles.

**KEY WORDS:** Sexual identity, heterosexual, non-heterosexual, lesbians, women's language

**INTRODUCTION AND RATIONALE**

There is no doubt that most of the research on language and gender have often focused on language features of gender-normative women and men rather than the so-called homosexual language practices because of the prevailing gender norms and the academic conservatism, influencing linguistic scholars to focus their works on heteronormative linguistic patterns. Heteronormativity is often regarded as an obligatory gender norm. Habarth (2008) stated that this norm is established in the unconsciousness, and people who refuse to accept this concept might be estranged from the society or community in which they live. In other words, they could not be heterosexual, and would be labelled as homosexuals (Cameron & Kulick, 2003).

The common assumption that gay men talk in a feminine manner and lesbians talk in masculine manner is still socially accepted as an intrinsic indication of homosexual speech patterns (Cameron & Kulick, 2003; Fiscus, 2011). However, most studies mainly focused on gay men's language rather than lesbian language. Therefore, it is contentious whether lesbians have their own speech style. In Legman's view (cited in Cameron & Kulick,

2003), lesbians disclosed their gender/sexual identity by posing and dressing as the opposite sex/gender to demonstrate that they were not attracted to men. He also added that lesbian identity was artificial. For that reason, lesbians did not have their own language because lesbian was not an identity (Cameron & Kulick, 2003).

For this challenging reason, this study aimed to examine whether lesbians have their own speech style indexing their gender/ sexuality. In this research, the data were collected from the dialogues of the two protagonists in *Carol* (2015), Carol and Therese. Set in 1952, the movie offered a pretext to the understanding of the history of homosexuality in the West, particularly the ways lesbians used language strategies to express their gender/ sexuality identity to other lesbians when they had to cover up their non-conforming sexual identity for fear of legal prosecution.

### **RESEARCH QUESTIONS**

The purpose of this study was to better understand how linguistic expressions in the American movie *Carol* (2015) informed the audience about the sexual identities of the speakers. By analyzing the data, three research questions were answered:

RQ1: How are these linguistic styles formed?

RQ2: How do these linguistic styles function in the dialogues?

RQ3: What are the structures of linguistic styles denoting the speakers' gender and sexual identities in *Carol* (2015) compared to Lakoff's theory of language and gender?

### **LITERATURE REVIEW**

To answer the research questions, the notion of woman's language proposed by Lakoff was used as a main conceptual framework to examine linguistic forms and functions in *Carol* (2015). In addition, other researchers' works were also used to complement this analysis such as *Language and Sexuality* (2003) co-authored by Cameron and Kulick, and *Women, Men, and Language* (2013) written by Jennifer Coates.

#### **Women's Language**

In 1973, a significant study of women's language was done by Robin Lakoff. Her work collected stereotypical linguistic features that she assumed many women would use more than men. The women's language that she described can imply weakness, powerlessness, and uncertainty of speakers. There are many linguistic features of women's language that Lakoff listed such as adjectives, question tags, and intonation in declarative sentences (Lakoff, 1973; Cameron & Kulick, 2003; Fiscus, 2011).

Lakoff (1973) claimed that women were likely to describe colors in more details than men would. Xia (2013) also suggested that women would borrow the color terms from French to describe things, but straight men would not use them because they might be considered as homosexuals if found using such linguistic patterns.

Women were found to use many specific adjectives and adverbs, but men rarely used them. Lakoff referred to them as *empty adjectives*. It could indicate that women were more sensitive to something around them, and they liked to express their emotions and admiration for something (Lakoff, 1973; Xia, 2013). In addition, adverbs were widely used by women, especially *so*, but men may prefer using *very* and *really* (Jespersen, 1922; cited in Coates, 2013, p.12; Xia, 2013).

Hedges and modals were also seen as women's language strategies in Lakoff's view. She claimed that hedges such as *well* and *perhaps* and modals showed unassertiveness of the speaker (Lakoff, 1973; cited in Coates, 2013, p.88). However, Coates (2013) pointed out that hedges were used in many occasions and could express uncertainty or certainty of the speaker. Therefore, the use of hedges depended on the situation in which the conversation occurred.

Meaningless utterances such as *oh dear*, *oh my god*, and *oh fudge* were used to express the speaker's feeling as exclamation. Lakoff (1973) claimed that because women were encouraged to be polite, they did not use rude words to show their temper as men did. Xia (2013) added that women believed that those *dirty words* would break relationships. Fiscus (2011) also agreed that instead of using taboo language women preferred using euphemisms to using impolite words and swear words.

Lakoff (1973) further stated that women used the polite forms of request to suggest something to be done by asking a favor from others, and women also normally avoided using directive orders by using modals and polite sentence forms instead. Moreover, the shortened form *let's* was considered as women's language because it was hardly ever used by men (Goodwin, 1980, 1990, 1998; cited in Coates, 2013, p.95).

As a form of polite statements softening the speaker's tone, question tags, according to Lakoff (1973) and Xia (2013), were often considered as women's language. Duboi and Crouch (1975; cited in Coates, 2013), divided question tags into two types: formal and informal tag questions. The formal tag questions end with the verb from the statement, while the informal tag questions end with *right* or *OK*. The easiest way to understand tag questions is to observe the ending tone. Ending the question tags with a rising tone is regarded as expressing the speakers' uncertainty as he/she does not know the right answers. In contrast, ending the question tags with a falling tone reveals that the speaker certainly has the knowledge of the statement before the tag.

Similarly, intonation in declarative sentences was regarded by Lakoff (1973) as one of the stereotypes of women's language. Lakoff (1973) claimed that women usually answer questions by using declarative sentences ending with a rising tone, and this could show politeness, hesitation, as well as uncertainty of the speakers (Lakoff, 1973; Xia, 2013). Pointed out by Cameron and Kulick (2003), and Xia (2013), women were more likely to use standard grammar sentences and pronunciation patterns more than men would as women were found to be attentive to correct mistakes when they speak. Nonetheless, Lakoff (1973) suggested that some speakers who were upper-class British men or academic men were likely to use a number of linguistic patterns found in the lists of women's language patterns. Also, Cameron and Kulick (2003) noted that women would avoid these characteristics of women's language patterns in professional or academic contexts as well as in some occupations as shown in Table 1.

Table 1.

*Linguistic Features of Lakoff's Women's Language.*

Vocabulary	Syntax
Color Terms	Polite request or interrogative
Adjectives	Question Tags
Adverbs	Intonation in Declarative sentences
Hedges and Modals	Correct Grammar and Pronunciation
Meaningless and euphemism	

Source. Lakoff, 1973; Cameron & Kulick, 2003; Fiscus, 2011; Xia, 2013.

**Language and Sexual Identity**

Cameron & Kulick (2003) suggested that the study of the plausible connection between homosexual identity and language use had been explored for a long time. In the past, studies of the language of homosexuality mostly focused on the vocabulary and the use of female names and pronouns by gay men to index themselves and others. These linguistic practices could be seen as secret codes. Cameron and Kulick (2003) pointed out that the relationship between gendered stereotypes and language use was so complex that speakers could not use the linguistic styles related to their preferred genders making it difficult to define their sexual identity. They stated that sociolinguists call the speech style that people use to identify their genders as *act of identity* (Cameron & Kulick, 2003).

In *Gender trouble: Feminist and subversion of identity*, Judith Butler (1999) argued that sex and gender were social constructs, and sexed bodies could not be implied without gender. She explained that all gender identities such as heterosexual and homosexual were imitative, derivative, and unreal. In other words, there was no original gender identity, and in fact, all genders were performative (Butler, 1999; cited in Salih, 2004).

**RESEARCH METHODOLOGY**

The subtitles and screenplay of the DVD movie *Carol* (2015) were used as the primary data of this study. The original screenplay was downloaded from the website [www.indywire.com](http://www.indywire.com) after being uploaded by Chris O’Falt. This movie was chosen selectively to answer the research questions because there were not many lesbian films which had recently been released at the time of conducting this research. Also, it was a period movie set in the 1950s, which made it unique.

This study employed the textual analysis paradigm in gathering and analyzing the data. To answer the research questions, the whole dialogues were analyzed after transcribing the subtitles from the DVD. Every dialogue that both female and male characters spoke in the movie was analyzed by comparing it to Lakoff’s theory to find additional linguistic features not included in Lakoff’s work, which might be considered as lesbian speech patterns. After that, the data were grouped and classified separately in each linguistic characteristic. The researcher purposively picked the sentences that both male and female characters interactively engaged in the verbal exchanges in the movie as selective samples which would then be analyzed and categorized in groups of linguistic features as illustrated in the following section.

This study adopted the notion of women’s language proposed by Lakoff (1973) as the main conceptual framework to analyze the data. However, additional studies, namely *Language and Sexuality* (2003) by Cameron and Kulick, *Women, Men, and Language* (2013) by Jennifer Coates, and *Gender lives: Communication, Gender, and Culture* (1997) by Julia T. Wood were also used to answer the research questions as well as *Women’s Language* written by Lakoff.

## FINDINGS

### RQ1: How are these linguistic styles formed?

This section illustrates some examples of linguistic features which were found in the movie. Seven women’s linguistic characteristics based on Lakoff’s lists were found: adjectives, adverbs, hedges, modals, meaningless and euphemism, polite request or interrogative, question tags, and intonation in declarative sentences. At the same time, there were some linguistic features that Lakoff did not list: ellipsis, imperative, swear words or rude words, figures of speech (simile, hyperbole, and metaphor), and the *I don’t know* phrase. Most of the items listed by Lakoff were found, but the color terms were not found in this movie. Also, most items were found in the speech patterns of both male and female characters. In fact, it was interesting that in this movie figures of speech and idioms were used less than other linguistic features and were only used by just three characters: Richard, Dannie, and Carol. Also, swear words were mostly uttered by Carol. Moreover, *I don’t know* phrase was most often spoken by Therese (shown in Table 2).

Table 2.

*Linguistic Features in the Movie Carol (2015).*

Lakoff (1973)’s Women’s Language	Did not mention in Lakoff’s Theory
Adjectives	Ellipsis
Adverbs	Imperative
Hedges and modals	Swear words/ Rude words
Meaningless and euphemism	Figure of Speech and Idioms
Polite request or interrogative	“I don’t know”
Question Tags	If Clause
Intonation in Declarative sentences	

There were some examples of adjectives found in dialogues of both male and female characters. In fact, there were more adjectives used in the movie such as: *refreshing*, *wonderful*, *beautiful*, and *swell*. Specifically, *divine*, one of the adjectives mentioned by Lakoff (1973), was frequently used by women. Furthermore, most adjectives found in the movie were used to describe things or feelings following linking verbs or were positioned in front of nouns, such as *chintzy camera*. However, *fond of* was one of the predicate adjectives which only followed linking verbs (see Table 3).

Table 3.

*Linguistic Features: Adjectives.*

<b>CAROL:</b> Would Mademoiselle be so kind as to apply to her pulse points only? Me, too. Oh, that's divine. Smell that.
<b>RICHARD:</b> She's more excited by some chintzy camera than she is about sailing with me to Europe!
<b>THERESE:</b> I do not. I just like her is all. I'm fond of anyone I can really talk to.

Two types of question tags were found in this study: formal and informal tags as well as rising and falling tone. Duboi and Crouch (1975, cited in Coates, 2013), divided question tags in two types: formal and informal tag questions. The formal tag questions end with the verb from the statement, while the informal tag questions end with *right* or *OK*. Question tags were widely found in the speech patterns of female characters except Therese. Interestingly, Herge, Carol's husband, only used a question tag when he talked to his daughter (see Table 4).

Table 4.

*Linguistic Features: Question Tags.*

<b>HERGE:</b> You've been seeing a lot of Aunt Abby lately, haven't you, Sunshine? ( ↘ )
<b>CAROL:</b> ... I thought, perhaps, you might like to come with me. Would you? ( ↗ )
<b>DANNIE:</b> Well... all of us, you know, we have affinities for people. We like certain people. You like certain people, right? ( ↗ )

Imperative sentences were likely considered as ones of men's language features, but they were mostly found in the speech of Roberta Walls, who was Therese's boss. *Please* was also found at the end of the sentence as a polite strategy. The imperative sentence form omitted the subject, and the verb was always present simple. However, Therese and Carol, the main characters, rarely used this forms (see Table 5).

Table 5.

*Linguistic Features: Imperative Sentences.*

<b>ROBERTA WALLS:</b> You're needed upstairs, Miss Belivet. Make it snappy.
<b>PHIL:</b> Move over. Nobody else can see the screen.
<b>ROBERTA WALLS:</b> Belivet? Miss Belivet? Over here please. Now.

Nevertheless, swear words, according to Lakoff (1973), were considered as masculine language features. The findings showed that there were only three characters who used swear words: Carol, Abby, and Herge. *Goddamn it* was the swear word used most in the dialogues. The form and the use of swear word were similar to adjectives. Surprisingly, the word *fucking* was only used by Carol and Abby. Interestingly, the findings showed that

Carol was the character who mostly used swear words. Contrastingly, Therese never used them (see Table 6).

Table 6.

*Linguistic Features: Swear Words.*

<b>ABBY:</b> Oh, you've got some FUCKING nerve ordering me around. And, no... she's not here.
<b>HARGE:</b> WHERE IS SHE? Goddamn it! She's still my wife, Abby. She's my responsibility.
<b>CAROL:</b> Where's the tape, you son of a bitch? How much is Harge paying you for this, huh? I'll give you double, triple, whatever you want.

**RQ2: How do these linguistic styles function in the dialogues?**

According to Wood's *Gendered Lives: Communication, Gender, and Culture* (1997), human language was symbolically used to communicate with others, and it could also reflect and express cultural views of gender. Wood added that cultural stereotypes of femininity were encouraged by language use. Similarly, Cameron and Kulick (2003) also pointed out that these linguistic features that Lakoff listed also indexed social status and the feminine gender of speakers.

For these reasons, these linguistic features can be regarded as a tool to support the femininity of the speakers, particularly the two main characters because most of the linguistic styles were categorized as women's language, which, according to Lakoff (1973), women were found to use more than men. In addition, most linguistic features provided in the examples above showed uncertainty and tentativeness, namely hedges and question tags. Lakoff assumed that women tended to use such linguistic patterns more than men because women had a lack of confidence. Furthermore, the phrase *I don't know*, which was not included in Lakoff's theory, can also be said to highlight the uncertainty of the speaker. Although some linguistic styles such as swear words and imperative sentences seemed to be categorically thought as masculine language features compared to Lakoff's findings, women in this movie used these styles less than other linguistic features. Therefore, it could be seen that these linguistic features functioned as linguistic devices to co-construct cultural stereotypes of the femininity of speakers.

**RQ3: What are the structures of linguistic styles denoting the speakers' gender and sexual identities in *Carol* (2015) compared to Lakoff's theory of language and gender?**

The findings showed that Carol used every feature that was found in this study. There were three linguistic features that Carol used, but Therese did not: question tags, swear words, and figures of speech and idioms. Moreover, the *I don't know* phrase was used by Therese more than other characters. Nonetheless, as mentioned before, most linguistic features were used by both male and female characters. Although swear words, and figures of speech and idioms were mostly used by Carol, some male and female characters also used them such as Harge, Abby, and Richard.

According to Lakoff (1973), women tended to use: adjectives, adverbs, hedges, polite request or interrogative, and question tags more than men would. In addition, she added that these linguistic features showed that speakers, particularly women, had a lack of certainty and confidence as well as avoided conflicts between speakers and addressees. These linguistic features functioned as a cultural tool in emphasizing feminine stereotypes, and they also pointed to the feminine gender and social status of speakers (Wood, 1997; Cameron & Kulick, 2003).

Comparing to Lakoff (1973)'s observation of feminine linguistic features, the linguistic features found in this study could denote womanliness of speakers, but they did not index the two protagonists' sexual identity as to whether or not they were lesbians. Interestingly, the contents of their conversation, not Lakoff's linguistic features, particularly when characters of the same gender talked to each other, deliberately expressed their sexual identity.

## DISCUSSION AND CONCLUSION

### Discussion

Regarding the forms of linguistic styles potentially indexing the gender/sexual identity of the speakers, they can be divided into two categories: vocabulary and syntax. Vocabulary, adjectives, adverbs, and hedges were mostly found in this study. For example, *well* could be seen as the most common hedge for both male and female characters in this movie. Meaningless words, euphemism and swear words, however, were the most seldom used features in this movie, but interestingly, only female characters used them to express their feelings. Furthermore, there were many syntactic styles found in this movie, such as ellipsis, question tags, and intonation in declarative sentences. However, most linguistic features were found in both female and male characters excluding meaningless words and euphemism, swear words, and the *I don't know* phrase.

The gendered linguistic styles, spoken by female and male characters in the dialogues including hedges, tag questions, the *I don't know* phrase, and swear words, mostly listed in Lakoff's theory, may be considered as linguistic devices to emphasize the femininity of speakers as claimed by Wood (1997). Although male characters employed feminine speech features in this movie, these features did not constitute their gayness. There might be other factors influencing the ways male characters used feminine speech patterns, such as age, occupation, and relationships among speakers. This point was supported by Lakoff (1973) and Cameron and Kulick (2003), who suggested that a man who was well-educated or worked in a service position might employ women's speech features. Also, women who were in higher positions may use masculine speech features.

Having aimed to compare Lakoff's theory of language and gender with linguistic structures denoting the speakers' gender and sexual identities found in *Carol* (2015), the findings contradict the common assumption propounded by Cameron & Kulick (2003), Fiscus (2011) that gay men adopted feminine language, and lesbians employed masculine speech. Surprisingly, there was only one linguistic feature that only Carol used the most, and it was mentioned as neutral language or men's language by Lakoff: swear words. However, it could not be claimed that this feature was a lesbian speech nor could show sexual identities of speakers as lesbians' because there were only two female characters who identified

themselves as lesbians: Carol and Abby. Furthermore, Carol did not swear in every dialogue while Therese never used swear words or masculine language. This finding contradicts Fiscus's (2011) research examining the linguistic performance of sexuality in the American series, *The L Word*. She found that in *The L Word* lesbian characters frequently used masculine and feminine language features and code-switched between both styles, whereas in this study, lesbian characters employed more women's language features than masculine speech features. However, the findings were similar to Fiscus's (2011) suggestion that the stereotypes of lesbian speech may not actually exist.

The common stereotypes of gay and lesbian speech patterns were rather obscure as the feminine gender expressions of the two female protagonists presented in the film were socially conformative to the heteronorms whilst having their non-conforming sexual attraction to each other. Hence, the characters' presentation of their sexual identity as lesbians in *Carol* (2015) was complicated. The reason might be because the movie was set in 1952 which was after World War II. At that time, people with non-heteronormative inclinations were outcast as homosexuals, often medically and legally categorized as social diseases (Cameron & Kulick, 2003). To illustrate this point, Carol, herself had to regularly meet a therapist to cure this condition.

Therefore, to avoid social discrimination and prejudices, these non-conforming individuals were likely to seek passing as heterosexuals. Similar to Butler (1999)'s term *doing gender* and Cameron and Kulick (2003)'s *act of identity*, people with non-conforming sexual desires were likely to adopt language styles socially conforming to the gender norms. Interestingly, the finding of this study was contradictory to the social myth regarding homosexual speech that gay men would talk in a feminine manner and lesbians would talk in masculine manner (Cameron & Kulick, 2003; Fiscus, 2011). That is, all lesbian characters in the film conformed to the heteronormative linguistic patterns and they did not adopt speech styles socially recognizable as lesbians', but frequently used gender-normative women's language styles. Hence, their disclosure of their sexual identity in this movie might be rather indirect as they implicitly learned from the other's behaviors or body language expressions, and interestingly from the contents or stories they told. Crucially, the gender representation of the two lesbian protagonists illustrated Butler's *phantasmatic* notion of *gender performativity* (1999) in the sense that identities were unreal or socially constructed. Thus, people with non-conforming sexual inclinations unnecessarily need to adopt the speech styles parallel to their socially assigned gender identity because there were no true gender norms. It could be seen that many people might be prepared to accept their speech styles based on a number of factors, for example, situation, social status, and social norms, rather than what their socially assigned genders were.

## CONCLUSION

The aim of this study was to examine the linguistic features which indicated the sexual identities of characters in the American movie *Carol* (2015) by comparing these features to Lakoff's theory. There were three research questions: (1) how are these linguistic styles formed?; (2) how do these linguistic styles function in the dialogues?; and (3) what are the structures of linguistic styles denoting the speaker's gender and sexual identities in *Carol* (2015) compared to Lakoff's theory of language and gender?. Following the textual analysis approach, the data were collected from the *Carol* (2015) screenplay and subtitles from

the DVD. The complete dialogues from both female and male characters in this movie were analyzed.

The findings replicated Lakoff's listed gendered speech patterns, such as adjectives, adverbs, and hedges, but also revealed additional linguistic features that Lakoff did not mention, theoretically considered as neutral language strategies uttered by both female and male characters, such as figure of speech and swear words. In addition, there were no linguistic features which could denote the sexual identity as being lesbians in this movie. In line with Butler's theory of *gender performativity*, all gender identities were not factual; the switch of gendered speech patterns depends on the conversation contexts rather than their socially assigned genders in addition to the influence of social norms on the speech styles of speakers. Although every linguistic feature found in this study might not denote sexual identity as lesbians of the two female protagonists, linguistic features can still be said to complement the feminine gender of the speakers.

### **CONTRIBUTIONS OF THE STUDY**

This study may contribute to the study of language and gender to reevaluate the common misperception about lesbian speech patterns. That is, people who identify themselves as lesbians might not necessarily and permanently employ masculine speech mannerisms. This research may also benefit people and researchers who have a keen interest in such issue and want to demystify the social prejudice regarding the heteronormative parallelism between gender expressions and sexual identity. Particularly, the decision to adopt or switch one gendered speech patterns to the other may rest upon social factors, such as age, position, status, and situation.

### **THE LIMITATIONS AND RECOMMENDATIONS**

This study analyzed the linguistic presentation of lesbianism as portrayed in the American movie *Carol* (2015). The data were collected from the original screenplay and therefore the dialogues were fictitious. Consequently, further studies should extend to investigate the actual conversations and speech patterns of people who identify themselves as lesbians in social contexts or actual speech performances of public figure, such as Ellen DeGeneres, the host of the American TV show, *The Ellen DeGeneres Show*. In addition to studying gendered linguistic features, the contents of what the speakers utter as well as non-verbal codes including body language patterns should also be focused because they may help the researcher discover challenging results, such as the way lesbians explicitly and/or implicitly denote their sexual identity.

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**BUILDING BRAND EQUITY ON SOCIAL MEDIA:  
A CASE STUDY ON POMELO**

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**ABSTRACT**

Pomelo is an online fast-fashion company based in Bangkok. Their rapidly growing reach throughout the ASEAN region is credited through their use of social media platforms. This study aimed to identify Pomelo's publishing patterns on their social media channels, by using David Aaker's brand equity model (2002) and Vreis, Gensler, and LeeFlang's (2012) study on social media marketing. The data was collected on three spreadsheets from August until November 2017. A coding scheme was developed to organize data based on: (1) frequency of publishing/activity, (2) frequency of reactions and responses, and (3) subjective interpretations of Pomelo's brand equity. The findings showed that YouTube was the least active and responsive. Conversely, Instagram published content more frequently though Facebook published more responsive users and a larger audience reach.

**KEY WORDS:** Social media, Instagram, Facebook, YouTube, Brand Equity, Pomelo

**INTRODUCTION**

The rise of social media within the decade has altered the daily routines of modern, globalized citizens. Today social media users express themselves uploading photos about what they eat, writing open-letters, and sharing entertaining or thought-provoking content on their preferred platform. Evidently sharing and accessing new information through this platform have opened new paths for marketers by providing alternative channels research, customer service, advertising, and brand development (Ashley & Tuten, 2015).

The growing importance of social media has influenced the way businesses expand in Thailand. Currently an upper-middle income economy (World Bank, 2017), Thailand continues to grow an entrepreneurial culture with approximately 27.8% of Thai citizens owning their own business (Limsamarnphun, 2017). Alongside Thailand is also ranked 8th in the world for its social media usage, with Facebook and Line leading as the most used platform with 41 million and 33 million users respectively (Pongvitayapanu, 2016). The combination of the growing numbers of new ventures and Thai citizens using social media

has allowed startups to use platforms to build awareness for their business, develop their brand image, and connect to more customers.

To begin to understand how social media are used to create branded content in Thailand, the Bangkok-based startup company *Pomelo-Fashion* was used in this research. This organization is a Thai ecommerce fast-fashion company founded in 2014, with an emphasis on being fashion first and e-retailer second (Lee, 2014). According to their main product that export to more than 40 countries around the world, they are Korean style clothing for women in working age, though Pomelo-Fashion was launched less than four years ago, this fashion organization sells their products to over fifty countries, following their pursuit to become an international brand (Pomelo, n.d.). The following literature review will discuss the rising influence social media have, and explore the concept of branding both with its fundamental ideas and how branded content is created on social media channels. Following the review, this paper also provide methods used to analyze Pomelo-Fashion's branded content on selected social media channels, followed by research findings and a discussion about the results obtained.

### **Transitioning Away from Traditional Media**

In the span of less than two decades marketers and brand strategist have made contrasting shifts in their product and brand promotional blueprint. With the times moving forward, the use of traditional media such as television, radio, and print-media - have no longer become the key strategy for corporations to advertise their product or build their brand awareness; though it is still an element applied today. Traditional media required corporations to advertise their messages through a distributor or publisher, where the flow of the message is linear (Saravanakumar & Suganthalakshimi, 2012). Though traditional media has been and continues to be an effective channel to build product awareness for the masses, it's singular communication pathway makes it difficult for brands to develop connections amongst their consumers. Social media separates itself from traditional media by not only creating a new platform for the corporation, but also a podium for consumers in the market. These online platform mimics the interpersonal communication behaviors that individuals experience daily, which is an aspect traditional media did not possess.

Individuals' day-to-day conversation amongst peers through the use of word-of-mouth communication is contrastingly a more powerful tool than traditional forms of advertising. According to Berger (2013), traditional forms of advertising consistently promote the positive benefits of using said-product by said-brand, therefore making it appear less credible. Conversely, a remark made by a peer can either be positive or negative, whether the given product actually works or is a rip-off. Traditional media is often targeted towards a mass population, often generalizing their messages to appeal to as many people as possible. Contrastingly, word-of-mouth is inherently targeted to a specific group of people. Individuals often are unaware of their conversational behaviors amongst their peers, all while consumers discuss their positive and negative experiences with a product amongst their in-group in their offline environment.

Social media, and particularly with the use of social networks, closely mimics the communication style that users often use offline. Social network users would communicate interchangeably like they would in their offline world and additionally pursue their human need to belong and to connect with their virtual groups (Papasolomou & Metanathiou,

2012). From a user perspective on social media usage, social networking platforms - such as Facebook and Instagram - is still an engaging and interactive affair. Users can participate in immediate or ongoing word-of-mouth discussion like they would in real life (Berger, 2013), however the popularity of a topic on social media look into how *buzz-worthy* it is; how much consumers interact or share a given piece of information (Papasolomou & Metanhiou, 2012). Social media has provided consumers with the power to act as the intermediaries, previously held by mass media gatekeepers. Users become the intermediaries by choosing whether or not to share information based on how novel or astounding the message is.

Using social media is essential in creating buzz-worthy content, understanding consumers, and appropriately targeting current or potential audiences (Saravanakumar & Suganthalakshimi, 2012). It is beyond an option for integrative marketing communication, but almost essential in understanding those three components. A successful social media campaign comes down to how much online users trust the other party (Roy, Huh, Pfeuffer, & Srivastava, 2017). Social network users, like their offline relationships, may consider the motivation behind the endorser, whether they are user-to-user or advertiser-to-user relationships. Trust requires the party to be unguarded for the actions of others. How much a user trusts a corporation or another online user determines the strength of the relationship between the corporation and consumer, which is a marketing objective. Lamberton and Stephen (2016) asserted that we are currently living in the social media age. The internet is no longer just a tool for marketers to gain to consumer insight or for consumers to gain product awareness. Connecting and understanding consumers has provided them with the ability to either progress or hinder a marketing campaign. Prior to 2011, this platform was an effective tool to disseminate advertising messages, however as digital technology improved consumer-generated content has become its own marketing tool - e.g. providing a positive review for a company. The concept of consumer-generated content, but more specifically *customer-based brand equity*, will be discussed later in the review.

### **Building Brand Equity on an Online Platform**

Consumers are exposed to more variety of goods and services than ever before. As there are more options made available to consumers, there is a growing importance for organizations to differentiate themselves from their competitors (Roper & Fill, 2012). Organizations build a brand to promote a promise their customers should expect when purchasing their products. David Aaker, describes a brand to being an organization's most important asset (2014). Developing a brand with strong assets often assures customer loyalty and resilience in market performance. Enhancing a brand as a business strategy rose to popularity during the late 1980's, with the term *brand equity* defining its importance.

Brand equity is described by Aaker as "sets of assets and liabilities linked to a brand's name" (2002). Managing brand equity requires organizations to invest in these assets, for which there are four dimensions: brand awareness, perceived quality, brand loyalty, and brand association. Enhancing these assets increase the value of the organization and provide organizations long-term competitiveness in their industry. *Brand awareness* as an asset refers to how familiar the brand is and is measured with varying degrees in mind; whether consumers recognize the brand after being exposed to it, if they can recall this brand when thinking of a particular product, and how dominant the brand is when it is being recalled by the consumer. Brand awareness, even being merely recognized, benefits an

organization as consumers will often choose the brand they've heard of over an unfamiliar brand. Moving forward, *perceived quality* looks into the value of the organization's goods or services; how good the product/service works for their consumers. Actual quality does not assure high perceived quality. Consumers may lack understanding in how a product functions, which can lead them to make judgements regardless of actual product performance, or even lack the motivation to draw up conclusions themselves. Increasing perceived quality has shown to be highly beneficial to an organization's financial performance and has shown to strongly influence the other three brand equity dimensions. *Brand loyalty* describes the relationship the brand has with their customers. Loyalty from customers can be divided into non-customers, price switchers, passive loyal, fence sitters, and committed customers. Investing in brand loyalty often requires attending to passive loyal and committed customers; from a financial perspective, it is more cost effective to have loyal customers than to draw in new ones. *Brand association* consider a variety of attributes that consumers feel represent the brand. These attributes, from their brand's color scheme to their spokesperson, are derived from the organization's corporate values (Aaker, 2002).

Transitioning into the digital age, the internet became a unique communication channel to enhance brand equity. Aaker and Joachimsthaler claimed in back in 2000 that the most influential brands will be those that can use the internet the most effectively. Branding online has reduced the barriers between the corporation and consumer, a barrier that was created from the repetitive nature of traditional advertising (Aaker & Joachimsthaler, 2000). The characteristic that separates online marketing with traditional forms of advertising is the ability to create a social experience. Online users already exchange information, and corporations can participate in this interactive medium. The brand can share updated and content-rich information, and personalize their information to be given amongst different audience segments.

Aaker and Joachimsthaler (2000) believed that a strong brand can be built online under five conditions. The first is to generate positive experiences online, which requires a brand's online platform to be attractive, personalized, and easy to use. Secondly, the online platform must reflect the brand (its identity, values, proposition, and position). Their platform has to not only inform their customers of what their product/service is, but has to provide an aesthetic that strongly resembles the brand's symbolism- their logo, color, signature font, etc. Thirdly, there must be synergy throughout their communication channels. This looks into how well the corporation's online platform complements their advertising efforts, celebrity endorsers, and promotional messages. The fourth aspect pays attention to the customers, particularly their passive loyal and committed customers. Examining how well the online platform is able to support their loyal customers while still growing their audience; how well their customers know their brand heritage. Finally, strong brand equity can grow if corporations know how to differentiate themselves from their competitors in their online platforms. The functional benefits is often matched with other goods and services in the market, but how well a corporation can continue to enhance their brand assets adds a competitive edge for the organization.

Companies increasingly invest in social media because of its capabilities to build emotional attachments amongst their consumers (Vreis, Gensler, & Leeflang, 2012). In response to the growing numbers of social network users, organizations create brand pages as a platform to express their corporate narrative. How effective corporations are at expressing

their message can be measured by the amount of likes, comments and shares their post - text, link, photo, or video - receives. Similarly with Aaker and Joachimsthaler's five conditions, Vreis, Gensler, & Leeflang also propose five factors that determine how successful a social media post can become. Their first factor differs from Aaker and Joachimsthaler's model as it acknowledges the importance of sensory awareness. *Vividness* looks into how much a social media post stimulates our senses, particularly with regards to sight and hearing. The consumer's attitude towards a post on social media is expected to be more positive the more vivid or attractive it is. The second factor takes into account the two-way nature of social networks. How *interactive* a social media post is with its content - photo album or website link - can determine how interested their customers are of the content provided by the organization. Thirdly, the content provided contributes to whether a customer will willingly search through the brand page. Customers will pay more attention to posts that provide comprehensible *informational or entertaining content*. The fourth aspect that influences customer response is the position the posting is placed in the brand page. If a brand page updates too *frequently*, their older posts has less time to gather traction on social media sites. Typically, social network users tend to skim only on the feed closest to the top, selectively filtering out the older posts.

The final factor that determines the popularity of a brand post are the *responses made by their customers* on social media. Social media mimics the word-of-mouth communication style people are exposed to in the offline world. Having an online discussion with mostly positive responses not only provide passive customers with a better impression of the the brand, but it is more likely they trust the brand's propositions; as word-of-mouth is viewed more credible than traditional advertising. Research on the branding capabilities in an online platform between the two studies contrast as they were conducted a decade apart. However, Aaker and Joachimsthaler's theories still maintain relevance in the realm of social media. Of the two studies between web page design and social network posting, both share similarities in visual aesthetics and consumer interaction, with both studies emphasizing the importance building customer relationships to increase brand equity.

### **Customer-Based Brand Equity**

Using social media and creating an online presence has shifted a lot of the control into the hands of the consumers (Papasolomou & Metanithiou, 2012). Aaker's brand equity pinpointed four dimensions that organizations invest in to increase their value. Keller (1993), presented the concept of *customer-based brand equity*, which looks into the customer's response from their knowledge of a brand from marketing endeavors. This already assumes that the consumers are not only aware of the brand, but hold some positive attributions about the brand.

Brand knowledge, being the key component in customer-based brand equity, is the ability to recall the brand when associating it with a certain product or service- i.e. recalling McDonalds when finding an association with burgers. Specifically, brand awareness and brand image are amongst the two dimensions of brand knowledge. Like in Aaker's dimension, *brand awareness* looks into how well one can recognize a brand as well as how well one can recall a brand. A consumer will recognize a brand by recollecting their prior exposure to them, while recalling a brand requires the consumer to associate them with a specific product/service category in mind. Brand awareness looks into how memorable the brand's product/service is, which has the potential to strengthen brand association. *Brand*

*image* examines how the brand is perceived based on their associations; attributes of the product/service, benefits these products/services provide consumers, and attitude the consumers have towards the product/services. These types of associations influence how favorable consumers accept the brand's attribute, how strong those associations maintain in the consumer's memory, and how distinctive it is amongst their competitors. If a consumer has both high brand awareness and favorable perceived brand image, it should result in not only increased brand loyalty from the customers, but also increase profitability in the business.

Customer-based brand equity looks into consumers' response (brand knowledge) as a result of a marketing campaign, specifically looking into any altered perceptions, preferences, and behavior. This can be measured through indirect or direct methods. The indirect approach is used to locate the source of the brand knowledge, versus the direct approach is usually used to measure the impact of the brand knowledge had on the consumers. The indirect method primarily looks into brand awareness and is instigated to assess brand recognition and recall, in addition to how congruent their associations are amongst several consumers. The direct method mimics a laboratory domain where consumers evaluate the brand's product/service from their marketing program versus a fictional one.

Though brand equity model was conceived in 1993, the premise of customer-based brand equity still maintains relevance as social media plays a more active role in day-to-day life. Social media campaigns allows us to observe reactions through likes, comments, and shares, which facilitates the record keeping of brand knowledge customers express on these online platforms.

### **Branding for Fashion**

There are a variety of motives behind a business' decision to invest in the development of a corporation's brand. Building brand equity means putting value in the intangible aspects of a corporation, requiring long-term planning and financial investment. One of the core motives in branding is about differentiating oneself from other competitors in the market (Roper & Fill, 2012). Some industries have minimal points of differentiation amongst their competitors, however the fashion industry is a sector that strongly emphasizes the importance of branding. Carroll (2008) suggests that the highly competitive nature the fashion industry has put emphasis on the need to differentiate oneself. The fashion industry has created an ecosystem of in-groups and out-groups, with branding a factor for discriminating between those who belong and those who mismatch their social identity; though this tends to be more prevalent in high-fashion brands. Fashion branding aims to convey a social meaning. On this remark, fashion businesses focus on selling a certain lifestyle amongst their target consumers, suggesting that the brand provides self-enhancement for their customers (Carroll, 2008).

Cho, Fiore, and Russell (2015) applied the brand equity model proposed by Keller (1993) specifically regarding fashion brands. Cho, Fiore, and Russell have replaced Keller's associations with cognitive (mystery), sensory (sensuality) and affective (intimacy) associations. Cognitive associations look into the consumer's perception of the brand, resembling Keller's brand attributes. Sensory associations look into the consumer's experiences based on their senses, resembling Keller's brand benefits. Affective association looks into the emotional connection consumers have with the brand, reflecting Keller's brand attitude.

From their first study using Keller's customer-based brand equity model, Cho, Fiore, and Russell have found four themes with regards to consumers cognitive associations with a brand; positive present experiences, positive memories from previous experiences, aspirations for the future, and self-congruity (how well the brand reflects their individuality). With regards to the sensory associations, the prevailing themes discussed sensation regarding sight, smell, hearing, and touch, all in contexts with the company's store, web design, and packaging (to list a few aspects). The themes that arose from the affective associations of a fashion brand looks into how well the company understands their customers, how committed they are at maintaining a long-term relationship with their customers, and how satisfied the customers are with their interaction with the brand.

Fashion brands sell a lifestyle to their customers, and the success of their brand comes from the consumers opinions towards the company, their interaction with their products, and how their brand makes them feel. Like other industries, the fashion industry shifted away from its use of traditional advertising, like print editorials, and began using other media for marketing, like their usage of audio-visual content once digital technology improved and new means of communicating emerged (Soloaga & Guerroror, 2016). One method that gathered momentum is the creation of fashion films that are then uploaded on video-sharing sites like YouTube and Vimeo. Soloaga and Guerroror also suggest that fashion films on these social media platforms has been a method of substitution from retail stores in order to convey a lifestyle. Further the matter, this shows that the shift in digital media also applies to the fashion industry.

### **Pomelo Fashion & Their Growth**

Previously introduced in the beginning of this paper, Pomelo-Fashion is a Bangkok-based ecommerce fast-fashion organization founded in 2014. Despite being a company originating in Thailand, Pomelo-Fashion was able to enter the markets internationally, advocating themselves on their website as "fashion born in Asia, on trend, online, on the go" (Pomelo, n.d). In the Singaporean market, they were able increase their Singaporean customer base 10-folds between September 2014 to March 2015 (Tay, 2017).

To reiterate, this study aims to look into how social media is used as a tool for branding, especially when looking into a newly established and rapidly growing online company like Pomelo-Fashion. As research is taken place in Thailand, Pomelo-Fashion is an appropriate case study for research. The review has looked into how social media was able to reduce barriers between corporation and consumer, thus providing marketers with the capability to build closer relationships amongst their customers. Additionally based on building brand equity on an online platform concept, the review also looked into how branding could be achieved in an online platform, identifying the criteria that assesses how successful one's online presence is. Moreover, the importance of customer responses was also looked into by understanding the concept of customer-based brand equity. Finally, the review glanced over on the uniqueness of the fashion industry and how significant branding is in order to compete in their market. Based on the literature reviewed, the following questions are proposed:

- RQ<sub>1</sub> What are Pomelo-Fashion's communication patterns on their key social media platforms?
- RQ<sub>2</sub> Which communication platform appeals most to their consumers?
- RQ<sub>3</sub> What are Pomelo-Fashion's brand assets?

## METHOD

To address the three research questions, this research used qualitative research techniques, specifically *content analysis*, to analyze branded-content on their key social media platforms. Using content analysis allows for flexibility of interpretation in a naturalistic setting. Content analysis requires the breakdown of content—hypertext and visual communication messages—into smaller, more focused categories (Vimal & Subramani, 2017). According to Krippendorff (1989), content analysis involves creating inferences of data with the contexts presented. Data is often textual, however can also include audiovisual elements. With these factors in consideration, rules of inferences need to be developed firstly by defining the context. The research questions explore Pomelo-Fashion's message style, their consumers' reciprocation of their messages, and the qualities that represent their brand. RQ<sub>1</sub> and RQ<sub>2</sub> looks into their social media usage, however RQ<sub>1</sub> is analyzed mostly using qualitative techniques, and RQ<sub>2</sub> being analyzed quantitatively. RQ<sub>3</sub> looks into the branding aspect of their organization, thus requiring qualitative content analysis.

### Sample

Pomelo-Fashion has six online platforms for communication such as their e-commerce website, Facebook, Facebook Messenger, Instagram, Line, and YouTube. According to this study primarily, this research looks into the organization's message and branding which they focus on platforms where organization-customer relationships are responsive but not interactive. Their e-commerce website is the platform principally used to distribute their products to their customers with a singular flow of communication. Facebook Messenger and Line allow for two-ways communication between the organization and their customers, however these require action begin from their customers. Facebook, Instagram, and YouTube provide Pomelo-Fashion platform to showcase their messages directly to their customers while also providing their customers the space to respond to their published contents.

Social media contents from Facebook, Instagram, and YouTube will be analyzed. Due to the limited time period and quantity of published posts, content that has been published from between 10th August 2017 till 20th November 2017 will be recorded on a spreadsheet.

### Coding Strategy

Under the context of social media usage and branding, coding techniques were based on theories discussed in selections of the literature review. Overall data collection will be based on researcher interpretation as the predominant research relies on analyzing textual, visual, and audiovisual data. Moreover, quantitative aspects will be measured using the same data, which are identified in *Table 1*. RQ<sub>1</sub> looks into the communication strategies

Pomelo-Fashion uses in their selected social media platforms. On the quantitative aspect, comparisons will be made on how frequently the organization has published content. Drawing inferences on the content itself is based on Vreis, Gensler, & Leeflang (2012)'s literature on the characteristics of popular social media postings. RQ<sub>2</sub> draws inferences on customer response by measuring the frequency of each platform's comment section; how many like actions on their posts gets and how many comments they receive. Drawing inferences from qualitative methods comes from the language used in each platform's comment section. RQ<sub>3</sub> examines the branding aspect and is the only research question that requires a subjective analysis on the data. Like in RQ<sub>1</sub>, this is based on researcher interpretation of Aaker's brand equity model. A coding sheet<sup>1</sup> was developed to provide general guidelines for content analysis.

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<sup>1</sup> See Appendix 1

Table 1.

*Coding Strategies Based on Reviewed Literature.*

<b>Coding Approach</b>		
RQ <sub>1</sub>	Qualitative	Measuring and Comparing Prevalence of Content Publishing on: <ul style="list-style-type: none"> <li>●Facebook</li> <li>●Instagram</li> <li>●YouTube</li> </ul>
	Quantitative	Researcher Interpretation of Content Publishing: <ul style="list-style-type: none"> <li>●Vreis, Gensler, &amp; Leeflang (2012) - Five Factors of Social Media Publishing                             <ul style="list-style-type: none"> <li>○Vividness</li> <li>○Interactivity</li> <li>○Informational vs. Entertaining Content</li> <li>○Publishing Frequency</li> <li>○Customer-Response (Used in RQ<sub>2</sub>)</li> </ul> </li> </ul>
RQ <sub>2</sub>	Qualitative	Measuring and Comparing Prevalence: <ul style="list-style-type: none"> <li>●Facebook                             <ul style="list-style-type: none"> <li>○Like and Reaction</li> <li>○Comment</li> <li>○Sharing</li> </ul> </li> <li>●Instagram                             <ul style="list-style-type: none"> <li>○Like</li> <li>○Comment</li> </ul> </li> <li>●YouTube                             <ul style="list-style-type: none"> <li>○Like</li> <li>○Dislike</li> <li>○Comment</li> </ul> </li> </ul>
	Quantitative	Researcher Interpretation of Customer Response: <ul style="list-style-type: none"> <li>●Language used in Comments                             <ul style="list-style-type: none"> <li>○Are comments positive/praising?</li> <li>○Are comments neutral?</li> <li>○Are comments negative/critical?</li> <li>○Are comments irrelevant/spam?</li> <li>○Are the comments questions?</li> </ul> </li> </ul>
RQ <sub>3</sub>	Qualitative	Researcher Interpretation of Brand Asset: <ul style="list-style-type: none"> <li>●Aaker's Brand Equity Model                             <ul style="list-style-type: none"> <li>○Brand Loyalty</li> <li>○Brand Awareness</li> <li>○Perceived Quality</li> <li>○Brand Association</li> </ul> </li> </ul>

## FINDINGS

### Findings for RQ<sub>1</sub>

This stage of the research is based on three elements of Vries, Gensler, and Leeflang's Five Factors of Social Media Publishing; vividness, instructiveness, and publishing frequency. Collecting data on publishing frequency consists of collecting links of all forms of uploaded online communication messages on Facebook, Instagram, and YouTube that was published on the 10th of August till 20th of November 2017. The data was organized in chronological order of date ascending from most recent to oldest published content. *Table 2* shows the overall amount of content published on the three social media channels, with Instagram being the most active online channel. Amongst the three, YouTube was the least used platform as 9 videos were published on their page. Activity on Instagram and Facebook were similar with both those platforms publishing at least once a day.

Vividness and interactivity were reviewed in a subjective manner. Each of the published messages would be coded with either 1 (little to no vividness/interactivity), 2 (some evidence of vividness/interactivity), or 3 (strong expression of vividness/interactivity). Vividness is determined by how aesthetically appealing the given content within first exposure, with the code is determined immediately. Interactivity, on the other hand, requires more consideration as it looks into other resources provided in the posted content. This is determine whether there are additional links provided, assigned hashtags, or tags on other pages on the platform, overall looking into how many external channels are connected from the single post.

RQ<sub>1</sub> aimed to understand the communication patterns between the Pomelo-Fashion's three key social media platforms. YouTube's disadvantage was the lack of multi-media function in their platform, as their service is to publish video clips online. Both the Facebook and Instagram accounts published posts regularly, however it was clear that there were different styles of communication between these two platforms. Ninety-two percent (92%) of the published posts on Facebook consisted of images (7% videos and 1% other), however all of their images featured Pomelo-Fashion clothing, mostly with models wearing their outfits. Additionally, there were written texts over the image and albums made to showcase their clothes from different perspectives. All captions on their Facebook posts were written in Thai, and there was limited use of English their applied text on their images. Additionally, Facebook regularly had links to Pomelo's website and link attached to a specific clothing item that redirects them to a specific page on their website.

Instagram had fairly more images as published posts on their platform (94% images, 6% videos), however, did not have the same editing style Facebook posts had. Though there were some similarities in the photos used on their posts, Instagram post almost never featured any additional texts on top of their images. All of Instagram's posts provided captions in English, opposite of Facebook communication strategy. Additionally, their Instagram account often included images that were not directly relevant to their products; urban landscape, dining, etc.

Content published on YouTube was also published on Facebook and Instagram. The video descriptions on their YouTube page varied as it depended on the contexts of the video, however most of their video titles were in English.

Overall it appeared that their YouTube account was used to upload their fashion videos and new campaigns for their clothing collection. Facebook, on the other hand, provided a more intimate platform for their Thai customers, as there were daily postings, with posts appealing to the values of Thai citizens - such as Thai Mother's day and the cremation of the late Royal Majesty. Facebook also had more direct attachments to their online store. Instagram, on the other hand, was used as a platform to promote a lifestyle. This was evident as a lot of their posts would include images expressing a certain lifestyle.

Table 2.

*Frequency of Content Publishing.*

	Total Published Content	Daily Publishing Rate
Facebook	123	1.22
Instagram	140	1.37
YouTube	9	0.09

**Findings for RQ<sub>2</sub>**

Continuing with another factor from Vries, Gensler, and Leeflang's theory, this stage of the research solely looks into the element of customer-relationships. Quantitative data was collected based on how many likes and comments a post would receive from social media users. *Table 3* shows the average of the data obtained from the three social media channels. YouTube is the least consumer-responsive platform out of the three, having had zero comments written on all nine of their published content. Additionally, their *likes* obtained is drastically lower compared to Instagram's average of 884 likes per post and Facebook's 1,150 likes per post. Quantitatively, YouTube appeals the least to Pomelo's consumers.

Instagram published more content within the three-month period than Facebook, however Facebook has proven to be the more favorable media channel for the fashion company, as they have up to four times more followers on Facebook than with Instagram. In spite of that, the difference in responses on Facebook and Instagram did not vastly differ. Though Instagram has on average less likes and comments per post compared to Facebook, there was still evidence of Instagram gathering large audience response - once having 4,746<sup>ii</sup> likes and 60<sup>iii</sup> comments on two separate posts - on their platform, making it almost as appealing of a platform as Facebook. However there were two clear differences in the audiences each platform attracted. YouTube posts did not receive many comments within the provided time frame, however based on their previous published videos; they seem to attract Thai, English and Bahasa Indonesia/Malaysian speakers, depending on the video's contexts; whether the video was conducted in a particular language or featured a regional celebrity. Facebook, however, appeal strongly with Pomelo-Fashions Thai customer, which could be accredited to their content being posted mostly in Thai. Their Instagram accounts published all their content, within the designated period of data collection, in

<sup>ii</sup> <https://www.instagram.com/p/BYqRgpdhJa-/?taken-by=pomelofashion>

<sup>iii</sup> <https://www.instagram.com/p/BZLvJLWhwZa/?taken-by=pomelofashion>

English yet manage to gather a variety in response. There was strongest evidence that though their Instagram account attracted users speaking English, Thai, Indonesian, Malay, and Chinese, this account gathered the most response amongst their Indonesian customers.

Table 3.

*Average Frequency of Consumer Response.*

	Followers <sup>iv</sup>	Likes	Dislikes	Comments	Shares
Facebook	857,324	1,150.06 <sup>v</sup>	32.86 <sup>vi</sup>	5.59	11.32
Instagram	213,000+ <sup>vii</sup>	883.79	n/a	4.06	n/a
YouTube	6,157	14.78	8.67	0.00	55.13

**Findings for RQ<sub>3</sub>**

While the first two research questions had quantitative methods for data collection, the stated question above looks into understanding Pomelo-Fashion as a brand after examining data obtained for RQ<sub>1</sub> and RQ<sub>2</sub> which used by a qualitative method. This stage of analysis is based on Aaker’s brand equity model while considering observations found in RQ<sub>1</sub> and RQ<sub>2</sub>. Aaker proposed that an organization’s brand assets are determined by brand awareness (likeability, familiarity), brand association (created attributes, corporate personality), brand loyalty (relationship with customers), and perceived quality (sales channels, level of differentiation, value for money) which included in the characteristics of brand equity. Familiarity and likability are the assets that measure a brand’s awareness, with factors as the amount of followers the brand has on their social media channels and what their consumers publicly expresses about the brand on these platforms. Brand association looks into the personality Pomelo that displays amongst their stakeholders, from how they respond to their customers on social media platforms to how they design their communication messages for these platforms. Brand loyalty for Pomelo is inspected also from how consumers communicate on those social media channels and the repetitiveness of consumers commenting on these platforms positively. Analyzing the perceived quality of Pomelo’s products is based on critical remarks made of the company, which has ranged from late deliveries, unavailable sizes, app not working properly, etc.

Regarding to brand awareness, it appears as though that Pomelo does have an online presence. Comparing their presence in the Thai fashion industry, they are a relatively recognizable name and hold many followers on social media compared to some other competitors; Sretsis, Disaya, Greyhound Original, etc. However, they have shown a passion of appealing to a wider market; they are still a much smaller organization compared to H&M. It appears that based on their online profile there is some recognition of their brand within the ASEAN market, as they have customer responses from Thailand, Singapore, and Indonesia. Within those responses, it is often times clear their customers, particularly on Face-

<sup>iv</sup> As of 20th November 2017

<sup>v</sup> Includes Like, Love, Haha, and Wow reactions

<sup>vi</sup> Includes Sad, and Angry reactions

<sup>vii</sup> Instagram did not provide the exact number of account followers

book, make remarks on their satisfaction of the services Pomelo provides and the quality of the material used on their clothes. Though they have been a few remarks made on the quality of the material used on their charity<sup>viii</sup> clothing, it is clear in the researcher observation that within their Thai market their products are perceived to be of decent quality.

Pomelo often receives positive comments from their users both on Instagram and on Facebook, they also gather a lot of neutral comments or have comments with questions about their products. From the observation shows that Pomelo-Fashion may still be too young of an organization to gather a committed customer base. Nonetheless, their customers that write comments on their publish posts on Instagram and Facebook have shown made positive remarks on the style of their clothes, often associating their clothes as being pretty, stylish, and a certain desire to want to purchase the product.

## **CONCLUSION**

### **Limitations in Research**

The primary issue that was not taken into consideration prior was the multiple language barriers. As primarily an English speaker with some knowledge in Thai, it became difficult to gather accurate translations of non-English and non-Thai comments, particularly on Instagram. Additionally, translating Thai comments were difficult at times from the lack of fluency in the language. Another area of issue in the research was the subjectivity of the analysis made with the content obtained. As there was only one researcher analyzing the content, posts are interpreted solely on the researcher. If another researcher or a team of researcher was included in the study it would likely yield less subjective interpretations, particularly with RQ<sub>3</sub>. Time management was another issue in this research is there were additional tasks to address outside ICA490. If the researcher had less commitment outside the class and more time made available for the study, a more comprehensive coding sheet would have been created as it was later realized during data collection that each platform had different characteristics, thus requiring different coding techniques.

### **Implications for Future Research**

This research was a case study on Pomelo-Fashion's presence in Thailand's growing fashion industry. A strength this research provided was an understanding of how their social media platforms were used to communicate to different target audiences. One area for potential extended research on Pomelo-Fashion is a look on social media responses made outside their Facebook, Instagram, and YouTube pages. Research can be done analyzing customer response on their own platforms; such as unboxing videos and reaction to their clothing. Another consideration for future research is applying more of Keller's (1993) customer-based brand equity model, and applying more direct methods of analysis, as this research primarily used his non-direct method.

It was made aware after the research was conducted that Pomelo-Fashion had additional regional pages on Facebook: Singapore, Indonesia, and International. As this research was focused on their Thailand page on this specific platform, a potential opportunity to further

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<sup>viii</sup><https://www.facebook.com/pomelofashionth/photos/a.209022059259811.1073741829.205515592943791/831695613659116/?type=3&theater>

understand Pomelo-Fashion's communication strategies would be to compare their publishing amongst other regional pages and analyze the consistency in style and publishing rate between their regional pages.

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**APPENDIX 1**

**General Coding Scheme**

<b>Media Type</b>	Image	1
	Video	2
	Other	3
<b>Media Feature</b>	Indoor Model Photoshoot	1
	Indoor Naturalistic Model Photoshoot	2
	Outdoor Model Photoshoot	3
	Outdoor Naturalistic Model Photoshoot	4
	Clothing Photoshoot (Sans-Model)	5
	Lifestyle: Landscape/Location (Sans-Model)	6
	Lifestyle: Interior/Design (Sans-Model)	7
	Lifestyle: Activity/Behaviour (Sans-Model)	8
	Quote/Text Only	9
	Event P.R.	10
	Other	11
<b>Model Ethnicity</b> <sup>1</sup>	No Model	0
	Asian	1
	Asian-European Mix	2
	European	3
	Other	4
<b>Colour</b>	Minimally Used	1
	Heavily Used	2
<b>RQ2</b>	Positive/Praising Comments	1
	Neutral Comments	2
	Negative/Critical Comments	3
	Spam/Irrelevant Comments	4
	Question	5
<b>RQ1</b>	Vividness	1-3
	Interactivity	1-3

*Notes:* Coding schemes varied depending on the social media channel.

<sup>1</sup> only used in Instagram; discontinued after noticing conclusive patterns.

**APOLOGIA STRATEGIES IN JUSTIN TRUDEAU’S SPEECH ON  
THE FEDERAL GOVERNMENT’S PAST TREATMENT OF  
MEMBERS OF LGBTQ2 COMMUNITY**

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**ABSTRACT**

This study examines Justin Trudeau’s formal apology on November 28, 2017 by utilizing the study of apologia and Benoit’s fourteen image repair strategies. The paper focuses on Trudeau’s statement on a historical government policy that dismissed LGBTQ2 people from working for the civil services based on their sexual orientation. Two research questions were given to guide the study: (1) What are the apologetic strategies used in Justin Trudeau’s formal apology? and (2) What are the characteristics of each strategy employed in the selected speech? The findings revealed that the Canadian Prime Minister has employed four techniques from Benoit’s apologetic strategies: (1) shifting responsibility, (2) corrective action, (3) mortification, and (4) transcendence. Implications are that practitioners are provided an insight into apologetic strategies that may be employed in their professional practices.

**KEY WORDS:** Justin Trudeau, Canada, image repair, apologia, Defense, LGBTQ2, Federal Government Policy

**INTRODUCTION**

Since April 2013, Justin Trudeau has been the leader of Canadian Liberal Party and since October 19, 2015, the 23rd and current Prime Minister of Canada. His father, Pierre Elliot Trudeau, is the 15th Prime Minister of Canada. Hence, Justin Trudeau is the first Canadian prime minister who is the son of one of the country’s previous political leaders.

From World War II until the late 1980s, Canadian federal governments required officials to identify their sexual preference in the public service and military. They prejudged LGBTQ2 Canadians as treacherous and spies of other countries. The term LGBTQ2 stands for lesbian, gay, bisexual, transgender/transsexual, queer and two-spirit; the term “two-spirit” is rooted from a concept of the native North Americans referring to those identified as genderqueer, non-binary, non-cisgendered or non-heterosexual. It could also refer to someone who identifies as non-heterosexual. The targeted people were subjected to investigation, discrimination and removal from the government administration. Several people

resigned to prevent themselves, friends and family from such harassment, interrogation, and punishment.

In September 2017, the members of an advisory council criticized the government of Canada for not having issued a formal apology to a Canadian LGBTQ2 who had experienced severe discrimination due to the policies of the past government. In addition, they asked Trudeau to give an official speech to apologize before the end of the year. As well as making a formal apology for decades of discrimination to the marginalized groups from working for civil services, accusers suggested that the government must eliminate records of the past investigations of LGBTQ2 people, thus in the future there will no documentation of the people who were discriminated against or harassed.

### **APOLOGETIC RHETORIC**

Apologetic rhetoric comprises speeches that attempt to defend, reclaim and repair the image, credibility, and acceptability of an individual or an organization. Regarding apologetic rhetoric, an apology refers to a defense, rather than the direct meaning of “I’m sorry.” Kruse (1981) described apologia as a “specific mode of discourse which is generated in response to a certain exigence” rather than merely a speech (p. 291). Likewise, Downey (1993) stated that apologia is a speech of self-defense and adds that apologia is character-defense rather than the defense of one’s policies and ideas.

Ware and Linkugel (1973) classified apologies onto four main types of strategies (i.e., denial, bolstering, differentiation and transcendence) that have been frequently used in apologetic rhetoric. Regarding these four strategies, denial and bolstering, are reformative, attempting “to change the audience’s meaning or affect for whatever is in question” (Ware & Linkugel, 1973, p. 276). Denial can be further categorized into four levels of denial. First, simple denial means denying any participation in the matter at hand that apologetic rhetoric denies any misbehavior. Second, it is to deny responsibility by denying any association with the problem. Third, denial refers to argue that one has no positive sentiment toward the matter. The accused may claim that not only did he or she act inappropriately, but also the accused actually detest “whatever it is that repels the audience” (Ware & Linkugel, 1973, p. 276). Fourth, the last type of denial is to deny any committed act related. Bolstering, the other reformative strategy, is the opposite of denial. While denial is “an instrument of negation; bolstering is a source of identification” (Ware & Linkugel, 1973, p. 278). Bolstering refers to “any rhetorical strategy which reinforces the existence of a fact, sentiment, object, or relationship. When he [sic]bolsters, a speaker attempts to identify himself with something viewed favorably by the audience” (Ware & Linkugel, 1973, p. 277).

The third and fourth apologetic strategies, “differentiation and transcendence are considered transformative strategies because, unlike denial and bolstering that cannot change the meaning of the cognitive elements involved” (Ware & Linkugel, 1973, p. 278). According to Ware and Linkugel (1973), differentiation attempts to separate some “fact, sentiment, object, or relationship from some larger context within which the audience presently views that attribute” (p. 278). Subsequently, the audience’s meanings of the elements are transformed. According to Ware and Linkugel (1973), transcendence tends to “psychologically move the audience away from the particulars of the charge at hand in a direction toward some more abstract, general view of his character” (p. 280). This strategy links “some fact,

sentiment, object, or relationship with some larger context within which the audience does not presently view that attribute” (p. 280).

### **BENOIT’S APOLOGETIC STRATEGIES**

Ware and Linkugel’s (1973) study has been advanced by Benoit (1995a). He broke down the four original strategies and further describes image restoration strategies. In a series of studies, Benoit has sought to shift image restoration criticism toward a search for the most useful strategies. Benoit’s (1995a) comprises five apologetic strategies: (1) denial, (2) evasion of responsibility, (3) reducing the offensiveness of the event, (4) corrective action, and (5) mortification. The first strategy, denial, contains two types: simple denial and shifting the blame. The second strategy, evasion of responsibility, has four types: provocation, defeasibility, accident, and good intentions. Benoit (1995a) breaks down the third strategy, into six components: bolstering, minimization, differentiation, transcendence, attack the accuser, and compensation. The fourth strategy, corrective action, is not broken down into subcategories. The fifth and final strategy of Benoit’s typology is mortification. Mortification takes place when everyone those involved apologizes for the crisis.

### **METHODOLOGY**

The selected data is a formal apology of Canadian Prime Minister Justin Trudeau’s given on November 28, 2017. The full transcription was retrieved from [www.ctvnews.ca](http://www.ctvnews.ca). The speech took 28 minutes and 3 seconds. Moreover, it was spoken in both English and French. In this analysis, the researcher decided to use the English transcription. He delivered the lengthy, formal apology to the marginalized people who had been fired from the public services and military during the Cold War period. Most apologia studies investigate political scandals created by the politicians themselves; however, in this study the researcher will analyze the apology of a historical government policy which was implemented by former Canadian governments.

The researcher used an analog criticism to examine the individual context of Trudeau’s formal apology given on November 28, 2017 utilizing Benoit’s (1995a) 14 strategies of image repair in order to analyze the rhetorical strategies. Benoit’s 14 apologetic strategies of image repair are: (1) denial, (2) shifting responsibility, (3) provocation, (4) defeasibility, (5) accident, (6) good intentions, (7) bolstering, (8) minimization, (9) differentiation, (10) transcendence, (11) attacking the accuser, (12) compensation, (13) corrective action, and (14) mortification.

Researcher biases and assumption might occur; however, the researcher analyzed and interpreted the speech based on the framework suggested above. Additionally, the researcher is a Thai living in Thailand. Thus, the researcher has no particular opinion or prejudice toward the speaker, Justin Trudeau.

### **RESULTS AND DISCUSSION**

#### **The Strategies and Their Characteristics Employed in the Apology**

The following will discuss the apologia strategies and its characteristics (i.e., shifting responsibility, corrective action, and mortification) utilized in Trudeau’s apology. This section will also answer RQ2 related to Trudeau’s apologetic characteristics.

### Shifting Responsibility

The apologetic strategy that was applied primarily in this speech is shifting responsibility. The strategy places blame upon others for the offensive act. Regarding this strategy, it is difficult to utilize successfully as it attempts to separate the accused individual from those who are associated with the offensive act. It is also difficult to prove that the accused individual had no involvement in creating and implementing the offensive act. Nevertheless, in this apology the explanation of shifting responsibility is different from other studies as the act was not committed by Trudeau himself nor his government. He was not involved in causing the act. He stated that:

#### Excerpt 1:

This is the devastating story of people who were branded criminals by **the government**. People who lost their livelihoods, and in some cases, their lives. These aren't distant practices of **governments** long forgotten. This happened systematically, in Canada, with a timeline more recent than any of us would like to admit.

According to the transcription, Trudeau used a phrase "*the government*" to indicate the one who made the controversial policy and separate them from his government. In addition, he used the word "*governments*" as the previous governments had ignored the issue in contrast with his own actions. He did not explicitly state that others are responsible for the controversial law.

Moreover, he did not employ other strategy such as denial to state or defend his position directly. He applied shifting responsibility instead to give an indirect background to audiences that the blame is theirs, '*the government*' or '*governments*'. These statements were spoken in the earlier part of the speech, thus he made the case for the audience that he was not involved in this act. He applied this approach to preserve a positive public image while playing the victim. Trudeau gave a specific indicator to shift the focus of the actual cause as derived from this image repair strategy.

### Corrective Action

The second strategy adopted is corrective action. The willingness to accept responsibility for actions including admitting his situation shows maturity and responsibility, even though others legitimized the policy. The individual attempts to repair the damage caused by the harmful act. In this paper, Trudeau delivered a unique admission of accepting responsibility for the past while moving forward to a better future. He gave several hedging sentences of declaration in the beginning of each solution, which will be discussed below. It is an example of how Trudeau publicly addresses the government's offensive and harmful acts and his reaction through the use of corrective action. He indicated his process of repairing the damage and presented the method for a better future.

**Excerpt 2:**

*Mr. Speaker, it is my hope that we will look back on today as a turning point. But there is still much work to do. Discrimination against LGBTQ2 communities is not a moment in time, but an ongoing, centuries-old campaign.*

Trudeau suggested that solving the situation was a turning point against discrimination toward LGBTQ2 communities in Canada. His action was the beginning of a new chapter to help the people. Also, the ongoing campaign will continuously be undertaken.

**Excerpt 3:**

*..., I am proud to say that... Canadians previously convicted of consensual sexual activity with same-sex partners will have their criminal records permanently destroyed. Further, I am pleased to announce that..., we reached an agreement in principle with those involved in the class action lawsuit for actions related to “the purge.” Never again will our government be the source of so much pain for members of the LGBTQ2 communities. We promise to consult and work... We will ensure that there are systems in place so that these kinds of hateful practices are a thing of the past. Discrimination and oppression of LGBTQ2 Canadians will not be tolerated anymore...*

As noted above, he illustrated the corrective actions for a better future. According to excerpt 3, each sentence begins with hedges: for example; “*I am proud to say that*” or “*I am pleased to announce that*”. Trudeau announced his solution agreed upon by parliament following these hedges. This is his attempt to ameliorate the issue and move the country forward for better with his firm support. People will view this as a strong intention to solve the problem. In the below excerpt, he further expressed his action as an encouragement to the entire world to address equal rights for LGBTQ2 communities.

**Excerpt 4:**

*We’re Canadians, and we want the very best for each other, regardless of our sexual orientation, or our gender identity and expression. We will support one another in our fight for equality. And Canada will stand tall on the international stage as we proudly advocate for equal rights for LGBTQ2 communities around the world.*

According to the above excerpt, the country is unified by employing this corrective action, as stated, “*We’re Canadians, and we want the very best for each other*”, “*We will support one another in our fight for equality*”, and “*Canada will stand tall on the international stage as we proudly advocate for equal rights for LGBTQ2 communities around the world*”. He attempted to address the problem in other parts of the world and support the rights of LGBTQ2 people in other countries.

## Mortification

The third approach is the apologetic strategy of mortification, or admitting and accepting responsibility for the offensive act, that he or she is accused of committing. Accepting responsibility and acknowledging the wrongful act shows maturity, and humility (Farrell, 2011). As noted above in the previous section, Trudeau utilized this strategy a great deal and tried to demonstrate his remorse. This shows how Trudeau utilized the strategy of mortification in order to address the accusations while showing remorse for what had occurred. The distinctive feature while utilizing mortification is that he said the direct connotation, “*sorry*” more than ten times during his speech.

### Excerpt 5:

..., *we are sorry*..., *we are sorry*. For abusing the power of the law, and making criminals of citizens, *we are sorry*...To all the LGBTQ2 people across this country who we have harmed in countless ways, *we are sorry*...we failed you... *We were wrong*... For the oppression of the lesbian, gay, bisexual, transgender, queer, and two-spirit communities, *we apologize*. On behalf of the government, Parliament, and the people of Canada: *We were wrong. We are sorry. And we will never let this happen again.*

He repeated the word “*sorry*” multiple times in the above excerpt. Furthermore, it occurred several times in other parts of the speech. Acknowledging these moments of weakness can potentially build support from citizens. Furthermore, Trudeau not only gave his apology to the Canadian people who had suffered from the policy in the past, he also apologized to younger generations and LGBTQ2 communities in other parts of the world as noted below.

### Excerpt 6:

*To the kids who are listening at home and who fear rejection* because of their sexual orientation or their gender identity and expression; And *to those who are nervous and scared*, but also excited at what their future might hold; We are all worthy of love, and deserving of respect. And *whether you discover your truth at six or 16 or 60*, who you are is valid. *To members of the LGBTQ2 communities, young and old, here in Canada and around the world*: You are loved. And we support you...

In Excerpt 6, Trudeau indicated, “*To the kids who are listening at home and who fear rejection*”, “*to those who are nervous and scared*”, “*whether you discover your truth at six or 16 or 60*”, and “*To members of the LGBTQ2 communities, young and old, here in Canada and around the world*”. These statements are his acknowledgment of sorrow felt by LGBTQ2 people, not just the victims of the law. He adopted these statements to show his sorrow and regret to the LGBTQ2 people of all ages, so that they know the government cares. These sample statements can be considered as expressing his sorrow to everyone who thought the issue had caused them harm, loss, struggle, discrimination, or etc.

## Transcendence

The final apologetic trait is transcendence. Transcendence occurs when the accused shifts the focus away from his/her situation to a larger ideal that a person believes the audience favors. Trudeau utilized transcendental strategy differently from those researched in other studies, as he attempted to present his gratitude towards his accusers. He implemented transcendence strategy both preceding and following the mortification approach. Trudeau gave his gratitude and offered his sincere respect to his accusers as shown in the examples below:

### Excerpt 7:

We also *thank members of the We Demand an Apology Network, our LGBTQ2 Apology Advisory Council, and the Just Society Committee for Egale*, as well as the individuals who have long advocated for this overdue apology...To the trailblazers who have lived and struggled, and *to those who have fought so hard to get us to this place: thank you for your courage*, and *thank you for lending your voices*. I hope you look back on all you have done with pride.

Regarding excerpts 7, Trudeau pointed out his sorrow and gratitude to both the LGBTQ2 community and the accusers. He shifted his accusers who were blaming him for the issue from being his foes to being his friends. Trudeau utilized the word “we” as if he were part of the community. Lastly, he tended to give a sincere promise to put an end to discrimination based on sexual orientations. Table 1 is a summary of the distinctive characteristics employed in Trudeau’s formal apology.

Table 1.

*The Characteristics of Apologia Strategies Used by Justin Trudeau.*

No.	Types	Description
1.	Shifting responsibility	Regarding the issue, Justin Trudeau and his government did not commit the act. He indirectly addressed the federal government's offensive and harmful deed. Thus, Trudeau used several phrases "the government" or "governments" to point out the one who enforced the law and distinguished them from his present government.
2.	Corrective action	Trudeau specified his reaction through the use corrective action. He presented his reaction as the process for a better future. Trudeau also gave a vow as the representative of the past, present, and future Canadian prime ministers. He delivered his promise that the discrimination and oppression against LGBTQ2 would not happen again in the future.
3.	Mortification	Trudeau utilized this strategy multiple times and tried to demonstrate his profound remorse. He also wiped away tears while expressing his sorrow. To some extent, he delivered a direct connotation of "sorry" and repeated the sword multiple times.
4.	Transcendence	The transcendental strategy occurred differently in comparison to previous studies. In this study, transcendence was adopted when Trudeau thanked his accusers for fighting for the rights of LGBTQ2 community and requested an apology from his government.

### CONCLUSION

The study has proposed the apologetic strategies utilized in a formal apology of Justin Trudeau given on November 30, 2017. In summary, Trudeau's formal apology seems to fall within Benoit's apologetic strategies. The Canadian prime minister adopted four apologetic strategies categorized by Benoit (1995a): (1) shifting responsibility, (2) corrective action, (3) mortification, and (4) transcendence. However, new clarification of each strategy has been introduced in the study.

The study provides a contribution on the field of apologetic strategies applied to a speech by Justin Trudeau, the present Canadian Prime Minister. Additional explanations of Benoit's (1995a) four strategies have been presented. This study has two limitations: (1) time limitation and (2) data limitation. The first limitation concerns the amount of time available to work on this independent study. The second restraint concerns the data. The data consists of a single apology given by Justin Trudeau focusing one particular issue. In future studies, researchers in apologetic strategies may find more strategies, which might be used differently in diverse contexts, issues, or crises among politicians. Moreover, future studies may compare apologia speeches of an individual or people given in different times and places, such as a series of statements.

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**INTELLECTUAL PROPERTY FOR ENHANCING THE COMPETITIVENESS OF  
SMALL-MEDIUM ENTERPRISES (SMES)**

by

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**ABSTRACT**

This research was conducted to determine a role of Intellectual Property Rights (IPRs) for enhancing the competitiveness of Small-Medium Enterprises (SMEs). In the increasingly knowledge-driven economy, IP is a key consideration in business decisions especially in disruption economy. This research further investigated how IPR can become an economic tool and the challenges faced by SMEs in implementing IP system. In addition, this paper offered useful insights to policy makers and SMEs in utilizing IP by comparatively analyzing from other countries. The research drawn upon a range of primary sources, directly linked to the case studies under this issue. According to the research findings, to realize the maximum value of innovation, SMEs need to recognize, understand and manage IPR in order to protect their IPR and thereby accelerate their innovations towards commercialization. The results from this study support that IPR protection strategically facilitates via IP Management should be systematically implemented to (1) prevent the copying or imitating of a company's products or services, and (2) corporate identity through a trademark and branding strategy.

**KEY WORDS:** Intellectual Property Rights (IPRs), Small-Medium Enterprises (SMEs), disruption economy, innovation

**INTRODUCTION**

Considerable researches on Small and Medium-sized Enterprises (SMEs) in developing countries has focused on their role in mitigating pervasive poverty. Enterprise and mitigating poverty are linked because sustained economic growth can mitigate real poverty. Thus, as the development of SMEs stimulates growth, there is a concomitant reduction in poverty.

SMEs play an important role not only in the developing countries but also in developed countries' overall production networks. Historically, developed countries have succeeded because they focused on innovation and SMEs. Today, for example, more than 65% of

employment and 50% of gross domestic product are provided by SMEs in the European economy. Hence, SMEs have the potential to contribute systematically to the economy, providing a foundation for the growth of new industries as well as strengthening up the existing ones.

As centers of technological creativity, SMEs have been promoting long-term growth by facilitating innovation and its diffusion in local, national, regional, and international economies. However, this innovation immediately breeds Intellectual Property (IP) and the urgent need to address Intellectual Property Rights (IPR). In an increasingly knowledge-based economy, IP is a key factor in day-to-day business decisions. New products, brands, and creative designs appear on the market almost daily, and they are the result of continuous human innovation and creativity. (Business Matters, 2015)

Innovation is a pertinent reality within companies, especially given the circumstances of the economic crisis, global competition, and technological development. Businesses are adopting day-to-day newly developed ideas, concepts, and perceptions to fit the commercial dimension landscape inside and outside the boundaries of their entities by channeling entrepreneurs through the paradigm of open innovation. Throughout this process, innovation through the creation, diffusion, and use of knowledge becomes an essential driver of economic growth. However, in a knowledge-based and globalized economy, the factors influencing innovative performance have changed, partly because of the emerging of new information and communication technologies (ICTs) and partly because of increased global competition. (Organisation for Economic Co-operation and Development [OECD], 2010; Kefela, 2010).

This can prove that SMEs are the backbone of economies around the world. Whatever the product of the business or the service they provide, it is very likely that it will regularly use and create much of the intellectual property. Accordingly, in respect to the importance of IP for SMEs, this research is aimed to determine a role of Intellectual Property Rights (IPRs) for enhancing the competitiveness of Small-Medium Enterprises (SMEs). According to the research question – how IPRs enhance the competitiveness of SMEs, this research thus further investigates more closely at how IPRs can become an economic tool and the challenges faced by SMEs in implementing IP system. In addition, this paper offers useful insights to policy makers and SMEs in utilizing IP by comparatively analyzing from other countries. The research draws upon a range of primary sources, directly linked to the case studies under this issue.

### **Intellectual Property Rights (IPRs) for SMEs: Opportunities and Competitiveness Improvement**

Due to internal business constraints, SMEs are disproportionately affected by market failures as well as by barriers and inefficiencies in the business and policy realms. The contributions of SMEs also depend on their access to strategic resources—such as skills, knowledge networks, and funding—as well as public investments in areas such as education and training, innovation, and infrastructure development. The contributions of SMEs to the dynamics of innovation have increased in recent decades as the growth of the revenue, the increase of the market demand, and the changing technologies have enabled SMEs to enhance their comparative advantages and reduce structural disadvantages. (OECD, 2017, June).

Intellectual Property (IP), meanwhile, is a key consideration in daily business decisions. The USA has traditionally invested in IP, while developing countries like China, India, and Thailand are following its example. (World Intellectual Property Organization [WIPO], 2018). The need to invest in IP is important because it helps to drive innovation and business growth. Innovation and creativity give rise to new products and services, which are catalysts for investment. For most companies, investing in intellectual property ensures that their legal rights are protected and that they can prosecute in the event of intellectual property infringement.

SMEs rely on IP to increase their productivity, obtaining the license fees, and even earning the royalties. While patents help to create a monopoly, they also provide protection for a company, by preventing others from commercially exploiting their innovation. IP helps SMEs to achieve better returns on investment, as well as managing their assets effectively.

In addition, IP rights can enhance the value of SMEs in the eyes of the investors and funding institutions. In the event of a sale, merger, or acquisition, intellectual property assets can significantly increase the value of the business. Traditionally, physical assets are responsible for most of the value of a business entity, and they are largely responsible for determining a company's competitiveness. However, these expectations have changed because of the information technology revolution. Intangible assets ranging from human capital—such as knowledge to ideas, brands, designs, and other intangible assets of creative and innovative capacity—are often today more valuable than physical assets (WIPO, 2018).

The strategic use of IP assets can significantly improve the competitiveness of SMEs. SMEs should ensure that they are ready to exploit their intellectual property and protect it to the extent possible. Like physical assets, intellectual property assets must be acquired and conserved, accounted for, valued, closely monitored, and carefully managed in order for companies to take full advantage of their value. However, before that can be done, SMEs must first recognize IP as a valuable business asset. (Ryder, 2014).

IP assets accrue to their owners through the development of their businesses and strategies, from product development to design, marketing service delivery, and increased financial resources for the exportation or expansion of the company. Intellectual property inspires trust and loyalty in the consumers to whom it markets. In addition, IP provides business a distinct identity, image, and reputation. For most SMEs, the marketing of products or services presents a major challenge. A marketing strategy should establish a clear link between the products or services and the SMEs as the producers or suppliers of these products or services. That is, customers should be able to distinguish, at a glance, between one SME's products or services and those of its competitors and associate them with certain desired qualities.

IP can be defined as the legal rights, existing in national and international law, ascertainable and extended to products of human intellect and creativity. According to the World Intellectual Property Organization, IP refers to creations of the mind—that is, inventions, literary and artistic works, symbols, names, images, and drawings used in the trade. The law provides protection against the deliberate misuse of IP, whether in the form of theft, imitation, or alteration; copyright law also protects the right of the author of a work to be

identified as such. IPRs refer to the ability to own and protect these products of the human intellect, and IPRs can be protected, exploited, modified, and transferred by contract.

### **Reflecting Measures to Encourage Effective and Meaningful Use of the IP System by SMEs**

In the era of market globalization, with accelerating technological development and increasing competition, IP and its protection have become even more important. Nonetheless, IPRs have yet no economic value in themselves. The productive exploitation and commercialization of an IP production brings economic and utilitarian value to the legal framework. In this sense and realizing that legal protection does not matter without economic exploitation, new forms of IP protection, such as the business secret, have emerged.

In their day-to-day business operations, SMEs are “forced” to continually innovate to survive in the marketplace. (Business Matters, 2015) Therefore, they are guided towards the creation of new products, services, and processes, the improvement of those that already exist, and the creation of a new design. That is to say, they increasingly direct attention towards the economic value of IPRs.

The term “knowledge-based economy” describes the new economic environment in which knowledge generation and management play predominant roles in wealth creation in relation to traditional factors of production—namely, land, labor, and capital. (Salami, & Goodarzi, n.d.) The centrality of knowledge as a source of productivity and competitive gains has recently placed the intellectual property system at the center of the knowledge economy. As a result, the statistics on patent applications and patent grants show, there has been a significant increase in patents over the past two decades. (Burrone, 2005; Ryder, 2014).

Part of the reason for the increase in patent demand is a growing trend towards further patenting in foreign markets as a direct result of the “global” approach adopted by many companies, including SMEs in a number of high technology sectors. (Burrone, 2005) Further, the increase in patent applications also reflects the increased importance that companies attach to patents, which can be explained by various reasons (Rahimli, 2012):

- a) The shift to knowledge-based industries has made intangible assets increasingly important as a source of competitive advantage for businesses; hence, there is a need to protect these assets.
- b) The outsourcing of manufacturing activities to subcontractors, both in home and overseas markets, has increased the need for contractors to retain ownership of the innovative and creative aspects of their products.
- c) Legislative changes at the national, regional, and international levels have led to increased protection of IP rights in many countries, increased international harmonization of the intellectual property system, and easier access to IP rights in each country.

Additionally, good ideas that is properly protected would help SMEs to compete with large, more established businesses and grow. For example, a strong brand supports effective marketing and brand development. The use of strong branding is associated with innovation, growth, and productivity. These benefits apply to small, young businesses and to

large established businesses alike; thus, a brand can help an SME to compete in an established market. Similarly, the use of patents is associated with greater knowledge creation and better use of knowledge within firms.

## **RESEARCH METHODOLOGY**

This research used documentary research to collect data on the improvement of the competitiveness of small and medium-sized enterprises (SMEs) and provision of a potential source of revenues through the lens of Intellectual Property Right Management (IPR management). Additionally, this research adopted qualitative approach since the data presented descriptively and creatively in such a way that is to be logically structured in order to explore how IP law could be an economic tool to enhance SME entrepreneurs' understanding and use of IPRs to promote innovation and competitiveness.

## **RESEARCH FINDINGS**

The growing importance of intangible assets as a source of competitive advantage for businesses, has made the IP system increasingly attractive and, in many cases, indispensable for all economic agents. SMEs represent about 95% of the business population and play an important role in the national economy in terms of their contribution to GDP, job creation, export performance, and sustainable economic development. Therefore, most governments have increasingly focused on facilitating the creation and development of the national SME sector. (OECD, 2004) Nevertheless, empirical evidence suggests that SMEs face significant barriers in the effective use of the IP system that can impact their ability to harness their innovative and creative capabilities. Accordingly, in this section, three meaningful legal issues will be discussed and examined, namely: 1) the significance of IP management, which is challenging for SMEs' competitiveness; 2) IP exploitation to maximum performance against competitors; and 3) obstacles and threats to IP protection for SMEs.

### **Signification of IP Management: Challenging for SMEs' Competitiveness**

The strategic use of IP assets can improve the competitiveness of SMEs. Like physical assets, IP assets must be acquired and conserved, accounted for, valued, closely monitored, and carefully managed in order for companies to take full advantage of their value. Indeed, when IP is legally protected, it can become a valuable business asset.

The management of IP is a crucial task, especially for an innovative SME that really cares about the importance of IP for its business. Intellectual Property Rights Management involves the integration of commercial, legal, and technological expertise to leverage an organization's IP to increase its profitability and maintain its competitive advantage. When used strategically, IP can contribute to a company's competitive advantage, for example, by erecting high barriers to entry and providing a unique value proposition and differentiation in the market. IAM comprises three value chains: the creation of IP, the protection of IP, and the commercialization of IP (Taiwo, & et.al. 2016; Rahman & Romos, 2011).

The protection of IP includes not just the registration of IP, but also the ability of the company to enforce its IP rights. This is because the real value of IP lies in the ability of a company to intervene with counterfeiters. In many ways, the value of ownership of IP assets relates directly to the owner's ability to enforce the property rights attached to such IP

assets (i.e., the ability to act against a counterfeiter). IP rights that are flagrantly violated and cannot be enforced are worthless. Therefore, it is much more important for a company to prevent or limit the impact of counterfeiting than to address it later, when it becomes more complex and costly and the results of enforcement efforts become more uncertain. Hence, preventing and consistently addressing IPR infringement should be an important element of a company's IP strategy. If a company is not ready to devote its attention and resources to the prevention or management of counterfeiting, it is possible that it will leave too much room for chance and good luck.

### **IP Exploitation: Maximum Performance against Competitors**

Exploiting IP involves putting it to work to generate revenue for the company. Managing and operating the IP in the right way ensures maximum performance. It involves such business and revenue model questions as whether the product will be manufactured in-house or licensed to others. Perhaps domestic production can be supplemented by contract manufacturing abroad. (Exploring business, 2016). Different considerations apply to different goods and services, and each IP can be exploited and applied differently.

The main benefit of IP protection is the market power that it transmits when it is exploited, which is reflected in sales volume (for the product patent) or in higher levels of productivity (in the case of process patents). Granting patents to other companies is one viable option. However, for most businesses, generating revenue through licensing was usually a second goal pursued only when the opportunity arose, (Uenlue, 2016, para 5-12) and it is not normally part of the overall strategy when a patent application is filed. An open approach for a business is to patent defensively. In other words, once a promising technology has been revealed through a patent application, the company should patent around the new invention, establishes a patent portfolio that includes many variants of its invention. Large companies often develop such patent portfolios as part of their overall IP strategy, increasing the overall protection that a single patent grants by fencing around it or creating a maze of patents that will make it more difficult for competitors to patent a rival invention without a violation of existing rights.

### **Obstacles and Threats of IP Protection for SMEs**

According to the results of a study on the strategic use of IP, however, it can be said that IP strategies used by SMEs with a relatively high affinity for IP show a lack understanding of the need for an IP strategy. The most common reasons for not to formulating an IP strategy is the cost of an IP application and a lack of understanding of IP strategies.

#### **Costs of Obtaining IP Protection**

IP, when used effectively, is an important tool for creating an image for a company in the minds of current and potential customers and for positioning the company in the marketplace. IP rights, combined with other marketing tools (e.g., advertising and other sales promotion activities) are essential to differentiating products and services, making them easily recognizable and helping to diversify the market strategy towards different target groups. SMEs encounter a number of difficulties using the IP system, however. These often result from their limited knowledge of the vicissitudes of the IP system, lack of clarity

about its relevance to their business strategy and competitiveness, and the fact that they find the system too complex and expensive to use. (Sukarmijana & Sapong, 2014).

Many SMEs may perceive the costs of obtaining IP protection as exceeding the potential benefits of that protection, especially where a significant portion of the costs may be incurred before the product enters the market, and lenders, investors, or government programs rarely provide financial support for the protection of IP rights. Apart from its costs, a number of additional elements of the application process may deter SMEs from seeking protection for their IPs, including the time needed to obtain a patent or a trademark registration. The growing number of applications has often resulted in an increase in the backlog and, thus, an increase in the time required between the filing of a patent application and the registration of a trademark (Burrone, & Jaiya, n.d.). For SMEs, the long time required to obtain a patent leaves uncertainty that delays the possibility of finding licensees or potential partners to exploit an invention. Because of their size, meanwhile, large firms tend to be more active in all respects, so it is not surprising that they are more likely to apply for IP even though the process takes time. (Joe, 2017).

The procedure is quite different for brands. Brands are promoted when a company wants to distinguish a product from its existing product stable or competing products. Since a new trademark announces the launch of an innovative product on the market, it can be considered both an innovation measure and a form of IP protection (subject to the above-mentioned reservations). Trade marking data clearly shows that medium-sized firms use brands much more intensively than large firms. The only exception is in the number of brands used per income stream, where large companies have slightly higher uses of brands. (Hall, 2013).

The Japanese economy has experienced economic stagnation resulting from the slowdown but the acquisition of intellectual property under these conditions is an important source for the future growth of a business. A clear IP strategy allows the growth of companies in addition to serving as a driving force for the recovery of the Japanese economy. As a result, the Japanese Patent Office (JPO) is increasing its support for the creation, protection, and exploitation of IP, particularly for SMEs, as part of their overall renewed support for the IP of Japanese companies. (Hatori, 2016).

The acquisition of IPRs by SMEs means that SME patentees enjoy higher operating profits per employee than firms that do not hold patents. The acquisition of IP by SMEs improves the level of trust in SMEs, and sales are increased through the development of new customers. It is important to support IP strategies in SMEs to effectively promote the acquisition and use of IP, thereby improving the SMEs' performance.

### **Lack of Awareness and Knowledge about IP**

In short, the first challenge limiting the exposure of SMEs to the IP system and their ability to effectively use all elements of that system, including patents and utility models, trademarks, industrial designs, trade secrets, patent databases, copyright, and other IPRs, is poor knowledge of the system. Weak IP management skills in SMEs reduce a company's ability to take full advantage of the system and, as a result, discourages its future use. Secondly, limited access to necessary human resources and/or accessible legal advice makes

using of the IP system complicated and reduces the chances of the success of the IPR registration/granting process.

In addition to lack of awareness and knowledge about IP, the costs of IP registration are generally perceived as one of the biggest hurdles facing SMEs. In budgeting the costs of the acquiring IPRs, contractors must take into account not only the expenses of filing (which include the expenses of filing itself as well as the expenses of publication and maintenance) but also the expenses of the preparation and treatment of requests, legal advice, and, whenever the applicant intends to seek protection abroad, translation.

With regard to the examination of IP knowledge among SMEs, a lack of understanding of the protection and registration of an IP is difficult, and this protection appears to have nothing to do with the business activity. In addition, even if there is an awareness of IP protection, SMEs still have concerns related to a lack of understanding of the patent application method, the costs necessary for the application, or problems related to insufficiencies of knowledge of the intellectual property, which require methods for educating directing employed staff.

## **CONCLUSION AND RECOMMENDATIONS**

IP protection can represent an important investment for SMEs. Investing in equipment, property, product development, marketing, and research can greatly improve the company's financial position by expanding assets and increasing future productivity. The acquisition of IP may have a similar effect, as the markets will value the company based on its current assets, its business activities, and its future earnings projections. The acquisition of key patents can significantly affect expectations of future earnings. Similarly, a good brand with a good reputation among consumers can also improve the current value of a business and can be decisive for consumers. Investing in the development of a strong IP portfolio is, therefore, much more than a defensive act against potential competitors.

On the other hand, IP is important for the commercialization of SME products and services, as most SMEs face a major challenge. A marketing strategy should establish a clear link between the goods or services and the SME as a producer or supplier of such products or services. That is, customers should be able to distinguish, at a glance, this product from others. Protecting the brand and its industrial design is, therefore, important, as we have discussed. Customers are now turning to products that have a brand or brands associated with them, and therefore, SMEs should not take the importance of the brand in their business for granted.

However, IP can present both risks and opportunities for businesses. The first experience of IP for many SMEs will occur at a point where a problem has arisen, often when they become aware that a competitor has taken their idea. It is often only then that the SME realizes that it should have taken measures to protect its ideas. Similarly, SMEs often face difficulties when they use IP that they do not own. Helping companies to understand IP, recognize potential pitfalls, and identify IP-related opportunities for revenue generation are all essential to avoiding both costly and time-consuming issues and supporting business growth.

This research proposes some feasible recommendations for improving the use of IPR systems and instruments to enhance SMEs' competitiveness. Success in today's globalized and highly populated economic environment therefore consists of adding value and offering a differentiated product. All of these considerations go beyond the physical product and are essential to the decision-making process. They refer to the added value: the design, the reputation, the brand, the technology that went into its production, the technology that allows it to work in a particular way. They all help to make the product different from another in the market and influence the buying decision that is based on a combination of factors. Government should support policies to raise public awareness of IP and to support IP protection via a registration system by:

1. Enhancing awareness and training on IP;
2. Providing technological information;
3. Facilitating customized and personalized IP advice for SMEs' entrepreneurs;
4. Providing financial support to bring about innovation;
5. Supporting entrepreneurs to identify the value of work and ideas;
6. Facilitating entrepreneurs to obtain IP protection through registration systems;
7. Reinforcing entrepreneurs' opportunities to sell or license IP both in domestic and international markets; and
8. Underpinning IP management to help SMEs to systematically exercise their IPRs.

The public and private sectors should be responsible for supporting IP strategies and management practices to be incorporated into the organizational structure of the company. SMEs contribute to innovation and economic growth, despite their shortages of resources and the lack of professional IP management practices. By building on the theory of social practice and combining ideas from recent research on IP strategies and management, SMEs will gain the expertise and experience to compete in a more commercial environment.

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**PROTECTION OF GEOGRAPHICAL INDICATIONS (GIS) FOR  
AGRICULTURAL PRODUCT EMPOWERMENT**

by

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**ABSTRACT**

This paper was aimed to investigate a potential mechanism for Geographical Indications (GIs) to assist, primarily, the agriculture sector in Thailand by reducing supply competition for traditional products while standardizing the quality and reputation of those products. An additional aim of this study was to scrutinize a legal construct around GIs to potentially safeguard the unauthorized usage of the agricultural products. In doing so, it will start by examining the standard of protection that should be granted to geographical indications by the TRIPs Agreement. The findings from this paper, which used primary sources, will provide better insights into the promotion of economic prosperity for the producers of goods, traditional knowledge, and ways to empower registered proprietors so as to initiate legal actions against unauthorized users. The increase in the number of applications for GI registrations in Thailand suggested the growing importance of GIs to trade in the country.

**KEY WORDS:** Geographical Indications (GIs), TRIPs agreement, agricultural product, registration, Economic prosperity

**INTRODUCTION**

The agricultural products produced in each country reflect the rich diversity of different traditions and regions. To help protect and promote products with special characteristics related to their geographical origins as well as traditional products, each country has created logos, brands, and quality marks to protect the appellation of origin as well as to protect its Geographical Indication (GI).

By using maximum quality schemes, the government of each country, particularly those that are rich in diverse agricultural products, provides tools for highlighting the qualities and traditions associated with registered products and assure consumers that they are authentic products, and not imitations of the good name and reputation of the original. As a result, these systems and their logos help producers/producer groups to better market their

products, while offering them legal protection against the misuse or falsification of the product name.

The motivations of stakeholders in local agricultural products in using the legal tools of Geographical Indications (GIs) often go beyond the protecting against the misuse of geographical names in national and international markets. Local stakeholders are also interested in the other effects of the registration process, including the official recognition of the GI and the shared definition of product characteristics related to geographical origin. Recognition serves not only to provide consumers with a kind of guarantee, but also to strengthen the local identity of the product and pride of the community, especially in rural areas (Strengthening sustainable food systems through geographical Indications: An analysis of economic impacts, 2018).

Each legal mechanism for protecting a GI has its own constraints, costs and benefits, which may differ from one national context to another. Given the location of markets for their products, GI producers should explore and use all available means to obtain protection. GI protection must first be established in the domestic market before it can be obtained for international markets.

### **Functions of GIs**

The function of a GI is to provide information about the attributes of a product that derive from its geographical origin. A GI suggests the quality of the product and protects consumers against misrepresentation and parasitism. A successful GI is an asset for producers who are allowed to use it because it can generate goodwill. Lack of protection for GIs would make it difficult for these producers to benefit from maintaining quality, with the result that they would not be incentivized to invest in the production of quality goods (Chavan, 2013).

Geographical indications perform a variety of economic and other functions, and these may depend on how producers use GIs and how consumers view them. There are four distinct functions of geographical indications:

- 1) *origin function*: designations operate as indicators of the origin of products, or how they are in some other way connected to that origin;
- 2) *quality function*: designations symbolize qualities that certain products have or that consumers associate them with and guarantee that they measure up to expectations;
- 3) *investment or advertising function*: designations are ciphers around which investment in the promotion of a product is built and that investment is a value that deserves protection as such, even when there is no abuse arising from a misrepresentation either of origin or quality; and
- 4) *culture protecting function*: designations protect culture by preserving traditional production methods, habits of consumption and cultural identity (Chavan, 2013).

GIs can therefore enable producers, particularly SME holders, in developing countries to exercise greater control over the marketing of their products, to combat counterfeiting and to ensure greater added value by distinguishing their products. The benefits of GI systems have been demonstrated in many parts of the world, particularly in Asian countries (par-

ticularly China, India and Thailand), Latin America and Europe. The WTO-administered Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) offers the requirement to provide minimum protection for GIs in the territory of all Member States. Economic data on developing countries is more difficult to obtain, but some estimates exist.

### **Protection of Geographical Indication under International Scheme**

To contribute to local development, the Food and Agriculture Organization of the United Nations has stated that the recognition of GIs as an intellectual property right requires the establishment of the “rules of the game” by competent public authorities. These rules must ensure the participation of all relevant stakeholders in the development and management of a GI system, in order to avoid the exclusion of relevant stakeholders and to ensure that social and economic issues are properly addressed and processed. This requires the integration of a wide range of policy issues at the local, national, regional and international levels to ensure the transparency, applicability and effectiveness of the system (Legal protection of geographical indications, 2018).

Concerning agricultural products under GI protection, the European Union has proposed that the additional protection of geographical indications granted to wines and spirits under Article 23.1 of the TRIPS Agreement should expand to geographical indications for other agricultural products (Calboli, 2006). Trends in the food sector over the past decade indicated that consumers are increasingly placing value on products that they can associate with a certain place and/or special means of production. This renewed interest in “authentic”, “traditional”, “wholesome” and “traceable” food results from a range of factors such as increased awareness of food safety, the socio-cultural status of consuming certain foods and renewed interest in and nostalgia for culinary heritage (Bramley& Kirsten, 2007).

In consequence, international rules for the regulation of labeled origin products have become increasingly important in recent years. By including a chapter on geographical indications in the Agreement on Trade-Related Aspects of Intellectual Property Rights, for example, members of the World Trade Organization (WTO) have recognized geographical indications as exclusive intellectual property rights (Bramley& Kirsten, 2007).

Section 3, Part II of the TRIPS Agreement addresses geographical indications by defining them as “indications which identify a product originating in the territory of a Member, or a region or locality in that territory, where a quality, reputation or other characteristic of the property is essentially attributable to its geographical origin” (section 22.1).

In summary, the TRIPS Agreement requires WTO Members to provide interested parties with a legal means to prevent the misuse of geographical indications (Article 22):

- Indicates or suggests that a product originates from a geographical area other than the true place of origin in a way that misleads the public about the geographical origin of the product, or
- Constitutes an act of unfair competition.

In addition, Article 23 provides for a higher minimum level of protection for geographical indications identifying wines and spirits. According to this section, WTO Members are required to provide interested parties with the legal means to prevent the use of geographical indications even if they do not imply that the wines or spirits originate from a place other than the true place of origin (Srivastava, 2004).

Considering GI protection in Thailand, the adoption of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) has important implications for a developing country like Thailand, where agriculture accounts for a significant share of its domestic markets and export. One of the notable aspects of the TRIPS Agreement is the emphasis on the protection of geographical indications (GIs).

On the market, origin-related products that have specific quality, attributes or reputation related to the places where they are produced can guarantee price premiums, provided that they are clearly differentiated and identifiable to consumers. In accordance with the essence of the registration of GIs, GIs can be identified and protected in various ways, including consumer protection laws and trademarks. Respectively, this paper aims to investigating a potential mechanism for GIs to assist, primarily, the agriculture sector in Thailand by reducing supply competition for traditional products while standardizing the quality and reputation of those products. An additional aim of this study is to scrutinize a legal construct around GIs to potentially safeguard the unauthorized usage of the agricultural products.

### **Legal Protection of GIs and Its Importance for Local Community**

The legal protection of geographical indications is important for cultural and economic purposes. The protection of geographical indications preserves traditional/indigenous knowledge (i.e., indigenous products/resources and processes). Cultural heritage, in turn, strengthens regional identity. Generally, GIs have the capacity to create value for local communities because GI products are often rooted in culture, tradition and geography. GIs are marketing tools that add economic value to agricultural products by conveying a cultural identity using the region of origin, creating a unique identity for products, and recognizing the value of natural resources and human skills in the process of production (Radman, Mesić&Kovačić, 2006).

GI protection often supports rural development and creates new employment opportunities in production and other related services. When the attributes of a product are related to its particular place of origin through geographical indications, the association created in the mind of the consumer can add value to the product. The capacity of GIs to express locality strongly supports positive rural development that reduces rural unemployment in a given geographical area. By contrast, goods that are not protected in their country of origin, but that fulfill the conditions of a GI, do not enjoy the benefits that such protection may offer, such as: increased incomes, job creation and maintaining the population in certain areas. In the end, the benefits and values of a GI depend on how it is protected by an effective and operated font through good marketing.

Furthermore, the protection of geographical indications can help to limit the risk that the geographical indication will become a generic term. When a GI is no longer associated with a product that is typically related to a geographic origin but is, rather, used as a common name for the product, it is said to have become a generic term. In such a case, the indication may be used by anyone to designate a type of product rather than that product having a distinct geographical origin and specific geographical qualities or characteristics. As a result, it can no longer be used as a distinctive sign or used in a product differentiation strategy. The protection of a GI and the application of the right obtained on it contribute to reducing the risk that the indication will become used a generic term. One such example of a GI that has become a generic term is “Camembert” for cheese. This name can now be used on any Camembert cheese manufactured anywhere in the world. On the other

hand, Camembert de Normandie is an appellation of French origin for a cheese produced only in Normandy (Schrieberg, 2018).

Additionally, a GI right allows those who have that right to use the indication to prevent its use by a third party selling a product that does not comply with applicable standards. For example, in jurisdictions where GI Darjeeling is protected, Darjeeling tea producers may exclude the use of the term “Darjeeling” for tea not grown on Darjeeling tea plantations or not produced in accordance with the standards set out in code of practice for the Darjeeling GI. A protected GI, however, does not allow its holder to prevent someone from manufacturing a product using the same techniques as those set out in the GI standards (Ravindran& Mathew, 2009).

To sum up, the development of such a knowledge base owes its origin to the geographical environment and human interactions and becomes an important part of their economy and tradition. GI laws apply to a wide variety of products ranging from natural, agricultural, to manufactured products. If a name is related to the specific geographical area and a particular area has indicative power, then legal protection under geographical indication laws may be claimed.

The GI economy is evaluated in the context of vertical product differentiation that is consistent with the competitive structure of agriculture. There are three main points of agreement to consider the objectives of GI protection as follows;

1. GI protection for agricultural products under registration system to strengthen quality and process controls;
2. GI protection to differentiate tools in marketing strategies from the simple source of indicators to brands; and
3. GI protection for rural development empowerment to build the regional brand

#### **1. GI Protection for Agricultural Products under Registration System: Quality and Process Controls**

Many farmers hold valuable assets in their traditional and regional products. Local production characteristics, namely climate and soil, help giving a product special characteristic. Indigenous knowledge of producers is broadly accepted. In addition, the main beneficiaries are consumers to obtain the high quality of GI products. Producers can also benefit if the production of high-quality products is based on rare factors they possess.

Slovenia is a country rich in customs and traditions that are reflected in its rich gastronomic heritage and the diversity of its local and traditional agricultural products and food products. The most enjoyable way to experience Slovenia is to taste local and traditional Slovenian dishes and products (Cimerman& Miklavžin, 2015).

Cimerman and Miklavžin suggested that there are four quality systems in Slovenia that allow for the protection of its agricultural products and foodstuffs. The conditions and requirements of each quality system is clearly defined in European and national legislation that allows for the protection of agricultural products and foodstuffs on EU markets (2015).

The protection of agricultural products or foodstuffs means that the name of a certain agricultural product or foodstuff, the methods of its production, and its recipe are protected. In the first phase, the name is protected, while a certificate that proves the authenticity of the product is essential to the next phases of the protection process. Producers must certify their products annually. Certification means that an independent control organization oversees the compliance of each producer with the production rules and other conditions clearly defined in the regulation. The institution responsible for the procedures that protect agricultural products and foodstuffs in Slovenia is the Ministry of Agriculture, Forestry and Food. After the completion of the registration procedure, the Ministry submits the necessary documentation to the European Commission for the Protection of Agricultural Products and Foodstuffs throughout the EU (Cimerman& Miklavžin, 2015).

The reputation stems from the special qualities of the local products. The following agricultural products and products are known for the peculiarities.

#### *Mohant cheese*

Mohant, produced in the Bohinj area, is a soft type of cheese of a whitish-yellow color, and a distinctive smell and piquant taste that can be repellent to some people. Even today Mohant is produced in a way that has passed from generation to generation (Cimerman& Miklavžin, 2015).

#### *Kočevje forest honey*

The area of the bee pastures for Kočevski gozdni med is wooded and has a varied floral composition. Individual areas vary according to the occurrence of honey plant communities, the diversity of individual habitats, climatic conditions, and altitudes. Beekeepers know and use the diverse flora and different growing seasons to produce their honey. Kočevski gozdni med varieties are honeydew, spruce, fir and lime (Cimerman&Miklavžin, 2015).

#### *Piranska sol Piran salt*

Salt from the salt pans of Piran is produced manually in a tradition that is more than 700 years old, using only traditional tools and is harvested daily. The basic process involves natural crystallization in the fields where the salt is harvested from the base of a few millimeters thick bio sediment called petola which is composed of minerals and microorganisms. Piranska soil is unmilled and unrefined, rich in marine minerals and of remarkable taste (Cimerman& Miklavžin, 2015).

## **2. GI Protection for Differentiating Tools in Marketing Strategies: from Simple Source of Indicators to Brands**

Consumers are paying increasing attention to the geographical origin of products and they are becoming concerned about the specific characteristics of the products that they buy. In some cases, the “place of origin” suggests to consumers that the product will have a particular quality or characteristic that they value (Geographical indications: An introduction, 2017). Often, consumers are willing to pay more for such products. This has favored the

development of specific markets for products with certain characteristics related to their place of origin.

Brand recognition, meanwhile, is an essential aspect of marketing. GIs convey information on the characteristics related to the origin of a product. They therefore serve as product differentiators on the market, allowing consumers to distinguish products with geographical characteristics from those that do not have these characteristics. Geographical indications, thereby, can become a key element in the development of brands for quality products that are linked to origin.

For example, in the late 1950s, the price of Colombian coffee fell from US \$ 0.85 to US \$ 0.45 per pound. This triggered a new differentiation strategy by the Colombian Federation of Coffee Producers (FNC) aimed at raising public awareness of the Colombian origin of coffee. The FNC began by giving a human face to Colombian coffee, thus creating the character of JUAN VALDEZ to represent the Colombian coffee archetype. In the 1980s, the FNC registered the Juan Valdez logo and began licensing the brand to roasters for use on their own branded Colombian coffee products. In addition, the Republic of Colombia has registered the word “Colombian”, as a certification mark for coffee sold in the United States of America and Canada. This was followed by intensive advertising campaigns (Making the Origin Count: The Colombian Experience, 2010).

In 2005, “Café de Colombia” was recognized as an appellation of origin in Colombia. In 2007, it became the first non-European protected geographical indication (PGI) registered in the European Union (EU). The strategy of differentiation of the FNC based on the Colombian geographical origin did not stop with the figure of JUAN VALDEZ and the label of origin “Coffee of Colombia”. In 2011, two new appellations of origin for coffee in certain areas of Colombia were recognized, namely “Café de Nariño” and “Café del Cauca” (Making the Origin Count: The Colombian Experience, 2010).

From the “Café de Colombia” case, it can indicate that a higher selling price is often one of the first objectives in support of a product strategy. Increased economic returns can facilitate improved marketing and access to new markets by enhancing product differentiation. A successful strategy for value-added origin-related products should allow local producers to participate in markets where they can obtain a price that covers production costs despite the presence of cheaper products from outside the country.

### **3. GI Protection for Empowering of Rural Development: Regional Brand**

Several studies have indicated that, under appropriate conditions, geographical indications can contribute to development in rural areas. Usually, the right to use a GI falls to the regional producers, and the added value generated by the GI, therefore, falls to these producers. Because GI products tend to generate a premium brand price, they contribute to local job creation, which can help prevent rural-to-urban migration. In addition, GI agricultural products often have a significant impact, for example in the areas of tourism and gastronomy. Geographical indications, in other words, can bring value to a region not only in terms of jobs and higher incomes, but also by promoting the region as a whole. In this respect, geographical indications can contribute to the creation of a “regional brand.”

For example, in the Jura Mountains, a medium-sized mountain range north of the Alps in eastern France, winters are harsh and long. The mountains are not suitable for growing ce-

reals, but its varied flora and meadows are perfect for obtaining high quality cow's milk. For many centuries, farmers in the region turned milk into a hard cheese, matured in the form of large millstones, which, historically, was their main food in the winter. Since many liters of milk (450 liters) are required to produce a cheese wheel, farmers have to pool their milk, which has resulted in a long tradition of cooperative work. In 1958, the County was recognized as an appellation of origin by a French court. The GI specifications define the conditions necessary for the production of the County. For example, the milk must come exclusively from the Montbéliarde and Simmental breeds in France, the rate of charge is limited to one cow per hectare of herbaceous meadow, and the milk must be collected within a radius of 25 km of the region. These criteria have been used to generate more jobs than more intensive farming methods do (Geographical indications: An introduction, 2017).

In addition, the specifications limit the kind of concentrates given to cows, favoring feed based on local fodder, and the amount of fertilization is also limited in order to preserve the natural biodiversity of the region's soil and natural flora. This, in turn, has a positive effect on biodiversity. Today, the Comté is a cheese recognized on the French market. The strict, albeit balanced, conditions set out in the specifications carefully protect the interests of all actors in the production chain. They are also the foundation for a new tourist attraction around the Appellation of Origin of the County, through the creation of "Circuits Comté". The socio-economic impact of the appellation of origin for the region has also been positive for job creation and income levels, limiting both rural exodus and environmental impact (Geographical indications: An introduction, 2017).

## **RESEARCH METHODOLOGY**

Qualitative design is applied since this inquiry was based on the assumption that the protection offered by GIs for products of a specific quality and reputation from a certain region is a key feature of modern trade agreements on agricultural products. This can contribute to the establishment of sustainable and reliable control systems for GI products. In this case, the data was collected by studying the relevant documents and the complex and detailed understanding of the case studies.

## **RESEARCH FINDINGS**

The findings from this paper will provide better insights into the promotion of economic prosperity for the producers of goods and traditional knowledge and ways to empower registered proprietors to initiate legal action against unauthorized users. Two key issues will be examined in this section: the review of the functionality of GI protection for the empowerment of agricultural products; and the analysis of the protection of GIs on agricultural products: challenges and obstacles.

### **Reviewing Functionality of GI Protection for Agricultural Product Empowerment**

For a GI to effectively create a brand image for a product or to have a positive effect on rural development or the preservation of Traditional Knowledge, Traditional Cultural Expressions or biodiversity, it is necessary to develop a comprehensive system GIs. The functionality of a GI system involves several important steps, such as:

1. Identifying the characteristics of the agricultural product and whether it has potential internal or external markets.
2. Strengthening the cohesion of the group of agricultural product producers and other operators involved, which serve as pillars of the GI system.
3. Establishing standards, sometimes called a code of practice or regulations for use. The code of good practice or the regulations of use generally circumscribe, among others, the geographical region of production of the agricultural product and describe the methods of production and processing. It can also describe the factors, natural and/or human, present in the region that contribute to the characteristics of the product (Bernardoni, Estève, Paus&Reymann, 2008).
4. Devising a mechanism to effectively allocate the right to use the indication by any producer and other relevant operator that produces the agricultural product within established limits and according to agreed standards (Geographical indications: An introduction, 2017).
5. Establish traceability, verification and control systems to ensure continuous quality and compliance with the code of practice or the regulations for use (Rural development and agrifood product quality linked to geographical origin in Asia, 2009).
6. Develop marketing strategies.
7. Obtain legal protection for the GI and design an enforcement strategy.

Nonetheless, origin-related product names and GIs in some developing countries like Thailand and Indonesia cannot be effectively protected by certain laws that focus on business practices, such as unfair competition laws, consumer protection laws, or labeling laws. These laws do not create an individual industrial property right over the GI. However, they indirectly protect GIs to the extent that they prohibit certain acts that may involve their unauthorized use. (WIPO)

Thailand is mainly an agricultural country. About 9% of the gross domestic product comes from the agricultural sector. Agricultural products in Thailand have not been produced for their own consumption but are also a major source of income from exports. The value of agricultural exports is increasing every year and remains a major source of export earnings. Currently, agricultural exports represent about 25% of the total value of exports. The Thai government is trying to improve agricultural productivity. Agriculture in Thailand is one of the main sectors contributing to the Thai economy, trade surplus and the main source of domestic consumption. With its vast and abundant fertile soil, Thailand is a key global producer of a wide variety of agricultural products.

### **Analysis of GI Protection on Agricultural Products: Challenges and Obstacles**

Unlike trademarks that require distinctiveness, GI do not require distinctiveness because GI rather describes the geographical origin of the product than its commercial or commercial origin. Thus, the trademark could be invalidated because it has become a generic term,

while the registered GI cannot become generic. However, there are major challenges and obstacles to the protection of GIs on agricultural products that must be considered, namely cost, time-consuming to obtain GI protection, homonymous GIs, generic character, and conflict with a prior mark.

### **Cost**

It is obvious that the development of a GI system entails costs. It would be difficult, and beyond the purpose of this paper, to quantify the costs involved in each of the steps required to prove the quality of the agricultural product for the purpose of obtaining legal protection.

Moreover, these steps are not unique and isolated acts. Protecting a GI does not only mean obtaining a right through registration or other appropriate means, it also requires the application of that right. Verification and control must take place regularly throughout the life of a GI, not just once (Geographical indications: An introduction, 2017), such that promoting a GI is an ongoing process. In short, a GI system must be managed throughout its existence.

### **Time-Consuming to Obtain GI Protection**

The establishment of a complete GI system can take several years because it involves several actors and needs to take into account multiple interests and political considerations. The actual time required to develop a complete GI system may depend on some of the following factors, including:

- the level of cohesion and organization of the group of producers and other operators concerned;
- the number and degree of conflicting interests and how these interests are managed;
- the number and level of obstacles to the legal protection of the GI - in the domestic market or in foreign markets; and
- the existence of institutional support

### **Homonymous GIs**

Homonymous GIs are those that are spelled or pronounced in the same way, but that identify products originating from different locations, usually in different countries. In principle, these indications may coexist, but their coexistence may be subject to certain conditions. For example, they may be required to be used in combination with additional information about the origin of the product in order to prevent consumers from being misled. A GI may be denied protection if, because of the existence of another homonymous indication, its use would be considered potentially misleading for consumers about the true origin of the product (Shrabani, 2018).

### **Generic Character**

A GI may also deny protection if the competent authority considers the sign to be the common name for the type of product or service to which it applies.

### **Conflict with a Prior Mark**

A GI may be denied protection in a given territory if the authority of that territory considers the GI identical or similar to a mark previously applied for, registered or acquired in good faith and considers that the use of the GI would lead to: a likelihood of confusion with the established brand Brauneis&Schechter, 2006).

### **CONCLUSION AND RECOMMENDATIONS**

Although they are one of the oldest forms of intellectual property, geographical indications have only recently become a subject of general interest. In many countries, compliance with the obligations of the TRIPS Agreement has emphasized geographical indications. Countries quickly realized that there was a potential value in this form of intellectual property. The fact that GIs are integrated into a territory means that they can be effective tools for promoting local development especially in agricultural product quality.

To provide for the basic protection of a GI, the government help the rights holders of food and agricultural products to have access to a variety of rights and remedies:

- Commercial adoption or use of a protected GI is prohibited.
- No one may use a protected GI or its translation for comparative advertising purposes on packaging or labels, although they may do so on other advertisements.
- The registration of a GI will result in the opposition of a trade-mark in relation to any agricultural product or food that: (a) adopts the name of the GI in whole or in part; (b) belongs to the same product category as the GI; and (c) does not come from the same territory as the GI (Glover, Qureshi&Johnson, 2016).
- The existence of a similar trademark registration does not prevent a party from using a GI.
- The covered products cannot be exported or imported if the product itself, its label or its packaging bears a protected GI, if the product does not come from the indicated territory or if it comes from the indicated territory but has not been produced or manufactured in accordance with the law applicable to that territory (Glover, et al. 2016).

Moreover, GI registration system in Thailand should be systematically enhanced. The GI protection system must have specific IP registration criteria that the application of the registration process must take in a shorter period of time. The application of GI protection through appropriate administrative measures by public authorities in the framework of the structures and standards applicable to these names should be strengthened.

Legal provisions establishing that a protected GI may be used by any operator marketing the agricultural product or foodstuff conforming to the relevant specification. In addition, the legal provisions should establish in accordance with the TRIPs Agreement that a protected GI is protected against misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated, transcribed, transliterated or used with words such as that “nature”, “type”, “style”, “imitation”, or similar words or expressions. Furthermore, any false or misleading indication as to the source, origin, nature

or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packaging of that product in a container with a false impression as to its origin should be prohibited and charged with infringement of the GI.

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**FACTORS AFFECTING CUSTOMER LOYALTY IN  
THE AUTOMOBILE INSURANCE INDUSTRY IN THAILAND**

by

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**ABSTRACT**

The key to maintaining customers in the business world is to ensure their satisfaction which then enhances loyalty. A strong customer base guarantees a profitable operation. The automobile insurance industry in Thailand has undergone continuous growth and factors affecting customer loyalty were investigated including tangibility, reliability, responsiveness, assurance, empathy, and relationship quality. Questionnaires were used for data collection across Thailand between March and June 2017. Sample size was 440 respondents as voluntary car insurance customers. Descriptive statistics and multiple regression analysis were employed as analytical tools. The significant impact of relationship quality on customer loyalty was confirmed. Our results will assist automobile insurance companies to improve service relationship quality to retain existing customers.

**KEY WORDS:** Customer loyalty, service quality, relationship quality, automobile insurance, voluntary car insurance.

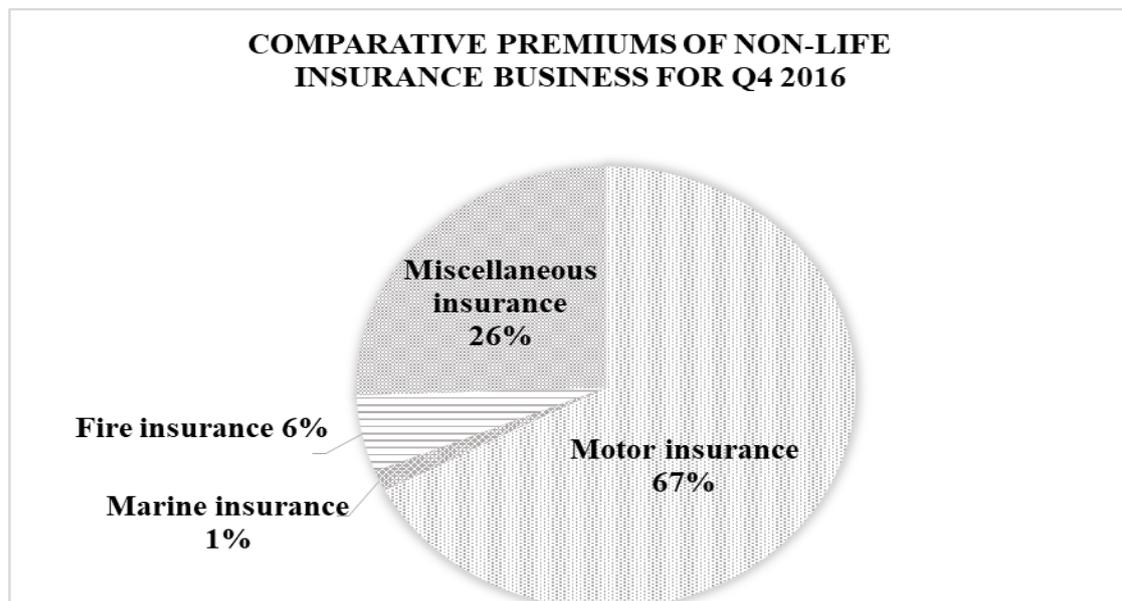
**INTRODUCTION**

Recently, increasing numbers of road accidents causing death and injury is a critical problem facing many countries. Priority must be given to road safety to set directions, plans and measures to reduce accidents. The global target is to halve road accident death rate by 2020 (2563) (DDPM, 25016). Thai RSC (2017) reported statistics showing more than 80,000 road accidents during the 1<sup>st</sup> quarter of 2017. Thailand recorded a higher proportion of male deaths than female from road accidents, and 83% of those killed were riding motorcycles. Thailand recorded the highest number of deaths compared with other countries in ASEAN (Thai Health Promotion Foundation, 2017).

Nowadays, Thais have changed their lifestyles to promote convenience and modernity. A car has become the most important possession, making life more flexible. The number of cars on the road increased to more than 36 million units in 2017 (Department of Land

Transport, 2017), with more accidents occurring every year. People recognize the importance of insurance as a method of alleviating suffering in the event of accidents causing damage to property. When property is insured, insurance companies collect premiums which act as undertakings for compensation to the insured or beneficiaries as stated in the contract. According to the Oxford Business Group (2018), the Thai insurance market is expected to grow at a comparatively high rate, with gross written premiums rising on average 8.3% a year through to 2026. The insurance industry is becoming increasingly competitive with potential for profit increasing every year. For non-life insurance businesses in Thailand, motor insurance represents the highest market share which 67 percent of non-life insurance business in 2016 (OIC, 2017) (Figure1).

**Figure 1.** Comparative Premiums of Non-Life Insurance Business for Q4 2016



Source. (OIC, 2017).

According to Chaudhuri and Holbrook (2001), market share increases as purchase loyalty increases while relative price increases as attitudinal commitment increases. Customer loyalty regarding very important regarding buying behavior and marketing goals. Customers with true loyalty are loyal in attitude and behavior. Customer behavior has changed over time. Businesses need to follow new strategies to attract customers and generate profits. In a competitive environment, the ability to build customer loyalty is the most important key to succeed and win market share (Jarvis & Mayo, 1986). Customer loyalty for goods and services is key to maintaining a strong operational base. When a customer has loyalty, he/she will not change to use the services of other competitors and this provides support and encouragement to others. Moreover, defensive strategies concerned with retaining customers can be more profitable (Fornell, 1992) because marketing and selling costs to attract new customers are five times more than sales to existing customers (Wills, 2009). Thus, customer loyalty for goods and services is essential for business success.

Moreover, many researches reveal service quality effect customer loyalty (Tsoukatos & Rand, 2006; Abu-Salim, Onyia, Harrison, & Lindsay, 2017; Gera, Mittal, Batra, & Prasad, 2017; Ramamoorthy, Gunasekaran, Roy, Rai, & Senthilkumar, 2018), but few researches

have depth study in effect of each key elements of service quality which consist of tangibility, reliability, responsiveness, assurance, and empathy to customer loyalty.

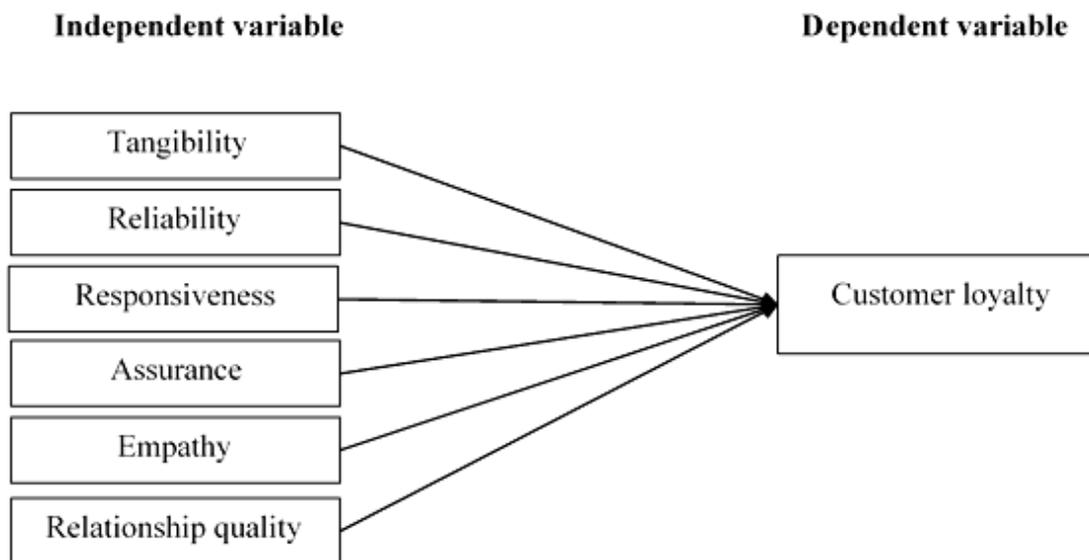
### RESEARCH AIMS

1. To describe the demographic characteristics that affect customer loyalty in the Thai automobile insurance market
2. To analyze the effects of tangibility, reliability, responsiveness, assurance, empathy, and relationship quality on customer loyalty regarding automobile insurance in Thailand

### RESEARCH CONCEPTUAL FRAMEWORK

Following a literature review, a hypothesis and conceptual model were developed to assess the causal relationships between customer loyalty, service quality, and relationship quality of Thai automobile insurance customers (Figure 2).

Figure 2. Research Concept



### HYPOTHESIS

Tangibility, reliability, responsiveness, assurance, empathy, and relationship quality affect customer loyalty for Thai voluntary car insurance customers.

### LITERATURE REVIEW

The literature review was divided into seven parts as customer loyalty, tangibility, reliability, responsiveness, assurance, empathy, and relationship quality. Details of each concept are reviewed below.

## Customer Loyalty

Customer loyalty has been defined in many different ways. Oliver (1999, p. 34) suggested “a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future and to offer positive word-of-mouth (Yu & Tseng, 2016). Most marketing research explains loyalty as a multidimensional customer repurchase (Gera, 2011; Wu, Liao, Chen, & Hsu, 2011; Yu & Tseng, 2016; Zeithaml, Berry, & Parasuraman, 1996), word-of-mouth communication (Cronin, Brady, & Hult, 2000; Eakuru & Mat, 2008; Van Tonder, 2016; Yazdanpanah, Zamani, Hochrainer-Stigler, Monfared, & Yaghoubi, 2013), and positive recommendation intentions (Kumar & Srivastava, 2013; Lombardi, 2005; Wu et al., 2011). Here, customer loyalty was conceptualized as a three-dimensional construct consisting of (a) customer repurchase, referring to the intention to purchase the same insurance products again in the future, (b) word-of-mouth communication, referring to saying good things about a company, and (c) recommendation intention, referring to the intention to recommend a company to others.

## Service Quality

The most widely used service quality measurement tools are SERVQUAL (Parasuraman, Zeithaml, & Berry, 1988) and SERVPERF (Cronin & Taylor, 1992). The SERVQUAL scale measures service quality based on the difference between customer expectation and performance perception using 22 items and five dimensional structures. SERVPERF measures customer perception of the performance of service staff and company operations through performance only scores based on the same 22 items and five-dimensional structure of SERVQUAL. Here, service quality was defined as quality of service from recognition of service only, without evaluating customer expectation (Adil, Al Ghaswyneh, & Albkour, 2013; Cronin & Taylor, 1992, 1994; Cronin et al., 2000; Jain & Gupta, 2004). The key elements of perceived service quality consist of five dimensional constructs as (a) tangibility, (b) reliability, (c) responsiveness, (d) assurance, and (e) empathy.

A modified SERVPERF instrument was used to test service quality perceived by automobile insurance customers. The five service dimensions were explained as follows (Cronin & Taylor, 1992; Parasuraman et al., 1988; Tsoukatos & Rand, 2007):

*Tangibility:* appearance of all facilities, service materials, equipment, and communication materials

*Reliability:* the capability to execute the promised service consistently and accurately

*Responsiveness:* the intention and willingness to help customers, provide quick service, and respond to customer requests

*Assurance:* knowledge, information and politeness of agents and company employees

*Empathy:* the ability to understand and give personal attention to customers

## Relationship Quality

The main purpose of study relationship quality is to maintain good customer relationships and build loyalty (Morgan & Hunt, 1994) so that customers repurchase, give positive word-of-mouth communication, and remain profitable for the company. The most recent literature offers the original definition of relationship quality as “a higher order construct composed of at least two dimensions including (1) trust in the salesperson, and (2) satisfaction with the salesperson” (Crosby, Evans, & Cowles, 1990). Concepts of the relationship quality construct have attracted multitudinous research which primarily focused on trust (Morgan & Hunt, 1994; Yu & Tseng, 2016), commitment (Li, 2011; Pritchard et al., 1999), and satisfaction (Zeithaml et al., 1996) as antecedents of behavioral intention. Relationship quality was measured by a 7-point Likert scale in three constructs of customer satisfaction, trust, and commitment (Crosby et al., 1990; Tsoukatos, 2008; Li, 2011).

*Satisfaction:* Satisfaction can be defined and measured as how the customer evaluates his or her experience with and reactions to a particular product transaction or service encounter (Olsen & Johnson, 2003). Satisfied customers are more inclined to be loyal (good relationship), producing several benefits for an organization (Hsin Chang & Wang, 2011). Moreover, customer satisfaction is positively related to loyalty (Bourdeau, 2006). Recently, greater market competition has increased concern regarding customer satisfaction, especially in the insurance market. Providers now increasingly recognize that the modern customer insists on improvements in quality of services with many alternatives and, therefore, may more readily change providers if not satisfied. The positive effect of customer satisfaction on these dimensions of loyalty has been repeatedly voiced in the literature. Key elements of customer satisfaction are the three components of (a) satisfaction with the insurance staff, (b) satisfaction with functional services provided by the automobile insurance sector, and (c) satisfaction with the insurance company (Siddiqui & Sharma, 2010).

*Trust:* Mayer, Davis, and Schoorman (1995) defined trust as “the willingness of one party to be vulnerable to the actions of another party, based on the expectation that the other will perform a particular action important to the trust or, irrespective of the ability to monitor or control that other party”. Anderson and Weitz (1989) defined trust as “one party’s belief that its need will be fulfilled in the future by actions undertaken by the other party”. Within the insurance industry context, trust is also regarded as an important factor in building relationships between service providers and customers (Hunt et al., 2011). Here, we defined trust as “the trust of the customer in the service system of the insurance company to provide clear information and sincerity regarding the operation to maximize customer benefit”. Moreover, the customer will receive and having excellent service procedures”. Key elements of trust are the three components of (a) trust in the company, (b) trust in the agent/staff, and (c) trust in the management.

*Commitment:* The concept of commitment has been defined in many different ways. Morgan and Hunt (1994) defined the construct as an aspiration and maximum effort to maintain a relationship that is believed to have merit, while others stated that “relationships are built on the foundation of mutual commitment” (Parasuraman, Berry, & Zeithaml, 1991). Allen and Meyer (1990) studied the types of commitment employees might have toward their organizations and discovered that commitment could be operationalized into three sub-dimensions as (a) affective, (b) normative, and (c) calculative commitment.

## **RESEARCH METHODOLOGY**

Quantitative methodology was used to answer the research question regarding which factors affected customer loyalty in the Thai automobile insurance industry.

### **Population**

The population included 6.01 million Thai insurance customers of voluntary car insurance (OIC, 2017)

## Sampling Method

Sample group size was selected following the method of Yamane (1970). Appropriate sample size was determined as 400 to define reliability at 95%, deviation as 5%, with the reserve at approximately 10%. Therefore, total samples required were 440. A stratified random sampling method was employed. Data were collected from Bangkok and four other regions of Thailand. A representative province in each region was selected by simple random sampling. Respondents were selected from different areas in each province. Locations for data collection in each area were private companies, markets, government office centers, insurance company branches, schools, universities, department stores, and shops. Data were collected from March 2017 to June 2017.

*Questionnaire design:* Contents of the questionnaire were based on previous studies related to service quality, customer satisfaction, customer trust, customer commitment and customer loyalty. The questionnaire was written in Thai and adjusted through a pilot study (n=30) before distribution to targeted respondents (n=440). A draft questionnaire was initially developed and pilot-tested to check for ambiguities and communication errors. The survey structure was divided into six parts which included 38 items. Results revealed reliability at a very good level with an alpha coefficient of 0.918 (Hair et al., 2006, p. 137). All items in the questionnaire were constructed as a 7-point Likert rating scale in which 1 = “strongly disagree”, 2 = “disagree”, 3 = “slightly disagree”, 4 = “undecided”, 5 = “slightly agree”, 6 = “agree”, and 7 = “strongly agree” (Likert, 1932). To verify questionnaire content validity, index of congruence (IOC) analysis was conducted by five experts. IOC value was determined as between 0.6 and 1.00, and the questionnaire was accepted for use.

*Data collection:* Variables selected were based on the literature review. Data were collected through personal interviews with customers who held voluntary motor insurance in Bangkok and four provinces as Chonburi, Lampang, Chaiyaphum, and Chumphon.

## DATA ANALYSIS

### Description of Sample

Descriptive statistics were used to present the characteristics of the respondents with inferential statistics used for hypothesis testing. Multiple regression analysis (MRA) and variance inflation factor (VIF) at a significance of 0.05 were used to analyze determining factors.

## Demographic Characteristics of the Respondents

Table 1.

### *Demographic Information on Respondents.*

Item	Category	Frequency	Percent (%)
Gender	Male	224	50.91
	Female	216	49.09
Age (years)	20-29	85	19.32
	30-39	205	46.59
	40-49	113	25.68
	50-59	37	8.41
Educational background	Undergraduate	67	15.23
	Bachelor degree	276	62.73
	Master degree or above	97	22.05
Work experience (years)	Below 1	15	3.41
	1-3	57	12.95
	3-5	86	19.55
	5-7	78	17.73
	7-9	69	15.68
	Over 9	135	30.68

The characteristics of respondents are shown in Table 1 concerning gender, age, educational background, and work experience. Males numbered 50.91% with females 49.09% and 46.59% were 30-39 years old. Bachelor degree holders comprised 62.73% with most respondents having work experience of over 9 years (30.68%).

## RESULTS

Results found no multicollinearity among the six independent variables with variance inflation factors (VIFs) from 1.274 to 2.524. Estimated regression revealed that reliability ( $X_1$ ), assurance ( $X_2$ ), responsiveness ( $X_3$ ), relationship quality ( $X_4$ ), tangibility ( $X_5$ ), and empathy ( $X_6$ ) had a positive effect on customer loyalty ( $Y$ ), with statistically significant levels at 0.01 and 0.05. Moreover, the estimated model showed a good data fit with coefficient of determination  $R^2 = 0.655$ . Thus, predictive standard equations can be written as follows:

Unstandardized coefficients  $Y = -0.484 + 0.400(X_1) + 0.186(X_2) + 0.117(X_3) + 0.187(X_4) + 0.137(X_5) + 0.072(X_6)$ . Standardized coefficients  $Z_r = 0.388(Z_1) + 0.186(Z_2) + 0.109(Z_3) + 0.124(Z_4) + 0.129(Z_5) + 0.070(Z_6)$ .

## DISCUSSION AND CONCLUSIONS

Variables affecting customer loyalty in the automobile insurance industry in Thailand were examined. Factors investigated included tangibility, reliability, responsiveness, assurance, empathy, and relationship quality which included customer satisfaction, trust, and commitment. Results can be applied to the development of customer satisfaction, trust, and commitment to focus on improving customer loyalty. This research was conducted to investigate customer loyalty factors in the automobile insurance industry. Other factors

affecting customer loyalty in the Thai automobile insurance industry should be addressed including the cost of switching, cultural and economic incentives. Results will provide useful information for insurance companies as high-quality service development to meet the needs of their customers.

Results of multiple regression analysis showed that all six independent variables can be used to describe variation of customer loyalty at 65%. Moreover, findings indicated that factors influencing customer loyalty were tangibility, reliability, responsiveness, assurance, empathy, and relationship quality at significance of .05, consistent with previous studies (Abdelfattah, Rahman, & Osman, 2015; Chimedtseren, & Safari, 2016; Cronin et al., 2000; Durvasula, Lysonski, Mehta, & Tang, 2004; Fattah, 2016; Ganeshan & Nagarajan, 2017; Gayathri, Vinaya, & Lakshmisha, 2005; Mahmudi & Abdoli, 2016; Moreira & Silva, 2015; Rehman, Ilyas, Aslam, & Imran, 2016; Roohi, Gilaninia, & Taleghani, 2016). Therefore, automobile insurance companies must focus on responding to customer needs. Independent variables that can be used to predict changes in customer loyalty include reliability, assurance, responsiveness, relationship quality, tangibility, and empathy.

## **RESEARCH LIMITATIONS**

There were several limitations of this research project. The first resulted from testing the model in only one service context. Relative importance of the drivers as satisfaction, value, and behavioral outcomes were context specific and results cannot be generalized. The second limitation based customer loyalty on the antecedents identified from the international literature which did not always fit to Thai culture with regard to the importance and cooperation in answering the questionnaire. Finally, Thai respondents answered questions based on their actual feelings without imposition. Some important variables were also not integrated into the model such as perceived value and brand image, and these may significantly affect customer loyalty.

## **SUGGESTIONS FOR FURTHER RESEARCH**

This study focused on evaluating customer loyalty in the Thai automobile insurance industry based on an assumed linear relationship of loyalty with its antecedents. Antecedents discussed here can be applied to develop both service and relationship quality. Further investigation is required to focus on establishing the possibility of a relationship between loyalty and its individual antecedents such as customer satisfaction, trust, and commitment.

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**PROBLEMS WITH CONSENT IN THE CONTEXT OF CLOUD COMPUTING:  
A COMPARATIVE STUDY OF THE THAI DATA PRIVACY LAW  
AND THE EU DATA PROTECTION LAW**

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**ABSTRACT**

Over the years, consent has been considered as a critical approach for preserving the security of the personal data of data subjects in an online environment as well as the privacy of data subjects (as cloud users). With regard to the Thai data privacy law, the meaning of data subjects' consent is still unclear. A number of questions remain unanswered, including what constitutes valid consent to allow online service providers to process their users' data and whether such consent needs to be explicit or only general. Accordingly, applying the consent provision set out by the Thai data privacy law is not without its problems, especially in the context of cloud computing, where it is quite difficult to obtain valid consent from data subjects. This study will develop a model of the consent provision under the Thai data privacy law in order to address the privacy concerns in the context of cloud computing. The EU data protection law is examined to determine a practical model for meaningful consent in the context of cloud computing.

**KEY WORDS:** Consent, data subject, personal data, data protection, cloud computing

**INTRODUCTION**

Over the past few years, cloud computing has become the dominant model for providing information technology resources over the Internet. It enables users to store, or process, their personal data on the cloud infrastructure rather than using their own local resources. While many people do enjoy using various kinds of cloud computing, some remain hesitant about adopting cloud computing, due to their concerns related to privacy and data security (Article 29 Working Party, 2012). As a result, consent is seen as the mechanism by which cloud users can take control over their personal data when placing their data onto cloud infrastructure (Brownsword, 2009).

**RESEARCH PROBLEM**

Regarding the Thai data privacy law, the consent of the data subjects (the cloud users who own the personal data entrusted with the cloud service provider) is the lawful basis that allows online service providers, including cloud service providers, to make use of the personal data of cloud users in various situations (Articles 20, 25, 26 and 27). However, there is no definition of the consent of the data subjects, which online service providers should

obtain before using their personal data. Additionally, the features of cloud computing pose many difficulties for cloud service providers in obtaining the consent of cloud users. All these factors do make it difficult for cloud service providers to comply with the legal obligations set out by the Thai data privacy law and this situation is also likely to affect the privacy of the cloud users.

### **RESEARCH QUESTION**

What is an appropriate and practical model for consent provision under the Thai data privacy law that will work effectively to preserve the privacy of cloud users?

### **OBJECTIVES**

1. To examine the underlying concept and determine how important users' consent is in an online environment.
2. To explore the problems resulting from the application of the consent provision under the Thai data privacy law in the context of cloud computing.
3. To compare the consent provisions under the Thai data privacy law and the EU data protection law.
4. To propose an appropriate and practical model for consent provision under the Thai data privacy law.

### **METHODOLOGY**

A comparative study was the main approach which was used to examine the consent provisions under the Thai data privacy law and the EU data protection law. This study suggested ways to develop consent provision under the Thai data privacy law that could solve the problems arising from the application of such a provision in the context of cloud computing. The EU data protection law was worth considering in determining the best model of consent provision for Thailand, where the law governing the use of personal data processing in an online environment was relatively underdeveloped. This was because the EU provided quite a high level of data protection regarding the processing of personal data in an online environment.

This study relied almost entirely on documentary research, which included interpreting, analysing and synthesizing:

- (A) the Thai data privacy law (the Draft of the Thai Data Privacy Act 2018);
- (B) the EU data protection law (the General Data Protection Regulation);
- (C) the decisions of judicial bodies, such as the CJEU and national courts;
- (D) the secondary sources, such as books, academic articles, reports and discussion papers;
- (E) the decisions and the working papers of the European Commission;
- (F) the opinions and recommendations of the Article 29 Data Protection Working Party.

## ANALYSIS

In Thailand, the draft of Thai Data Privacy Act was the main legal instrument regarding the use of the personal data of data subjects in an online environment. Therefore, the use of personal data residing in the cloud would be regulated by this Act. In January 2018, the government called for the fourth public hearing of the draft of the Thai Data Privacy Act. There were no substantial changes to this draft when compared to the prior version published in March 2015.

The draft of the Thai Data Privacy Act 2018 imposed an obligation on online service providers to obtain the consent of the data subjects in order to preserve their privacy before (1) collecting, using or disclosing their personal data (Article 19); (2) collecting their personal data regarding their nationality, political opinions, religion, sexual life, crime records and healthcare (Article 26); (3) cross border transferring of their personal data (Article 28).

However, the fact that this Act has not yet provided a definition of the consent of the data subjects did pose several questions when applying the consent provision in practice. Examples of such questions were (1) What constituted valid consent under this Act? (2) How could such consent be obtained? (3) Did such consent need to be in a written form? (4) If not, did it involve ticking a box on a website? and (5) Did opt-out consent, which enables the automatic processing of data unless a data subject explicitly objects to such processing, fall under the meaning of consent? All these questions have posed difficulties for cloud service providers in fulfilling the obligations imposed by this Act.

In contrast, the General Data Protection Regulation (GDPR), which was the main EU legal instrument regarding data protection that governs the processing of personal data held in the cloud with a view to preserving the privacy of the data subjects, as well as facilitating the free flow of data, provides a clear definition of consent, as stated in Article 4(11), which is as follows:

any freely given and specific, informed and *unambiguous* indication of the data subject's wishes by which he or she, *by a statement or by a clear affirmation action*, signifies agreement to the processing of personal data relating to him or her.

It could be seen that this definition provided a clear concept of what constituted consent, since it explicitly specified in which ways consent could be given, which was either "*by a statement or by a clear affirmation action*" in order to signify agreement to the processing of personal data relating to the data subject. Moreover, Recital 32 further clarified how a statement or a clear affirmation action could be given:

...by a written statement, including by electronic means, or an oral statement and online consent can be given by ticking a box when visiting an Internet website, but silence, pre-ticked boxes or inactivity should not, therefore, constitute consent.

As consent was a prerequisite for all personal data processing, the GDPR clarified the elements of general consent as follows:

- (a) *it must be freely given* - consent was not be regarded as freely given where
  - (i) the data subject has no genuine or free choice or is unable to refuse or withdraw consent without detriment (Recital 42 & Article 7(3)).
  - (ii) there is a clear imbalance between the data subject and the data controller (cloud service provider) (Recital 43).
  - (iii) separate consent cannot be given to different personal data processing operations, even if it is appropriate in the individual case (Recital 43).
  - (iv) consent to the data processing is a prerequisite for the performance of a contract, including the provision of a service, for which consent is not necessary for the performance of that contract (Article 7(4)).
- (b) *it must be specific* - consent must be obtained in a manner that is distinguishable from other matters. Consent should cover all processing activities carried out for the same purpose or purposes, so that, when the processing has multiple purposes, consent should be given for all of them (Recital 32 & Article 7(2)).
- (c) *it must be informed* – the data subjects must be informed of their rights to withdraw consent at any time prior to giving consent (Article 7(3)). And the data subjects should be aware, at least, e.g. of the purposes of the processing for which the personal data are intended (Recital 42).

However, regarding a cloud contract that was normally formed on a “take it or leave it” basis, the consent given by cloud users (as data subjects under the GDPR) was arguably not valid under the GDPR, due to the fact that (1) individual cloud users did not always have the ability to negotiate with cloud service providers; (2) they did not seem to have a free choice to refuse or withdraw their consent and; (3) the consent given by cloud users was often to all of the processing activities, and was not limited to a specific context (Stitilis & Malinauskaite, 2014). All these factors could potentially have a huge impact on B2C contracts in an online environment, as they have been routinely made in a standard form, including terms and conditions, which were always found to favour businesses (Qutieshat & Al-Tarawneh, 2016). The GDPR was likely to make it more difficult to obtain valid consent from data subjects, resulting in its availability being greatly limited for cloud computing (Schwartz, 2013).

Furthermore, the features of cloud computing have posed challenges for applying the consent provision in the context of cloud computing. This was because the cloud infrastructure was an abstract set of resources, pooled together to serve multiple users, so it was shared by a large number of users (Stanoevska-Slabeva & Thomas, 2010). Accordingly, there was often a multiplicity of players (sub-cloud service providers or sub-sub-cloud service providers) involved in the same set of personal data processing in the cloud, some of whom might not have any direct relationship with others, and the amount of knowledge, in terms of who was the data subject from whom consent must be obtained to validate the data transfer, was quite low (Borghi et al, 2013). Furthermore, since there was no possibility of negotiating a cloud contract, the consents given by several cloud users did not seem to be meaningful (Christina, 2014).

## RECOMMENDATIONS

As consent is the crucial mechanism for data subjects to ensure an adequate level of protection for their personal data, the problems regarding the consent provision under the Thai Data Privacy Act, which often produce unsatisfactory consequences in practice,

now need to be resolved. The current research proposes three main ways to improve the concept of consent under the Thai Data Privacy Act below.

(1) There should be a definition of consent, as it must be freely given and specific, informed and an explicit indication of the data subject's wishes, by which he or she, by a statement or by a clear affirmation action, signifies agreement to the processing of personal data relating to him or her. It must be clear and conclusive, and the absence of behaviour or passive behaviour is thus generally insufficient to constitute valid consent, but it might be sufficient when it includes some sort of action, which needs to be considered case by case (Kosta, 2013).

(2) There should be guidelines provided by the expert committee of the Ministry of Digital Economy and Society on the issue of how to obtain the consent of data subjects, for example by requiring increased use of pop-up boxes and other mechanisms on web sites that can indicate that the data subjects have affirmatively agreed to their personal data being processed.

(3) The data subjects must be informed by cloud service providers about the possible risks associated with the data transfer before giving consent.

However, it should be noted that the nature of consent is designed for specific one-off transfers; thus, it may be unsuitable considering the nature of cloud computing, which always involves repeated or ongoing exchanges of personal data (Carolan, 2016). It would be very annoying for data subjects to be asked to give their consent for every data transfer, as in the case of cookies (Clifford, 2014). The consent obligations could potentially impose increased costs and administrative burdens on cloud service providers to fulfil them (Bashir et al., 2015). This would have considerable potential to bring a scrutiny appropriate to cloud services, which normally involve a massive data transfer in a continued and repetitive way with an imbalanced position between cloud service providers and cloud users. As a result, the Thai Data Privacy Act should set out the consent provision and impose legal obligations requiring such consent on the basis of a balance between the interests of online service providers and data subjects.

## **CONCLUSION**

In the context of cloud computing, the personal data of cloud users could be located at, and processed to, various locations across a country. Accordingly, it would be difficult for cloud users to take full control over their data, considering that consent has been widely accepted as the key to informing a properly functioning policy for the enhancement of the individual autonomy of cloud users. The consent provision under the Thai Data Privacy Act should be improved, as the current provision does not seem to allow cloud users to exercise control over their personal data. A clear and practical concept of the meaningful consent of the data subjects, which online service providers should obtain before collecting, disclosing or transferring their personal data, would help cloud service providers to comply with the legal obligations imposed by the Thai Data Privacy Act and help cloud users to preserve their privacy.

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## **A STUDY OF THAI TRANSNATIONALISM ACROSS TIME**

by

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### **ABSTRACT**

The Association of Southeast Asian Nations (ASEAN) was established in 1967 by the five founding Southeast Asian member states, with the rest joining by 1999, to promote freedom, economic development, and prosperity in the region. ASEAN fosters cooperation and mutual benefit amongst the peoples of the member states, which are crucial to transnationalism—the heightened interconnectivity between the different populations. In the study, the researcher looks specifically at the development of transitional attitudes in Thailand, one of the founding member states of ASEAN, by answering the question, “what do transnational attitudes in Thailand look like over time?” Logistical regression was employed using data assembled from the 2004 and 2007 waves of the Asian Barometer to test the hypothesis gauging transnational attitudes in Thailand in this exploratory study. The findings indicate that while economic development matters to transnational attitudes, the relationship is anything but clear. The results have important implications for understanding transnationalism in Thailand and the ever-changing nature of development and progress in the region.

**KEY WORDS:** Modernization, regression, SES, Thailand, transnationalism

### **INTRODUCTION**

Transnational attitudes—attitudes of respect people hold towards others that extend beyond the state borders—are an important dimension of individuals in modern societies (Owen 2017). People in the modern era are more connected than ever before, with globalization and the technological revolution leading the way. People are also more informed about issues around the entire globe, and with the resources to have their voices heard, it is not surprising they are speaking out.

Transnational attitudes are forming all across the globe, even across much of the developing world. In Southeast Asia, transnational attitudes are present throughout the all member states of the Association of Southeast Asian Nations (ASEAN), a regional trade block that formed in 1967. The percentages of the populations with transnational attitudes range from around 37 percent in Indonesia to 87 percent in Vietnam and an average of approximately 58 percent across all member states (Owen 2017). While the causes of transnational attitudes vary considerably, improved living standards and economic development are important.

One would expect that transnational attitudes would be present in a place like Thailand because economic development has been part of the broader modern Thai narrative. Even

though none of the direct measures for economic development were statistically significant, Owen (2017) did find these attitudes were not only shared by over half of the population, but also that they were prevalent in the areas benefiting from economic development the most, the urban centers around the Thai kingdom, including Bangkok. Moreover, many in Thailand have been spectators to the transformation of Praya Lundberg from a successful Thai model and actress to a global humanitarian and Thailand's first Goodwill Ambassador of the United Nations High Commissioner for Refugees (UNHCR) in 2017. She has been using her fame to create awareness, through podcasts in the Thai language, of the plight of the hundreds of thousands of Syrian refugees in Jordan (Tantiwarodom 2017). Even after a thorough consideration of these points, the causes of transnational attitudes in Thailand are not clear.

In this study, the researcher conducts a test of transnational attitudes across the Thai kingdom. The researcher seeks to answer the question of what do transnational attitudes look like across time in the modern Thai kingdom. This is a follow-up study to Owen's study from 2017, though still quite exploratory in nature. This study is necessary to understand whether or not transnational attitudes have changed or remained constant over the initial years after ASEAN attained full membership in the mid to late 1990s. First, the researcher broadly discusses transnational attitudes in Thailand. Next, the researcher moves into a discussion of the hypothesis, data and method. Then, the researcher proceeds to the findings of this study. The findings are that while economic development matters, it holds a complex relationship with transnationalism. The researcher concludes with a discussion of the important implications of this study.

## **TRANSNATIONAL ATTITUDES IN THAILAND**

Transnational attitudes are quite prevalent in Thailand, even though studies on Thai transnationalism sparsely populate the scholarly literature. Table 1 shows the prevalence of transnational attitudes in Thailand that range from over 90 percent of the Thai population in 2004 to approximately 55 percent in 2007. Even though this decline in transnational attitudes is quite prominent, more than half the Thai population continues to hold these attitudes in 2007. Owen (2017) previously found that in 2007 only certain foreign influences and locale mattered in Thailand; however, it is safe to conclude that a significant portion of the Thai population holds such attitudes. This prominent presence of transnational attitudes is impressive for at least a few important reasons. First, Thailand is a developing state that has many domestic issues, including an impoverished rural population, an aging population, etc., that occupies much of the government's attention. In other words, there are economic, political, and social issues that consume much of the time and resources of the Thai government and people.

Moreover, the data collection for the 2007 wave of the Asian Barometer likely coincided with the period of high partisanship just before the military coup on September 19, 2006 (Owen 2016). This may actually account for the overall decline in transnational attitudes from 2004 to 2007. Even so, transnationalism was still high. In all fairness, though, it is not surprising that Thai people hold transnational attitudes after one understands of the nature of Thai people. At the core of transnational attitudes is a genuine concern and care for people. Therefore, the prevalence of these attitudes is not surprising because Thais are known to be some of the most caring and empathetic people in the world. Given the state

of Thai affairs, the attitudes under investigation in this study demonstrate the impressive caring and compassionate nature of Thai people.

Table 1.

*Transnational Attitudes in Thailand.*

	2004	2007
Transnational Attitudes	90.2%	54.9%
Have	699	549
Don't Have	76	451
Total	775	1000

Source. Asian Barometer: 2004 and 2007 Waves.

While investigating transnational attitudes across Southeast Asia, Owen (2017) found these attitudes prevalent in all states, whether democratic or not, ranging from approximately 40 percent of the population to well over 80 percent. Across Southeast Asia, the causes of transnationalism varied considerably. Economic development seemed to positively impact transnational attitudes in Cambodia, Indonesia, Myanmar, the Philippines, and Singapore, while negatively impacting these attitudes in Malaysia. Thailand was the only founding member ASEAN state where economic development was statistically insignificant. Perhaps this had something to do with the design of the study, the domestic political climate, or the timeframe, relying primarily on data from 2006 to 2007 (Owen, 2017).

While transnationalism seems to be prevalent across Southeast Asia, the causes remain basically unknown. Unlike the European Union, where democracy prevails, ASEAN has several prominent autocratic states, even though transnational attitudes seem to be quite high. Thailand is one of these prominent autocracies with a reasonably high level of transnationalism, though the causes are simply not clear. This not only makes the study of transnational attitudes in Thailand interesting, but also timely given the modern challenges in much of the developing world.

### HYPOTHESIS, DATA, AND METHOD

Following the discussion above, the hypothesis below is derived and tested:

- H1: People are more likely to have transnational attitudes when they are the beneficiaries of economic development. As a beneficiary of economic development, improved standards of living offer people more opportunities to show concern for issues that are important to them. Improved living standards also give them the capacity to act on these concerns as they likely have the financial means to do so. In the era of globalization where people are prospering across the globe, opportunities for international interaction can therefore lead to increased transnational attitudes (Owen 2017).

To test this hypothesis, data are assembled from the 2004 and 2007 waves of the Asian Barometer. The Asian Barometer is a prominent cross-national survey with coverage across Northeast, Southeast, and South Asia gauging public opinions on important economic, political, and social issues. The Asian Barometer is the best data for this study for a

few important reasons. First, data collection occurred decades after Thailand's membership in ASEAN as a founding member state. The data were therefore collected after the Thai people had the opportunity to understand the benefits of ASEAN membership. Moreover, all Southeast Asian states were ASEAN members prior to data collection, providing Thai people ample opportunity for cooperative engagement. Next, these waves of the Asian Barometer provide important regional identifiers, such as Bangkok and other larger urban areas, which allows for the inclusion of regional identifiers where economic development is more likely to be present. Collectively, then, both of these waves of the Asian Barometer provide a clearer picture of transnational attitudes immediately after the final non-founding member states of Cambodia, Laos, Myanmar, and Vietnam joined between 1995 and 1999. This is important because it provides a snapshot of how cooperation and exchanges through ASEAN in the early days impacted the attitudes of the Thai people. Finally, by including the 2004 wave of the Asian Barometer, the researcher is able to discern not only the causes of transnational attitudes, but also the change in these attitudes over time.

This study builds from Owen's (2017) prior study which investigated the causes of transnational attitudes across Southeast Asia in 2006/07. In addition to the broad regional coverage, Owen (2017) also tested hypotheses from three distinct theories—the economic beneficiary theory; foreign contact theory; and pro-regional organization theory—in his study. While his findings across Southeast Asia apprise of a complex and convoluted story of transnational attitudes, the causes in Thailand were not particularly revealing. To this point, while Owen (2017) found that transnational attitudes were greater in urban areas, inclusive of Bangkok, than in the countryside, only one of the six measures for the foreign contact theory was statistically significant. There were no additional contributions to this story as the rest of the measures were statistically insignificant.

The broad absence of statistical support is quite puzzling, especially since these theories have garnered support elsewhere—that is, outside of Southeast Asia. Perhaps an important question at this juncture is why did the theories not yield any statistical support. A likely explanation is that the test was too broad in terms of the number of theories put forth. It is possible that the sheer number of measures included in Owen's (2017) study suppressed statistical significance where it may have been present otherwise. Since the economic beneficiary theory garnered more support across the ASEAN founding member states in Owen's (2017) study, this study focuses exclusively on this theory. Moreover, this study adds an additional wave, from 2004, to better understand both the totality of the impact of economic development on this attitude and the possible change in this attitude over time. Logistic regression is the method used in this study specifically because of the nature of the two categories on the dependent variable. Logistic regression is the most appropriate regression model to use with a binary dependent variable

### **Dependent Variable**

The dependent variable is from a single questionnaire item used to understand respondents' transnational attitudes. The Asian Barometer measures how people report their identity as part of a larger Asian identity that transcends national borders. This transnational attitude relates to a connection to at least the region of Asia, one that transcends the kingdom of Thailand. Their Asian transnational identity is measured on a 2-point scale from no Asian transnational identity to an Asian transnational identity. Even though measurement

error is a concern in any study using survey data, there is no reason to believe any of these measures induced bias.

### **Independent Variables**

The primary research question explores the causes of transnational attitudes. The hypothesis proposes a relationship between transnational attitudes and the beneficiaries of economic development—that is, the individual's standard of living. The Asian Barometer measures how people report their standard of living on a 5-point scale from low to high. Next, socioeconomic status (SES) is also employed as education and income typically offer additional insight into economic development and the associated attitudes (Chen and Zhong 1999; Shi 2000; Zhong, Chen and Scheb 1998). While individuals with higher education levels tend to have the knowledge needed for upward mobility, in addition to being exposed to differing perspectives and maintaining the capacity to process larger amounts of information than their counterparts, those with higher incomes tend to have a greater stake in economic and political outcomes (Owen 2017). Finally, where an individual resides also offers indirect insight into economic development. Residing in an urban setting is likely to expose an individual to attitudes that differ from those in the countryside (Owen 2015; Owen 2013; Shi 1998; Zhong 2004). This would especially be the case in larger urban settings, including the capital city of Bangkok, where SES is likely higher. This survey measures how people report their standard of living, education, income, and locale on a major public opinion survey by asking the respondents to state their current living standard, education, income, and location, both urban center and Bangkok, the capital city.

### **Control Variables**

Several variables are related to political and social attitudes and it is therefore important to control for them in this study. Demographics—age and gender—typically offer some explanatory power when attempting to understand attitudes (Chen and Zhong 1999; Owen 2017; Shi 2000; Zhong and Kim 2005; Zhong, Chen and Scheb 1998). Controlling for the effect of mass media is also important. In some states, where media is state controlled, a unique approach is needed. Where state-control of media exists, media outlets can be used for indoctrination into the autocratic ideology and it is therefore unlikely individuals are contemplating the meaning of the media content (Shi 2000). Since the educated are typically more informed, they can potentially rise above the indoctrination and contemplate the meaning (Owen 2015). Therefore, in this study traditional types of mass media—newspaper, radio and television—are interacted with education.<sup>1</sup> The Asian Barometer measures how people report their age, gender and media usage on a major public opinion survey.

## **RESULTS**

Table 2 presents the results of this analysis. Even though the transnational attitudes are present, the findings paint a complex picture. The findings across the measures of economic development are mostly contradictory. For instance, in 2004 improved living standards depressed transnational attitudes while in 2007 the opposite occurred; living standards de-

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<sup>1</sup> Freedom House recognizes Thailand with a not free designation on freedom of press: <https://freedomhouse.org/>.

crease the likelihood of possessing transnational attitudes by 0.613 times in 2004 and increase the likelihood of possessing transnational attitudes by 1.282 times in 2007. The two urban measures of economic development provided similar stories: Residing in Bangkok or other urban area decreased the likelihood of having transnational attitudes by 0.282 and 0.402 times respectively in 2004. In 2007, residing in Bangkok or other urban area had the opposite effect, as it increased the likelihood of possessing transnational attitudes by 1.822 and 1.537 times respectively. The only other statistically significant finding is the use of internet boards in 2007 to find important news as it decreased the likelihood of possessing transnational attitudes by 0.273 times—this measure was missing in the 2004 wave.

Table 2.

*Logistical Regression Output of Transnational Attitudes in Thailand.*

	2004 (S.E.)	Odds Ratio	2007 (S.E.)	Odds Ratio
<i>Beneficiaries of Econ Dev</i>				
Living Standard	-0.490** (0.236)	0.613	0.249* (0.137)	1.282
Education	-0.020 (0.121)	0.980	0.143 (0.140)	1.154
Income	-0.002 (0.035)	0.998	0.022 (0.020)	1.023
Urban	-0.911** (0.385)	0.402	0.430** (0.171)	1.537
Bangkok	-1.267*** (0.374)	0.282	0.600*** (0.194)	1.822
<i>Demographic Factors</i>				
Age	-0.012 (0.012)	0.988	0.008 (0.005)	1.008
Female	-0.474* (0.268)	0.623	-0.061 (0.134)	0.941
<i>Media</i>				
Internet	0.932 (1.058)	2.540	0.221 (0.209)	1.247
Internet Board	- -	-	-1.298*** (0.439)	0.273
Newspaper*Education	-0.045 (0.079)	0.956	-0.034 (0.051)	0.967
Radio*Education	-0.060 (0.089)	0.942	0.037 (0.048)	1.038
TV*Education	0.055 (0.082)	1.056	0.126 (0.113)	1.135
Log Likelihood	-233.847		-651.320	
N	774		1000	

Source. 2004 and 2007 Asian Barometer.

\* - .10 statistical significance level.

\*\* - .05 statistical significance level.

\*\*\* - .01 statistical significance level.

Interestingly enough, several important measures are statistically insignificant. Regarding SES, both education and income are not statistically significant. A reasonable interpretation of these findings is that the highly educated and lowly educated have statistically undifferentiated transnational attitudes. A similar conclusion can be drawn on the levels of income too. This is somewhat contradictory—at least the findings in 2007—given living standards and locale are oftentimes dependent on one’s level of education and income.

The absence of statistical significance on the demographic measures may actually be encouraging. A statistically insignificant finding on gender in 2007 may suggest a sense of equality between the genders or perhaps indicative of females taking a greater role in society. Given that Yingluck Shinawatra went on to become the first female prime minister a few years later, women are clearly playing a greater role in Thai society and politics. Moreover, the statistically insignificant age findings may be indicative of a broader growing agreement across the age spectrum on transnationalism. Given the generational differences are usually quite profound on social issues around the world, transnationalism may be an issue that has a consensus across the generational spectrum. Overall, these statistically insignificant findings could very well tell an interesting, and encouraging, story.

So how can these seemingly contradictory findings on the economic development measures be explained across time? Something happened between 2004 and 2007, the question is what? What could have caused such a dramatic shift in attitudes? Was there something that spawned this dramatic attitudinal shift in Thailand’s more developed regions and amongst the beneficiaries of economic development? These are extremely difficult questions to answer without a more in-depth investigation. Even so, collectively these findings may demonstrate an evolving or shifting attitude in Thailand. It is fair to assume that Thais are beginning to take a greater interest in the world around them—again, this is not surprising given the compassionate and caring nature of the Thai people.

## **IMPLICATIONS**

While transnational attitudes are present in Thailand, this exploratory study demonstrates the complexity in understanding transnationalism at the state level. Perhaps a look at the subnational level would provide rich findings also. Therefore, more work is needed. Now that it is clear that transnationalism matters, it is time to continue exploring other potential explanations for transnational attitudes.

## **ACKNOWLEDGEMENTS**

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**STATE-CIVIL UNITY TO SAVE THE VILLAGES/COMMUNITIES FROM  
NARCOTICS ACT OF 2016-2017**

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**ABSTRACT**

Thai policy called for creation of 81,905 drug-free communities in 2016-2017 through expelling drug dealers and combatting corruption of officials by implementing a strategic drug policy formulated by the Office of the Narcotics Control Board of Thailand (ONCB) and suppression committee. This was a mixed-method research starting with a review of the existing documentation for the period of 2016–2017. Primary data were collected by group interview with six key informants from the study areas. In addition, a cross-sectional survey was conducted in purposively–selected communities including interviews with 422 members of the general population. The survey questionnaire was conducted by using a multi – stage sampling and administered to 400 adult residents. The findings from the document analysis indicated that the core strategic implementation was community education about the penalties and poison of addictive drugs, and guidelines for prevention and suppression. The campaign was conducted in schools, worksites and the community at-large, and the government committee was the principal driver of the campaign. The findings from the interviews indicated that the implementers were perceived and performed the policy as usual. The results from the analysis of the quantitative data revealed that 59.2% of the residents knew about the campaign and two – thirds of them participated in the campaign at a moderate level. Despite this awareness and involvement, this study suggests that the government, not the target community, be a major driver of the campaign.

**KEY WORDS:** Policy analysis, narcotics, participation

## **INTRODUCTION**

### **Background and Importance of the Problem**

Addictive substance abuse has been a problem for humans for thousands of years (Office of the Narcotics Control Board, 2016). At present, the problem of drug addiction in Thailand has become so large as to be a threat to national security since it is eroding the human resource base. Each year, the country loses citizens and budget to the scourge of drug addiction and, despite extensive prevention and suppression efforts, the problem festers. Members of communities around the country know well about this problem, either directly or indirectly. Surveys back this up since they routinely find that the public places drug addiction as one of the top priority problems of society, and which they would like to see government urgently address (Narcotics Control Strategy Bureau, 2016).

Various government administrations have tried different policies and measures to address the drug problem. These policies have gone by different names and strategic plans however, overall, the central agencies involved in implementation have remained the same (Sakulwongthana, Suwanmongkol, Charoenratcharoen, & Makkasem, 2012). The general Thai government policy is prevention, suppression, and rehabilitation. In 2002, the government policy became more centered on suppression than prevention. That approach viewed drug addiction as more of a supply-driven phenomenon than a demand-driven problem. Thus, the focus was on drug traffickers and sellers. However, that strategy was a failure since demand for drugs is a more powerful force than supply. In other words, if demand remains, the market will respond with the supply of drugs of choice. Still, there is overlap between the demand and supply factors and, thus, it is not always easy to determine which is the primary driver in a given situation or community. Thus, any control strategy has to take a comprehensive view of both supply and demand factors (Sakulwongthana et al., 2012).

In the past, policy formulation has been a top-down process, and government officials were the primary implementers of policy. The local residents were the target population of interventions. Thus, communities did not feel they were part of the solution; they were mere recipients of action. In other words, the local population were made to feel that the drug problem was the government's responsibility to solve. In addition, the response to the drug problem was compartmentalized by agency. This causes there was only little horizontal integration of programs for prevention, suppression and rehabilitation (Sakulwongthana et al., 2012).

In a bold change from the past, the current Thai National Strategic Plan for the Prevention and Control of Drug Abuse (2015-19) (Office of the Narcotics Control Board, 2015) is a people-centered approach which takes a grassroots view of the ability of the affected communities to lead the response. In addition, the relevant agencies are coordinating to implement a comprehensive program which addresses local needs (Office of the Narcotics Control Board, 2015). The current government, under the leadership of Gen. Prayuth Chanocha as Prime Minister, has assigned drug control as a priority issue for the national agenda (Ministry of Justice, 2016) and has called upon all the relevant agencies and sectors to participate in the response. Despite Thai efforts to control local production and distribution of illegal narcotics, drugs from neighboring countries continue to flow across the border (e.g., amphetamines) and are increasingly being targeted to the younger population age 15-29 years (who currently comprise an estimated 60% of Thai drug addicts). The dis-

tribution networks allow these drugs to have the potential to penetrate every province and community across the country (Ministry of Justice, 2016). A 2015 study by the Ministry of Interior assessed all 81,905 villages across the nation for severity of the drug problem. About one in ten (9.4%) were rated as most severe, followed by 7.8% as moderately severe, and 82.8% least severe (Ministry of Justice, 2016). A survey by the National Statistical Office in 2016 found that, in general, the population was satisfied with government efforts to prevent and control the problem of drug abuse; however the adverse impacts are still being felt at the community and household level, either directly or indirectly, in many locations (National Statistical Office, 2016). Thus, the general recommendation was that the government needs to do more and do it urgently.

The government introduced a new policy in 2016-17 which called for the creation of drug-free communities to help localize the response. The policy prescribed a comprehensive strategic response, involving all relevant sectors (Ministry of Justice, 2016). This policy provided the vision for a 20-year strategic plan for 2017-2036 as a guideline for community-driven response to the drug problem with government support. Given these new directions in the public response to Thailand's drug problem, the researcher was interested in studying the implementation of the "Drug-Free Community" policy during the pilot period 2016-17. The research addresses the social, political and economic context of policy implementation. The research also examines the steps in policy formulation, policy advocacy and program implementation. The research identifies the factors related to successful implementation and policy impacts in addressing the drug problem (Zulu, Kinsman, Michelo, & Hurtig, 2013). No other study has taken a comprehensive view of this policy and its outcomes, and the factors which facilitated success or lack thereof. (Owen, 2016; Sandoval, 2013) The findings should be useful for public policy and decision-makers and help inform lessons learned and associations between program inputs, outputs, outcomes and impact (Anderson, Brady, Bullock, & Stewart, 1984). Current and future plans can be adjusted based on the findings of the research to increase cost-effectiveness of program implementation (Romain, Kohler, & Young, 2015).

## **Objective**

This research has the objective to analyze the 2016–17 "State–Civil Unity to Save the Villages/Communities from Narcotics" policy, and how the policy was operationalized. The following are sub-objectives:

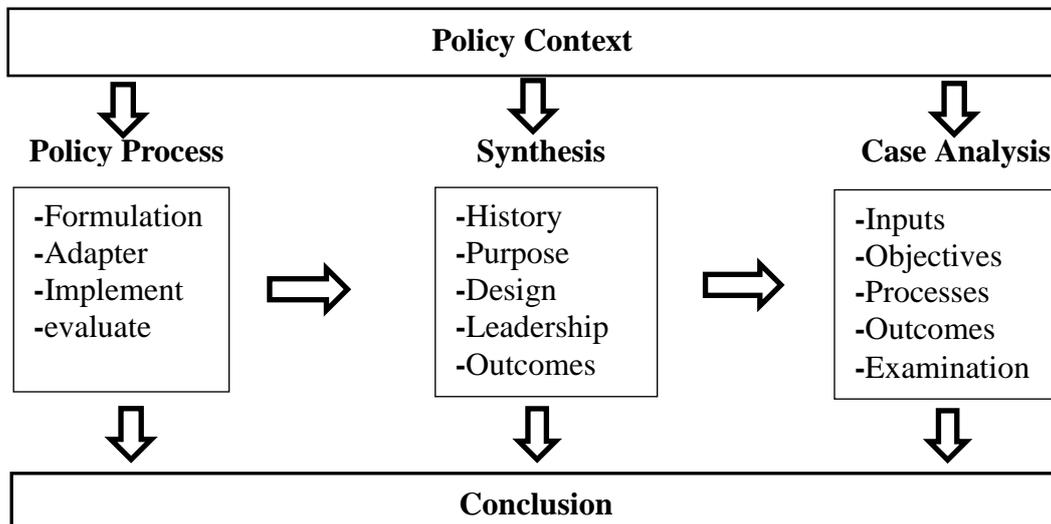
1. To study the methods/mechanisms of operationalizing the 2016–17 policy;
2. To study the outputs of the policy (plans/projects/budget);
3. To study knowledge of the policy by the target population;
4. To study the level of participation of the target population in policy implementation.

## **Conceptual framework**

The conceptual framework for this study includes two components: (1) synthesis of the policy model and (2) case studies of implementation. The analysis includes an examination of beliefs and aspirations of the policy makers, and the leadership role of the Office of the Narcotics Control Board (ONCB). This study looks at the socio-economic and political

context in which the policy was implemented (Anderson et al., 1984). The case studies attempt to provide concrete examples of how policy is, or is not, implemented as intended, and the factors behind success and failure (Sandoval, 2013).

**Figure 1.** Conceptual Framework of the Study



Source. Adapted from the Conceptual Framework of Government Analysis, by Anderson, J. E. (1984).

## METHODOLOGY

This research used both qualitative and quantitative data collection methods, including checklists, group interview, and a questionnaire-based survey. Data were collected during December 26, 2017 to February 28, 2017. This study was approved by the ethical review board of Mahidol University (MUSSIRB NO. 2017/302 (B2) Certificate of Approval No.2017/250.1912)

### Population and Sample

The population for this study was the staff of government agencies implementing the response to the drug problem and the residents in the target communities of Din Daeng District of Bangkok. The study population can be further described as follows:

1. Six government staff implementing the Drug-Free Community policy during 2016-17 in Din Daeng District, including the assistant District Director, Chief of the Community Development and Social Welfare Section, staff of Bangkok Health Center #4, Head of the Saen Suk Community Board, police from the Din Daeng police headquarters, and staff from the ONCB.
2. As of 2017, there were 123,404 persons registered as living in Din Daeng District. Through multi-stage sample and applying the Yamane sample-size formula, the resulting sample of local residents for this study was 422 persons.

### Location of the Study

The following table lists the sample population by community in Din Daeng District.

Table 1.

*Sample Communities and Sample Respondents.*

Community	Number of Households	Number of Eligible Respondents	Number of Participants in the Study
Saen Suk	330	159	165
Soi Permsin - Sombunsuk	179	86	87
Kunnati	80	38	42
Arkan Songkroh Din Daeng	154	74	80
Intamara 55	89	43	48
Total	832	400	422

## **Data collection Instruments**

The researcher used a checklist, interview schedule and questionnaire as part of the data collection process. The following are details.

### **Checklist**

This form was used to keep track of whether certain documents were obtained or not, whether reports described implementation, and other descriptive information, such as: (1) form to list the directives to appoint committees, number of members, nature of membership and role/responsibility, (2) inventory of plans and project descriptions and information about whether the project was active in the past year, the objectives of the plan, the nature of the project, target groups, method of implementation, results of implementation, budget, source of budget, and responsible agency, and (.3) form to check on proceedings of the various committee meetings during 2016–17, including information about the nature of the meeting, who attended, the date, the content, and resolutions.

### **Interview Schedule**

This refers to discussion guide for group interviews. The researcher developed this independently by conducting a review of the key issues, review of related literature, and review of conceptual thinking on the topic. The guide covered the scope of the research in order to achieve the objectives. There was a systematic ordering of the questions in the discussion guide, and all questions were open-ended. The following are the nine questions: (1) Knowledge and understanding of the government policy on a Drug-Free Community; (2) Translating policy into practice; (3) Transfer of guidelines, plans, or project descriptions to implementing agencies; (4) Consideration of the implementation performance of the front-line agencies after being informed of the implementation plan; (5) Implementation of the intervention package of the district; (6) Creation of solidarity or continuity; (7) Conditions that are needed for successful implementation of policy; (8) Material support for implementation; and (9) Opinions about implementing the package of interventions in accordance with the plan for implementing a Drug-Free Community policy for Din Daeng District.

### **Questionnaire**

This instrument was used to assess knowledge among community residents about the policy to create a Drug-Free Community in 2016-17 in their district. The researcher created the questionnaire independently based on the study of research texts, theory, conceptual frameworks, results of related research, and interviews with key informants. Before finalizing, the questionnaire was reviewed by three experts who assessed the instrument for reliability. The questionnaire was pre-tested with a group of 30 persons in Phayathai District of Bangkok (which has similar characteristics as Din Daeng District). The data from the pre-test were used to further assess the reliability of the questionnaire. The items on knowledge of drug abuse were reliable up to a level of 0.81. Reliability for items on participation in implementation of prevention and control of drug abuse (as part of the Drug-Free Community program for 2016-17) was as high as 0.97. Reliability for the questions about supporting research, and motivation for success in addressing the problem of drug abuse (as part of the Drug-Free Community program for 2016-17) was as high as 0.97.

The data that were collected using qualitative methods were subjected to content analysis. The quantitative data were analyzed using descriptive statistics, e.g., frequencies, percentages, means and standard deviations.

## **RESULTS**

### **Results of the Document Review**

#### **Key Content of the Plan for the Drug-Free Community Program for 2016-17**

The aim of this policy, plan and program was to improve the community-based prevention and response to the local drug problem. The goal is to create sustainable communities which are free of substance abuse. This involves working with communities with drug abuse problems and gradually reducing the harmful effects of the problem until they are eliminated. Ideally, the community will take ownership of the problem and spearhead the interventions, while the government agencies fulfill the role of supporters and advisors. For the community to take a leadership role, they must be knowledgeable about the policy and strategy, and acquire a consciousness for full participation in the collaborative effort. The government agencies need to understand the need to gradually transfer responsibility for implementation to the local community as a partnership. There must be close collaboration and coordination across government agencies in this integrated process. There also has to be vertical coordination among the national, provincial, district and community levels. The implementation needs to reflect a unity of purpose and vision. Implementation needs to be aligned under a common direction – not a collection of different agencies and actors implementing independently of each other.

#### **Structure and Mechanisms of Advocacy**

The policy on Drug-Free Communities for the pilot period in 2016-17, prescribes a mechanism for advocating the translation of policy to action, from the central level, with the ONCB being the key advocacy focal point. At the field level, authority falls under the ten ONCB regional offices (including one for Bangkok). The regional offices determine how to integrate the new policy in the existing planning and program framework in their area of jurisdiction. This includes links with the regional police headquarters, military drug control authorities, etc. At the provincial and district levels, there are branch offices of the ONCB who then integrate the new policy into the local plans and programs.

The review of the directive to appoint a board to oversee the Drug-Free Community policy for 2016-17 indicates that the board is comprised of representatives from the central level, the Bangkok level, and the Din Daeng District level. In total, there are representatives from 14 agencies with key functions in the area of suppression and security, including the ONCB, Department of Probation, Department of Observation and Protection of Children and Youth, and the Department of Special Investigation. The parent agencies include the Ministry of Justice, the Ministry of Interior, the National Police Headquarters, the Ministry of Defense, the National Security Directorate, the Anti-Money Laundering Office, and the National Intelligence Agency. There is also representation from the Ministry of Information Technology and Communications, among other ministries such as Education, Public Health, Labor, Social Development and Human Security, and the Office of the Prime Minister. There are also representatives from the private sector and Civil Society (16% of the total membership). There are also four task forces to oversee different aspects of implementation, including the following: (1) Prevention of drug abuse; (2)

Treatment and rehabilitation of drug addiction; (3) Suppression of drugs; and (4) Management. There is representation from the ONCB on each task force and their role is to help explain policy, strategies, plans, measures, mechanisms, and guidelines and how to translate these into action. The task forces help to accelerate implementation and oversee and inspect interventions, evaluate outputs and outcomes, and report on implementation to the relevant government agencies at all levels.

### **Plans, Projects and Budget**

The review of plans, projects and budget for the period of 2016-17 shows that there are concrete plans, project documents and budgets for the drug response, both at the national and Bangkok levels. It wasn't possible to access information on these components for Din Daeng District in particular. There are four components for plan/project/budgets as follows: (1) Prevention of drug abuse; (2) Treatment and rehabilitation of drug addiction; (3) Budget for the response; and (4) Management. In 2017, the national drug control plan called for a reduction of 23%; for Bangkok the target reduction was 20% from the level in 2016. For 2016 and 2017, Bangkok received 2.33% of the total budget for the drug response. Most of the budget goes toward treatment and rehabilitation. There was no comparable data for Din Daeng in terms of drug control budget allocation.

### **Proceedings of the Board Meetings**

From this analysis of directives to establish committees, it is clear that there is a command structure for policy implementation from the national level to Bangkok and then to the Din Daeng District level. The committees have representatives from government, the private/state enterprise sectors, and the target community. The key work of these committees centers on prevention of illegal addictive drugs, treatment and rehabilitation of drug addicts, suppression of the drug trade, and management. At the national level, committee composition is all government civil servants. At the Bangkok level, most committee members are government, but there is community and private/state enterprise representation (11%). At the district level, there is higher community representation (32%) consisting of community board presidents, network representatives and private sector entities. But overall, it can be concluded that the steering committee membership to oversee the State-Civil Policy, Plan and Program is mostly government personnel; overall, only 16% of committee membership at all levels combined is non-government. Responsibilities of these committees include strategy and policy formulation/ interpretation, development of plans, measures, and mechanisms for the prevention and suppression of drugs, and treatment and rehabilitation for drug addicts. These committees are the principal mechanism for translating ONCB policy into action.

### **Findings from Interviews and Discussion with District Staff**

The government policy and program for Drug-Free Communities is decentralized to the district level. The policy and guidelines are communicated through meetings, documentation, phone, the Internet and other on-line channels. The staff of the relative agencies of the Din Daeng District office were well-informed of the policy and guidelines, and understood the importance that the program be community-driven, and that the relevant government agencies were to provide coordinated, integrated and comprehensive support to help target communities achieve the program goals. Specific target areas were identified, and implementation plans were tailored to the local context. However, the communities

are diverse and had different degrees of severity of drug problems. Also, the plans and targets were not evenly communicated between and among the district officials and the community representatives. There was clear delineation of roles and responsibilities, and adequate preparation before conducting field activities. Staff felt that ingredients for success in implementing such a program included appropriate budget and plans, and dedication and determination of the implementing personnel. Plans need to be easy to understand and flexible in order to adapt them to changing circumstances. Ultimately, however, success depends on community buy-in to the program and leadership skills of the community leaders to mobilize a grassroots response. Overall, in the eyes of the local staff, the Din Daeng model of implementation is a good example of a concise and efficient approach to achieve full coverage of the Drug-Free Community policy. However, cross-agency cooperation is more difficult to achieve given the vertical lines of authority. Staff turnover also impeded implementation at certain times. At this stage, the staff admit that the district staff are still in more of a leadership role for implementation, rather than the community, as designed. More time will be required to build capacity and buy-in of the target community to take over the leadership role, while the district can recede into a support and advisory role.

### **The Results from the Sample Survey of Residents**

Most of the sample respondents were female, average age of 42 years, married, with high school or higher education. Most worked in wage labor jobs, and household income ranged from 6,000 to 25,000 baht per month for the majority. Household size was about three or four occupants, and 70% had resided in this community for ten or more years. Fully 41% of the sample had used illegal drugs in the past. The most common drug used was marijuana, followed by amphetamines, crystal meth, and Krathom. Those who had used illegal drugs before had also consumed tobacco products and alcohol. One out of six said that, in the past year, a household member used illegal drugs. About half felt that the illegal drugs could be procured in the community, and half had seen others in the process of using these drugs.

Respondents were well aware of the government policy to suppress drug abuse, and that the government views addictive drug use as a criminal issue, not a public health problem. The respondents are also aware of the government's prevention efforts and know about the treatment and rehabilitation services. Only about one in five respondents were satisfied with the prevention policy and program during 2016-17, and only one in ten felt that the policy and program was being successful. That said, there was a moderate level of participation in the prevention and response activities under the Drug-Free Community program. Table 2 provides more details on the results of the questionnaire survey of community residents in Din Daeng.

Table 2.

*Knowledge, Satisfaction and Success of Implementation of the Drug-Free Community Program*

Perception and Participation		N	%
Knows that the government has a policy for prevention and control of illegal drugs, and believe that there is a policy to create Drug-Free Communities in their locality.		250	59.2
Knowledge of drug control and suppression (Mean=8.31 SD=3.85)	0-4 points (low)	76	18.0
	5-9 points (moderate)	155	36.7
	10-13 points (high)	191	45.3
Perceive that the government views addictive drug use as a criminal issue (Mean=2.32 SD= 0.73)	0-2 points (low)	68	16.1
	3-5 points (moderate)	147	34.8
	6-8 points (high)	207	49.1
Know of government treatment and rehabilitation services (Mean=2.10 SD=0.86)	0-2 points (low)	140	33.2
	3-4 points (moderate)	99	23.5
	5-6 points (high)	183	43.4
Satisfaction with government drug control and suppression (Mean=2.99 SD=0.74)	lowest	13	3.1
	low	71	16.8
	moderate	253	60.0
	high	77	18.2
	highest	8	1.9
Perceived success of the government's drug control and suppression work in 2016-17 (Mean=3.13 SD=1.10)	unknown	37	8.8
	Unsuccessful	11	2.6
	low	84	19.9
	moderate	245	58.1
	high	40	9.5
Participation in program decisions (Mean= 1.77 SD= 0.70)	0-6 points (low)	164	38.9
	7-13 points (moderate)	191	45.3
	14-20 points (high)	67	15.9
	0-8 points (low)	167	39.6
	9-16 points (moderate)	166	39.3
Participation in program implementation (Mean= 1.8 SD= 0.75)	17-25 points (high)	89	21.1
	0-6 points (low)	95	22.5
	7-13 points (moderate)	203	48.1
Participation in the benefits of the program (Mean= 2.06 SD= 0.71)	14-20 points (high)	124	29.4
	0-6 points (low)	167	39.6
	7-13 points (moderate)	177	41.9
Participation in the evaluation of the program (Mean= 1.78 SD= 0.73)	14-20 points (high)	78	18.5
	0-28 points (low)	158	37.4
	29-58points (moderate)	188	44.5
Combined level of participation (Mean = 1.8 SD = 0.71)	59-85points (high)	76	18.0

## **DISCUSSION**

Implementation of prevention and control of narcotics has remained a global challenge, and there is still considerable international debate on what is the best model or strategy. Indeed, advances in communication technology is making it even easier to traffic narcotics and to bridge the market between producer and consumer (Barratt and Lenton, 2013). Even when countries like the USA (in 2014) legalized marijuana in some states, (Pardo, 2014; Room, 2014) other illegal drugs emerged which mimicked the effect of that drug, and use of ecstasy increased. The USA is also experiencing an epidemic in abuse of pharmaceutical opioids for pain alleviation. (Griffiths, Evans-Brown, & Sedefov, 2013). Thus, the relevant international agencies are meeting more often to try and develop new strategies and methods of prevention and control to keep pace with the changing dynamics of drug addiction around the world. (The United Nations General Assembly 2016) Thailand, as well, is trying new approaches to combat drug abuse as part of its obligation as a signatory to the Single Convention on Narcotic Drugs (1954), the Convention on Psychotropic Substances (1971), and the United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988) (Precursors).

In the past, the Thai government strategy toward drug control was to reduce illicit and interrupt the supply chain. There was little or no consideration of harm reduction approaches or to treat drug abuse as a public health (i.e., not a criminal) problem. This cemented two pillars of the response: supply reduction and demand reduction, (Babor et al., 2010) while the role of harm reduction was largely ignored.(Room, 2012) At present, the international consensus seems to be moving toward an integration of the various strategies, and to tailor implementation to the local context of each country and community. (World Health Organization, 2012)

In 2015, a study was conducted of policy on drug abuse prevention and response in nine countries. These countries represented a range of drug abuse prevalence and level of danger of the drugs being abuse. The countries included Sweden, Vietnam, Australia, Columbia, Nigeria, Portugal, UK, USA and New Zealand, which take an approach characterized by striving for a drug-free society as Sweden and Vietnam (Jardine, Crofts, Monaghan, & Morrow, 2012) to reducing harms and negative health, and adverse social and economic consequences from drug use as Australia and New Zealand. By contrast, Portugal has placed a strong emphasis upon humanism and pragmatism, and factors that have fostered and emphasis on human rights and drug decriminalization. (Hughes & Stevens, 2010). In any case, each of the nine countries still have policies and programs which attack the supply side of drug trafficking while addressing demand reduction. (Gomez, 2013) Colombia and Nigeria also have a two-pronged strategy of addressing supply and demand reduction, (Klantschning, 2009) Colombian drug policy has had a strong focus on the control of production and trafficking in coca and cocaine, and also heroin (Meija,2015; Quintero, 2012; Thoumi, 2012) and more recently, a focus on reducing social marginalization and increasing democratic security and economic development (Ethaway, 2010; Meija, 2015). In the USA, the focus is more on addiction as a brain disease and the need to promote recovery. (Courtwright, 2010) This is similar to the approach in the UK. (Duke, 2013) However, neither of these countries gives much emphasis to harm reduction. (Baldwin and Thomson, 2013; Vuong et al., 2012; Windle, 2015) It is noteworthy that Australia has classified alcohol and tobacco products as addictive substances, and approaches control in the same way as it does for illegal narcotics. (Ritter, 2011) Similarly,

Portugal approaches control of illegal gambling in the same general way as it does narcotics control. The different approaches have different outcomes and degrees of impact (Babor et al., 2010).

In Thailand, various governments over the years have issued policies and measures to combat illegal drug use. (Windle, 2015) Though different in name, most of the policies and programs have the same core components: Prevention, suppression, treatment/rehabilitation, and integrated management. (Sakulwongthana et al., 2012) Traditionally, in Thailand, drug policy has been implemented using a top-down approach from the central authorities to the regions and provinces. Government personnel were the leaders of these programs. (Phongpaichit, 2003) Affected communities were seen as the target for intervention. Accordingly, this produced rather passive attitudes of local residents to drug control programs. In other words, it wasn't their problem; it was the government's problem to deal with. In that situation, it would be hard to mobilize community participation, let alone a sense of ownership of the problem of drug abuse in their midst.

Also, previously, the drug program response was compartmentalized into prevention, suppression, and treatment/rehabilitation branches, with little coordination or collaboration across sectors. This has changed with the latest five-year plan for drug control (2015-19) (Office of the Narcotics Control Board, 2015) which has adopted the transformative principal that the program should be people- (i.e., community) centered, and that the locally-expressed needs of the residents should drive the implementation strategy. The goal should be improved quality of life for the entire community in ways that can be maintained by the local residents themselves. In this view, the related government agency staff are in a supportive and advisory role—not the leaders or dictators of what should be done. Indeed, this is the only viable strategy for a sustainable program of prevention and control. What is more, such a grassroots approach addresses the supply and demand factors simultaneously. The pilot strategy of the government to implement a Drug-Free Community program through a bottom-up approach is the correct, long-term strategy. Only in that way will the community take ownership of the problem and the solution.

## **CONCLUSIONS**

This research of the implementation of the Drug-Free Community pilot program of 2016-17 has examined how the government applied policy and principles from the national level to the province (i.e., Bangkok) and the district (i.e., Din Daeng). The local population is aware of the government's drug suppression and control policies but takes a dim view of the success of those policies thus far. While the district 9 staffs understand the direction of the new strategy for the Drug-Free Community initiative, they realize that local neighborhood buy-in and sense of local ownership are essential for the policy to achieve success. Thus, additional time is needed until the community can take the leadership role and the relevant government agencies can gradually withdraw into a more supportive and advisory capacity.

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**TRAVEL MOTIVATIONS OF  
CHINESE INTERNATIONAL STUDENTS IN BANGKOK, THAILAND**

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**ABSTRACT**

This paper aimed to investigate the travel motivations of Mainland Chinese students studying in Bangkok, Thailand. The data were collected from 220 survey responses and three focus groups. A descriptive analysis (mean scores and standard deviation) and the push and pull model were employed in the data analysis. The results revealed that the majority of the participants would rather travel with their Chinese friends, and parents or other relatives than travel alone. The highest travel constraints were food, safety, transportation, accommodation and money respectively. The interviews revealed that females were more concerned about safety and attractive destinations than males. In terms of travel motivations, the results indicated that the push factor was “to rest/relax” while the pull factor was “good opportunities for outdoor activities and adventure. The primary source of travel funds were from personal saving and subsequently financial support from their parents.

**KEY WORDS:** International students, Chinese students, tourist behaviour, travel motivation, Thailand, tourism marketing

**INTRODUCTION**

Thailand is one of the top 10 most visited countries in the world with 32.6 million inbound visitors (TAT, 2017). Nag (2018) claimed that Thai culture, traditional festivals, historical sites, natural, tropical islands, beaches, food, and also nightlife are the main attractions of Thailand that appeal to international travellers.

For two decades, Chinese visitors have been influenced to travel to Thailand. Chinese tourists are the largest percentage of inbound travellers to Thailand. The report showed that Chinese tourists are the most popular nationality to visit Thailand, with 9.92 million visitors travelling to the country (TAT, 2017). According to the extrapolation of TAT (2017), the number of Chinese visitors will be increased up to 5.3 % in 2018.

Apart from tourism, Chinese people also come to Thailand for education. Due to the “One-child Policy”, Chinese parents are likely to decide everything for their children, especially with their educational (NPR, 2015). In order to avoid the pressure of the Chinese education system, Zhou (2018) said that some parents decide to send their children to study abroad because the education in China is highly competitive. Therefore, in 2017 over 1.4 million Chinese students are enrolled in higher education abroad (Ministry of Education of the People’s Republic of China, 2018).

Thailand is an ideal destination for Chinese young adults to study. The reason that Chinese students come to study in Thailand is because of the location that is close to their home country, the lower living cost compared to the other countries such as Australia, a good diplomatic relationship between China and Thailand, and also to travel during semester breaks (Yin et al., 2015).

However, the lack of research on Chinese international students and their travel motivations led to the following research questions:

1. What are the travel motivations of Chinese international students in Thailand?
2. What are the travel patterns of Chinese international students in Thailand?

This research aimed to investigate travel motivations of Chinese full time students and to examine Chinese students’ characteristics in Bangkok, Thailand. This study will collect both quantitative and qualitative data through online questionnaires and focus group interviews.

## **LITERATURE REVIEW**

Youth and students have been contributing factors to the growth of market in the tourism segment (Richards & Wilson, 2011). This continuing growth of youth market was reflected from the number of international students around the world. In addition, it was found that the term breaks are the best time to travel for the youth travellers (Michael et al., 2003; Glover, 2011). It was reported that nearly 3,000 of young Asian travellers, between ages of 15-34, were considered to shape global travel and tourism in the year to come (PATA, 2014). Both generations X and Y are willing to become leaders, managers and to consume experiences from travelling. Thus, push and pull factors have been the key theories commonly used by many researchers to review the understanding in the various field of studies, for instance; in sociological, anthropological, psychological (Jang & Wu, 2006), tourism (Yiamjanya & Wongleedee, 2014) and educational approaches (Yang, 2007) of consumer behaviour and motivation. From a perspective of tourism, this theory was first introduced by Tolman (1959) and later improved by Dann (1977) to describe that push factors refer to the consumer’s desire to go to a certain destination without any pre-cognition, whereas pull factors referred to the external forces which drive a traveller to go to a specific location, such as; beaches, cultural events or historical sites. Later, Uysal and

Hagan (1993) were developed a tourism framework for “Push and Pull” which classifies into; motivations, socio-economic, demographic factors and market knowledge.

Push factors are based on intangible desire of an individual traveller; a destination as a factor for the travellers to fulfil their satisfaction, such as to visit a tourist attraction, or to taste local cuisine, or involve in any adventurous activities and to learn the culture. The research conducted by WTO, pull factor are based on the motivation to travel of youth travellers with their desire to explore and experiences other cultures. In addition, Kiatkawsin and Han (2017) mentioned that Vroom’s expectancy motivation theory, travellers were more focused on the activities and experiences while traveling. Travellers embrace new opportunities and learn to grow from new experiences by going to new places While the study of Kim, Jogaratnam and Noh (2006) presented that one of the main reasons that contributed to students’ making a travel decision was the “attribute of the destination”, which is the unique aspect that each destination possesses.

Moreover, cognitive image beliefs was a factor which attributed to encourage tourists to visit a destination. There was a communicating message between a destination and a tourist (Krishnapillai & Ying, 2017). Travellers were highly influenced by gaining knowledge and information on the destination’s image, which related to the travellers’ emotional perspective. In this case, Word of Mouth (WOT), online information, such as from social media and online travel reviews, was another way of approach that travellers can share experiences and explore the destination through words, photos and media that help a person to decide whether to travel, without having to visit the location, based on the destination’s information given to them. Also, Uysal and Jurowski (1994) claimed that influences from friends can make certain travel decisions, which are based on a sociological side such as travelling to escape from normal lives, rest, relaxation, self-fulfilment, and fulfilling an adventurous lifestyle.

On the other hand, pull factors are based more on intangible elements, including travel expenses, safer environments, quality services and sporting activities. Davies (2003) explained that Thailand is represented by the images of exoticism, fun, and of friendly people, which attract both domestic and international tourists around the world and generate income to the country. Chinese outbound tourism is one example which shows a growing rate with its rapid increase in the Chinese household disposable income. This allowed them to spend more and wish to travel more (Wong, Law & Zhao, 2016). However, the distinction between internal (push) and external (pull) factors were that the former influences people to travel, while the latter focuses on travel destinations to attract visitors (Dann, 1981; Huang, 2010).

## **METHODOLOGY**

### **Sample and Data Collection**

A combination of quantitative and qualitative approach was used to collect data for this research. The researchers administered an online questionnaire to 220 Mainland Chinese students from various majors in Bangkok, Thailand with the aim of investigating their travel motivations. The survey items were consistent with those used in previous studies on travel motivation of Chinese international student (e.g., Qiu, 2014; Weaver, 2003; Gar-

diner et al., 2013). In addition, the study consisted of three group discussions, which included eight Mainland Chinese students per group out of a total of 24 participants.

### **Data Analysis**

The survey data was analysed using SPSS Descriptive Statistics (mean scores and standard deviation). The push and pull model was employed to investigate travel motivations of Mainland Chinese students. Then, a group interview was conducted to validate the result of quantitative analysis. After the interview process, the interview recordings were transcribed and coded according to the thematic analysis incorporating the 6-step framework of Braun and Clark (2006). The interview findings were elucidated and categorised into three main themes: 1. destination preferences and information sources, 2. source of funding and 3. safety condition.

## **DATA ANALYSIS AND DISCUSSION**

Table 1 shows that the 38.2% of the participants were males and 61.8% were females. The majority of the participants were between 18 and 21 years old (59.1%), 22-25 years old (30.9%) and 26-29 years old (7.3%). No participant was over 30 years old regarding level of study, and undergraduate students dominate the sample. In terms of the registration status, 202 (91.8%) participants were full-time students, and 18 (8.2%) participants were University alumni. In regards to the residency status in Thailand, 208 (94.55%) participants were in Thailand on a study permit, and these students were considered as international students. Other participants that were not international students include; 8 (3.63%) permanent residents, and 4 (1.82%) who did not specify their residency status. Specifically, 120 (54.58%) participants were taking Preparatory English Course, while 100 (45.5%) participants were undergraduate students.

Table 1.

*Profile of Chinese survey respondents (n = 220).*

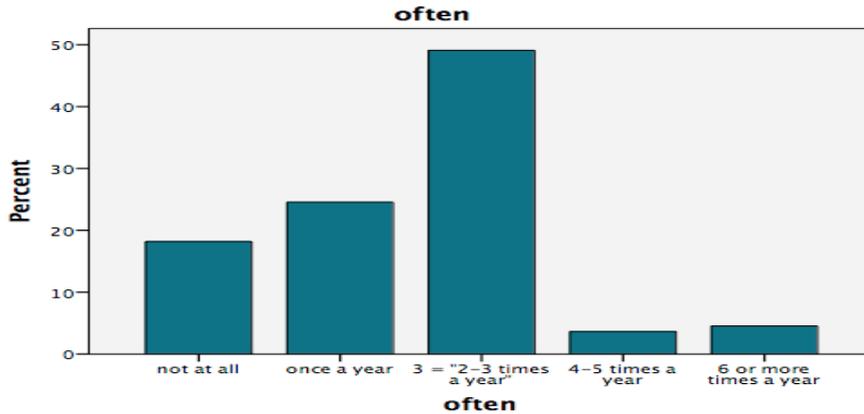
	Frequency	Percent
<b>Gender</b>		
Male	84	38.2%
Female	13	61.8%
<b>Age</b>		
Under 18 years	6	2.7%
18 - 21 years	130	59.1%
22 - 25 years	68	30.9%
26 - 29 years	16	7.3%
over 30 years	0	-
<b>Registration status</b>		
Full-time students	202	91.8%
University alumni	18	8.2%
<b>Residency status</b>		
Student on a student Visa	208	94.55%
Permanent resident	8	3.63%
Other	4	1.82%
<b>Level of study</b>		
Preparatory English Course	120	54.5%
Undergraduate students	100	45.5%
<b>Financial support</b>		
Self-funded	86	39.1%
Parents or other relatives	60	27.3%
Friends	54	24.5%
Others	20	9.1%
<b>Expenditure (most recent trip)</b>		
Less than 1000 Baht	26	11.8%
1000-3000 Baht	48	21.8%
3001 -5000 Baht	44	20%
5001-10000 Baht	50	22.7%
10001-20000 Baht	20	9.1%
More than 20000 Baht	32	14.5%
<b>Duration (most recent trip)</b>		
1-3 night	80	36.4%
4-6 nights	70	31.8%
1-2 weeks	34	15.5%
More than 2 weeks	36	16.4%

In regards of financial support, 86 (39.1%) participants reported themselves to be their own major funding source, while 60 (27.3%) participants claimed that they obtained financial support from parents or other relatives. 54 (24.5%) participants suggested that their friends financially supported their travel. A recent study by Ryan and Zhang (2007) found that parents of Chinese international students in New Zealand usually pay for travelling expenses.

In terms of the travel expenditure as shown in table 1, 50 (22.7%) Chinese students indicated that they spent between 5,001 - 10,000 baht on their previous trip, 48 (21.8%) respondents revealed that their expenditure at the destination would be between 1,000-3,000 baht, 44 participants reported that they would spend around 3,001 -5,000 baht on their current trip. Specifically, 80 (36.4%) Chinese students indicated that their length of stay is "1-3 nights", 70 (46.8%) participants claimed that they travelled for 4-6 nights. The previous study of King and Gardiner (2015) indicated that a majority of Chinese students preferred a day excursion rather than overnight trips. This means that some Chinese students would prefer to travel a day trip. The results of travel frequency are shown in figure 1, which participants were asked how often they would take overnight leisure trips in Thailand. 108 (49.1%) participants reported a travel frequency of "2-3 times a year"; 54 (24.5%) respondents travelled once a year; 18 (8.1%) indicated that they travelled "4-5 times a year" and 6 times or more in a year. These results of travel frequency were similar with other studies on travel motivation among Chinese University students include Qiu's (2014); Min-En's (2006); Ryan and Zhang's (2007) and Liu and Ryan's (2011). It further proved that Mainland Chinese students in Thailand also travel overnight trips as often as general international students and as their Chinese international students in other countries.

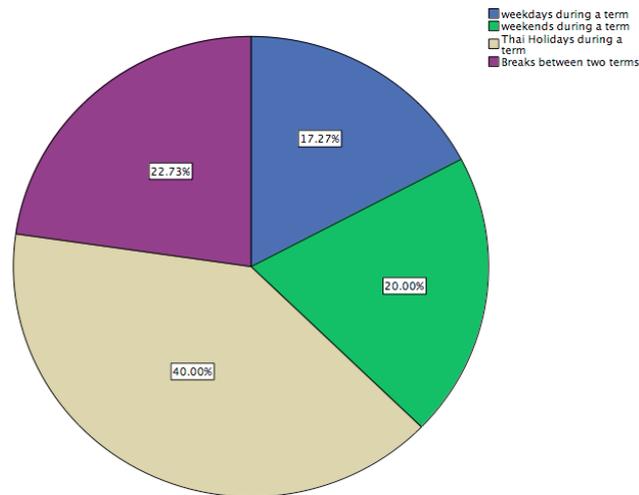
This is important for the tourism industry in Thailand as it shows that Mainland Chinese students took overnight leisure trips within the country during their study. However, some Chinese students reported that they did not go on any overnight trip in Thailand at all (18.2%). This number was higher than the previous study of Qiu's (2014), which was 12 percent. However, a study of King and Gardiner (2015) pointed out that many Chinese international students took a day excursion for their previous trip.

**Figure 1.** Results of Travel Frequency of Mainland Chinese International Students (percent)



As for the time period of travel, participants were able to choose multiple options. The results are indicated in Figure 2. It was found that 88 (40%) Chinese students demonstrated that they travelled on public holidays during the term, while 50 (22.7%) participants travelled during breaks between two terms. This is reasonable regarding to the time constraints associated with university teaching time. Previous studies indicated that the term breaks are the best time to travel (Michael, I., Armstrong, A., & King, B., 2003; Glover, 2011). Additionally, a more recent study pointed out that many international students tend to travel back to their home country during the term break, which led to a small number of international students who would travel in the country they are studying in. This provided to be a good explanation for the results that respondents usually travel on the holidays in a term than term breaks (Glover, 2011). Moreover, some participants travelled regularly on the weekends and weekdays during the term. 44 (20%) respondents travelled during weekends in the term, while 38 (17.3%) usually travelled during weekdays. Even so, participants who travelled during weekdays in the term is less popular compared with other period. However, many courses in the Thailand's University do not have midterm examinations, and students will have two weeks break during the period. Thus, Chinese students might take this opportunity to travel in Thailand.

**Figure 2.** Results of Travel Timing (Percent)



In regards to travel companions, participants were able to choose multiple options. The results showed that the majority of respondents usually travel with their Chinese friends in Bangkok, Thailand, which was consistent with Qiu (2014) and Gardiner et al.'s (2013) results. 92 participants reported that they usually travel with international students from China, while 66 respondents revealed that they usually travel with their parents or other family members. 60 participants usually travelled with their Chinese friends who are not students in Bangkok and few participants travelled with other international students, including Thai students. This was similar to the previous study that researchers indicated that a majority of Chinese students were most likely to travel with their friends who are also Chinese international students (Gardiner et al., 2013; Ryan & Zhang, 2007). It is quite surprising that 50 respondents revealed that they usually travel alone, even though most Chinese students preferred to travel in groups but many participants also preferred to travel alone. This result seemed to differ from the other studies as mentioned earlier.

In terms to the preferred travel type, the study found that independent travel was much more preferred than being part of a tour. As shown in Figure 3, 172 (78.2%) participants preferred independent travel, whereas only 48 (21.8%) preferred travel as part of a tour. This result consisted with previous studies on Chinese international students. A majority of Chinese international students organised a trip by themselves and travelled independently while they are studying in the country (King & Gardiner, 2015; Liu & Ryan, 2010; Ryan & Zhang, 2007). Furthermore, King and Gardiner (2015) claimed that the behaviour of Chinese students are acknowledged as an earlier wave of China's independent outbound travellers. Additionally, some researchers pointed out that young Chinese travellers prefer the freedom and flexible time when travelling, and do not prefer the traditional all-inclusive packages.

**Figure 3.** Results of Travel Type (Percent)

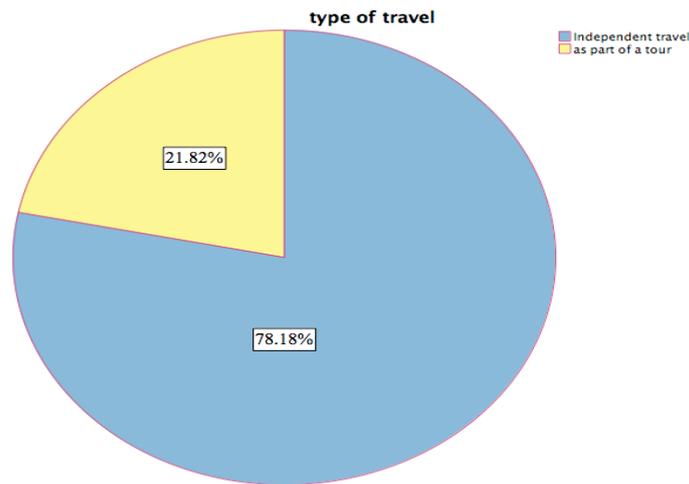


Table 2 shows the results of travel constraints of Mainland Chinese international students. The scale of travel constraints in the questionnaire was labelled as 1 “Not at all important”, 2 “Somewhat important”, 3 “Quite important”, 4 “Very important” and 5 “Extremely important”. The Cronbach’s Alpha of the travel constraint scale was 0.923, which indicated an excellent internal consistency. Very few researchers studied travel constraints of international students. Gardiner et al. (2013) found that financial and time constraints, study commitment concerns and student-specific discounts or packages are the major constraints for international students’ travel in Australia. This study had similar results. The highest travel constraints were food, safety, transportation, accommodation and money, respectively.

The majority of participants indicated that their main constraints were food, safety, transportation, accommodation and money, respectively. As shown in Table 2, the statements “I concern about food”, “I concern about my safety” and “I concern about transportation” had high mean scores. These results differed from Nyaupane and Andereck’s (2008) and Jackson’s (2000) studies, they found that Chinese international students were less concerned on safety, food/diet.

Table 2.

*Travel constraints (n = 220).*

Travel constraints	Mean	SD
I concern about food	3.03	1.32
I concern about my safety	2.98	1.331
I concern about transportation	2.95	1.306
I don't have enough money to take a leisure trip in Thailand	2.75	1.164
Areas I want to visit in Thailand is too far away	2.75	1.040

Travel motivations were measured on a 5-point scale similarly with the travel constraints. For the motivation scale, the Cronbach's Alpha was 0.968, which indicated an excellent internal consistency. The mean score and standard deviation of each individual travel motivation item was calculated. Table 3 showed the top list of variables ranked by mean scores from the highest to the lowest, the mean scores range from 2.55 to 3.51. Three motivation items were important: "To rest/relax" ( $\bar{x} = 3.51$ ,  $SD = 1.237$ ), "To discover new places and things" ( $\bar{x} = 3.37$ ,  $SD = 1.215$ ), and "Having fun or being entertained" ( $\bar{x} = 3.31$ ,  $SD = 1.184$ ). These three items had the highest mean scores. These results were similar to the previous researches that they claimed that relaxation was a significant motivation for Chinese students to travel within the study host countries such as the UK and New Zealand (Ryan & Zhang, 2007; Liu & Ryan, 2011; Huang & Tian, 2013). However, to watch sports events ( $\bar{x} = 2.55$ ,  $SD = 1.191$ ) and to investigate destinations' business environment ( $\bar{x} = 2.67$ ,  $SD = 1.194$ ) were the two lowest that motivating Chinese students to the travel.

Table 3.

*Travel motivations (n = 220).*

Motivation Variables	Mean	SD
To rest/relax	3.51	1.237
To discover new places and things	3.37	1.215
Having fun or being entertained	3.31	1.184
To visit Thailand's natural attractions	3.22	1.126
Learning something new	3.21	1.148

As for the top five destination attributes that influenced Chinese international students to travel, researchers had to calculate the results on a 5-point scale, similar to the travel constraints and travel motivation. The Cronbach's Alpha was 0.97, which indicated an excellent internal consistency. The results showed in table 4 that many respondents would travel because of "Good opportunities for outdoor activities and adventure" ( $\bar{x} = 3.45$ ,  $SD = 1.243$ ), "Beautiful scenery and landscape destinations" ( $\bar{x} = 3.44$ ,  $SD = 1.182$ ), and "Good value for the cost" ( $\bar{x} = 3.42$ ,  $SD = 1.181$ ). Although, the two least important attributes

were “Guided tours available” ( $\bar{x} = 2.86$ ,  $SD = 1.143$ ) and “Educational opportunities” ( $\bar{x} = 2.98$ ,  $SD = 1.114$ ) respectively. In comparison with another study, many researchers indicated that “beautiful scenery and landscape” was the main factor that motivate Chinese students to travel. This result was similar of the study of Kim et al.’s (2006). Although “Good opportunities for outdoor activities and adventure” was highly important as a travel motivation for Chinese students, but this result seemed to differ from other studies. This is the fact that the research was conducted in different countries as the previous researches were conducted from Chinese students in New Zealand, Australia, Canada, the US and UK.

Table 4.

*Destination attributes (n = 220).*

Attributes Variables	Mean	SD
Good opportunities for outdoor activities and adventure	3.45	1.243
Beautiful scenery and landscape	3.44	1.182
Good value for the cost	3.42	1.181
Relaxing location	3.41	1.173
Natural environment	3.40	1.240

### **Emerging Theme**

The 6-step framework of Braun and Clark (2006) was applied to analyse and classify the findings of the group interview into three main themes: destination preferences, source of funding and safety condition.

### **Destination Preferences and Information Sources**

The majority of participants claimed that when they have a longer period of the term break or holiday, they were more likely to travel to a destination that far away from Bangkok, such as; Phuket, Krabi or Chiang Mai. However, as mentioned earlier that many students did not have midterm examinations, participants would prefer to travel to a destination that would take them only few hours and stay approximately a week during the exam period.

Furthermore, participants, especially female students, preferred to visit well-known and attractive destinations. In addition, famous destinations have full facilities and information in English. This was similar with the survey results, and the study of Kim et al.’s (2006) as mentioned earlier.

### **Source of Funding**

The majority of respondents revealed that their main funding are from their parents’ support, while the results from the survey indicated that participants reported themselves as the major funding source, followed by their parents. Specifically, some respondents claimed that they would be able to travel in the country that they are studying in with the

amount of money they received from special occasions, such as the Chinese New Year, and Spring Festival, as gifts. However, the study of Sparks and Pan (2009) pointed out that having resources in terms of time and money is a significant factor in picking a destination.

### **Safety Condition**

The majority of respondents chose to travel with Chinese friends, family and relatives rather than to travel alone due to safety concerns. They claimed that Chinese students prefer to travel in a Chinese group to stay safe, and they understand each other better than foreign friends. Moreover, many participants indicated that they prefer to stay in three star hotel or more luxurious style of accommodation for their security. This was consistent with the study of King and Gardiner (2015) that Mainland Chinese students were concerned about the safety. Most Chinese students travelled with friends and preferred to stay in hotels or holiday apartments rather than stay in backpacker hostels. Money and Crofts (2003) pointed out that Chinese students that come from the higher avoidance of national culture background are more prone to be threatened by strangers.

## **CONCLUSION AND RECOMMENDATIONS**

This research investigated travel motivations and characteristics of Mainland Chinese students in Bangkok, Thailand. The data were collected from 220 survey responses and three focus groups. The data was analysed by SPSS for a descriptive analysis and the researchers applied the push and pull model to analyse the travel motivation in order to understand the factors that influenced Chinese students to travel.

The results revealed that the majority of Chinese students prefer to travel with international students from China, their parents or others family's members. This finding confirmed the results of Ryan and Zhang's (2007) and Gardiner et al.'s (2013) studies. Chinese students revealed that the major sources of funding their travels were from themselves and their parents or other relatives. Most respondents claimed that their expenditure at the destination was between 5,001 - 10,000 baht. A majority of participants indicated that they prefer to travel for a short period of time (1-3 nights) on the holidays during a term. A majority of respondents preferred to organise a tour by themselves rather than being part of a group tour. Most Chinese students revealed that they are concerned about food, safety and transportation, respectively. This result differ from the previous study of Nyaupane and Andereck (2008) and Jackson (2000) as mentioned earlier. Chinese students also travelled to take a rest and relax at the destination, while the external factor that motivate many Chinese International students to travel were good opportunities for outdoor activities and adventure, and beautiful scenery and landscape destinations.

To elaborate more on the survey results, the focus group interviews revealed that Chinese students were likely to travel to a destination when they have a long break or during long holidays. Many Chinese students would choose well-known, popular destinations over unseen or unpopular destinations. In addition, many Chinese students would visit a destination that can provide them the various information. In regards to sources of funding, most interviews claimed that they obtained their travel support from parents and they saved some money that they received on the special occasions such as Chinese New Year, and Spring Festival. As for safety concerns, a majority of interviewers indicated that they pre-

fer to travel with their Chinese friends or family and relatives rather than to travel alone. Moreover, they would usually book three star or higher hotels for accommodation rather than staying youth hostels.

This research sheds some light on travel motivations of Chinese international students in Thailand including how they spend their trip and their concerns. The findings are revealing in several ways leading to some important implications for the Board of Tourism Authority of Thailand and other stakeholders in terms of promoting domestic tourism and any other related businesses. The results of the Chinese students' destination preferences suggest several ideas and courses of action both for marketing and service providing in order to attract and accommodate this group of tourists. For both public and private sectors, policy makers might consider to improve infrastructure such as transportation and accommodations to facilitate the tourists. Since studies about travel motivations of Chinese International students are limited, this research is among a few initiatives to enhance our understanding of this tourist group. We believe that our research will serve as a base for future studies on Chinese International students.

Due to time constraints, the data was collected from Chinese students who were studying at a university in Bangkok in Thailand only. It is not possible to generalise these findings entirely. Therefore, it will be much more illuminating if further studies are conducted with a larger sample size of Chinese students from various universities in Thailand. Moreover, it is recommended that further research should focus on travel independent Chinese travelers as this type of tourists can help boost the local economy.

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**A SOUTHERN THAI STUDENT'S PERCEPTION ON HIS L2 EXPERIENCE  
AND INTERCULTURAL COMPETENCY IN A MALAYSIAN UNIVERSITY**

by

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**ABSTRACT**

Because of the integration of Asian Economic Community, several curriculum designers of Thai universities have increasingly incorporated mobility programs to be part of their curriculum. This study aims to explore one senior Business-English-majored student's perception on his L2 learning experiences and intercultural competence after completing two semesters in a prestigious Malaysian university. Semi-structured interviews were applied in the study. Narrative data were supplemented by his personal and social artefacts such as out-of-class photographs. The findings showed initially he did not feel adequately equipped with linguistic and intercultural competences to study and mingle with local students in English as a Second Language (ESL) context. However, he strived to communicate with foreign lecturers and friends and be finally satisfied with his improved speaking skills. This study allows teachers and educators to understand one Thai student's L2 learning experiences and significant barriers to successful intercultural communication of English as a Foreign Language (EFL) while studying abroad.

**KEY WORDS:** EFL students, intercultural communicative competence,  
mobility program

**INTRODUCTION**

**Internationalization and Higher Education**

Thailand is regarded as a monolingual country where the majority of the population speaks standard Thai. The small number of population speaks other languages such as Chinese, Malay, and Khmer (National Identity Board, 2000). This means that English education takes place within English as Foreign Language (EFL) contexts. Baker (2012) indicated that English is regarded as the "de facto" second language of Thailand, compared to the use of other foreign languages. English is used as the medium of communication in various national and international contexts such as international programs, business transaction, and international organizations. However, Thai students have limited opportunities to speak English in their daily lives (Draper, 2012). They thus struggle to find contexts where they can speak English with foreigners.

Nevertheless, because of the impact of globalization and internationalization, the current state and role of English language education in Thailand has been increasingly changing. English is used in the wider context of society and regarded as the Lingua Franca (ELF) (Baker, 2012, 2015; Kongkerd, 2013). The term "ELF" is defined as "any use of English

among speakers of different first languages for whom English is the communicative medium of choice, and often only option” (Seidlhofer, 2011, p.7). Nowadays, native speakers of English are not dominant in the English speaking global community and could even be regarded as a minority group because of the larger number of non-native speakers in the global community (Bolton, 2008).

In terms of ELF, Thailand is positioned as an expanding circle country (Bolton, 2008; Kachru, 1998) where people primarily use English with other non-native speakers. This use of English has become significant since Thailand became a member of ASEAN on 8 August 1997. The ASEAN Charter, Article 34, requires that “the working language of ASEAN shall be English” to promote the community’s objective of “One Vision, One Identity, One Community” (Asian Secretariat, 2008, p. 29). An estimate of the current number of ASEAN users of English, including South Asia and East Asia, is 812 million people (Bolton, 2008, p.7). The total English users for Thailand are estimated to be 10 per cent of the population (6.5 million out of 65 million). These statistics capture the emergence and development of Asian Englishes which reflect the global story and illustrate the functional role of English in Asian regions. That means Thai students are likely to have more opportunities to speak, travel, and even work in neighboring countries. However, it is questionable whether the educational policy has been effectively implemented and how applicable it has been encouraging authentic communication, particularly in provincial areas (Baker, 2015).

## **LITERATURE REVIEW**

### **Student Mobility and Mobility Program**

Student mobility is regarded as an opportunity for students to study overseas while undertaking their Bachelor degree. My university has incorporated the mobility program (3+1) for the Business English program since 2012. To prepare for the AEC integration in 2015, my university also changed the academic calendar in line with that of ASEAN. By participating this program, students would gain the academic and intercultural experiences. In addition, they are expected to have a positive impact on their personal and professional development such as gaining more self-confidence, intercultural awareness, tolerance, adaptabilities towards intercultural differences. That means, while Business English students spend their first, second, and fourth year study at my university, the collaboration between my university and the others allows them to take one academic year (two semesters) either Malaysia or China during their third year. In this study, I aim at presenting one case of the Thai undergraduate student who would like to study in English as the Second Language (ESL) in Malaysia. The particular Malaysian institution offers the mobility program to meet the needs of international students around the globe. Thus, mobility is regarded as an effective way of enhancing intercultural understanding and enriching international students’ L2 learning experiences and improving their interpersonal and intercultural skills (Messelink, Maele & Spencer-Oatey, 2015).

### **Intercultural Communicative Competence**

During the previous decades, the notion of Intercultural Communicative Competence (ICC) has been interchangeably used as intercultural competence (IC). The term of ICC is regarded as the crucial component of the foreign language education. ICC refers to indi-

viduals' "ability to interact with people from another country and culture in a foreign language" whereas IC refers to individuals' "ability to interact in their own language with people from another country and culture" (Byram, 1997, p. 71). In addition to cultural knowledge, students are required to develop cognitive, affective, and behavioral components which help them increase the awareness of their own identity and culture in align with others (Byram & Feng, 2006). Finally, they are likely to change their attitudes and behaviors to survive in today's globalized world. Based on Byram's ICC model, to communicate interculturally, foreign language students acquire the knowledge, skills, attitudes and critical cultural awareness. However, few studies have been conducted to capture Thai students' L2 learning experiences and ICC in new learning environments.

Tananuraksakul's (2012) findings investigated the intercultural experiences of Thai students and captured a link between their psychological and linguistic identities. This qualitative research required Business-English Thai undergraduates to interview NS and NSS tourists in Bangkok. At the end of the course, the 36 language learners voluntarily submitted a report about their personal feelings, linguistic anxiety, and self-confidence in relation to their experiences while communicating with foreigners. The emerging themes revealed three different psychological phases: before, during, and after interviewing. It appeared that participants constructed and negotiated multiple L2 identities while communicating English with NS and NNS foreigners. During the first phase, they had positive attitudes and extrinsically motivated themselves to take the Intercultural Communication course for personal and academic interests. The findings indicated that, beyond their English proficiency, the effective use of English among them is culturally embedded in the Thai context. They were able to strengthen and mediate their L2 identity by exposing and familiarising themselves through intercultural engagement. However, few studies have conducted research about Thai students' perceptions on their linguistic and intercultural communicative competence during the study abroad.

## **RESEARCH QUESTIONS**

1. How does one southern Thai student report his L2 learning experiences?
2. How does he identify his positive and negative behavioral changes?
3. How does he enhance and reflect on his intercultural communicative competence?

## **RESEARCH METHODOLOGY**

### **Participant Selection**

This preliminary study was to purposively select the third-year Thai student to participate in the narrative-oriented qualitative study. Third-year students were of particular interest since they were in state of cognitive, affective, and behavioral transition from studying at EFL in Thailand to ESL contexts in Malaysia. The convenience sampling was used to select the participant at my university. Finally, I selected one junior student majoring in Business English who completed taking courses for two semesters in the Malaysian university. On the voluntary basis, he was selected because he could clearly make sense of his L2 learning experiences, obstacles and barriers while interacting with foreigners.

## Data Collection and Analysis

Two semi-structured interviews were applied in the study. Two narrative interviews were conducted from one hour to one hour and a half. After completing the interviews, I translated the interview transcripts into English and emailed them to the participant to check the accuracy. Narrative data were supplemented by his personal and social artefacts such as out-of-class memorable photographs. Narrative research enabled me to focus on interviewing the particular participant in depth. Fundamentally, we human beings make sense of our lives through our stories and experiences (Clandinin & Connelly, 2000). The narrative approach is a unique form of qualitative research which investigates individual stories (Creswell, 2012). To strengthen the rigor of the narrative approach, I employed thematic analysis (Braun & Clarke, 2006, 2013). The thematic analysis enabled me to search for and present themes in conjunction with the theoretical framework in a qualitative approach, with and beyond psychology. In particular, it can capture themes from a series of the participant's L2 learning stories.

## FINDINGS AND DISCUSSION

In the analysis, narratives in the source texts were presented as the vignettes in the boxes which unfold the participant's attitudes towards his L2 self-development and ICC during his study abroad.

### Vignette 1: Reasons and Expectations of Studying in Malaysia

*The major reasons I decided to study in Malaysia was that I would like to study abroad and improve my speaking skills. The tuition fee and other expenses were not expensive compared to studying in China. Additionally, its location is close to my hometown, Hat Yai, where I could visit my family occasionally.*

*My priority was speaking and listening. While studying in Thailand, I did not speak English much in my daily lives. Before studying in Malaysia, what I was concerned the most was the failure based on my seniors' rumors. I was afraid of failing in some subjects. Also, I was afraid that I could not adapt to Muslim friends in the host country. I never studied overseas and mingled with them before.*

### Analysis

The extract above shows his L2 motivated behaviors, awareness of linguistic performance and ICC before studying in Malaysia. It appeared that he could be considered the highly motivated student who imagined himself moving from studying in EFL to ESL contexts. However, he was likely to possess his own negative assumption and preconception of the target language culture in Malaysia. Like the marginalised participants in Norton's (2000, 2013) studies, he seemed to struggle to develop his imagined identities that would enable him to improve his L2 learning and social lives. He reported that he could not speak English fluently because, as a provincial and rural learner, he had insufficient time and limited opportunities to communicate with native speakers outside of class. He might construe his major, curriculum, and universities as imagined communities (Norton, 2000, 2013) where his L2 self-identities could be forged and developed, particularly during his study abroad.

### **Vignette 2: Discouraging Learning Experiences**

*I felt discouraged with the Critical Reading course. I was assigned to make the oral presentation in front of class. This was a big project. I was assigned to find another article similar to the one learnt in class, analyze it, and make a presentation. Initially, I did not prepare much-- just finishing making slides in the morning before making the presentation. On that day, I read along the lines based on contents in the slides, like what I did in Thailand.*

*Unexpectedly, it appeared that the lecturer made harsh comments. She commented that my English was very poor. Initially, I wondered why I had to be serious and rehearse much. I did like that while studying in Thailand. Not only me, other classmates also received negative feedbacks. Then she suggested that I should not read along the slides like that. If I did it again next time, I could not get good marks. She suggested how to make the effective presentation. Then I did several rehearsals with my Thai friends and my teacher felt more satisfied with my performance.*

### **Analysis**

The findings revealed that the participant felt disappointed with his in-class learning experiences in the Critical Reading course. Passing the achievement test of the particular course seemed to be his deep concern which caused him the linguistic anxiety. After encountering his negative learning experiences, it appeared that he analyzed and interpreted his L2 learning experiences in Malaysia and compared with his experiences in his home country. Byram (1997) suggested that the term “skill”, in one sense, means the “ability to acquire new knowledge of a culture and cultural practices and the ability to operate knowledge, attitudes and skills under the constraints of real-time communication and interaction” (p.52). As the EFL student, the participant had to develop his tolerance and continuously strive to improve his linguistic and intercultural communicative competences to meet his local lecturers and peers’ expectations in the classroom settings in the ESL/ELF settings. Apart from regulating himself to achieve his goals, it seemed that his Thai friends’ academic support and local lecturer’s positive comments tended to influence his improved linguistic and presentation skills to some extents. To conclude, to survive in the ESL classroom contexts, he had to be able to put both knowledge and skills into practice in real situations.

### **Vignette 3: Memorable L2 Learning Experiences**

*After taking the courses there for two semesters, I think that I developed my language skills in the satisfactory level. Initially, I may not familiar with different accents of English. I did not dare to communicate with friends. I was afraid of making mistakes. I was afraid they may laugh at me. I was not confident. However, after mingling with local, foreign friends, I improved my speaking skills within two months.*

*My most memorable learning experience was living my life there. I stayed at the international dormitory. I had opportunities to mingle with international students from several countries such as Malaysia, Korea, Japan. Sometime, we cooked food and had meals together as a big group. On weekend, we hung out together. I felt that actually our English was not different as long as we could understand each other. I improved my speaking skills.*

*Personally, I talked to self "If I did not dare to talk, I could not speak". Then I tried to boost my confidence to mingle with foreign friends. This was the opportunity for me to practice speaking. When I was there, I saw other friends chatting confidently and fluently. I would like to be like them. I had to try harder than before.*

## **Analysis**

When the participant was asked about the most memorable learning experiences, it appeared that he valued and prioritized the out-of-class learning experiences. It seemed that he aspired to speak English in his own style (Thai style). From his perspective, communicating with his Asian friends can boost his confidence and self-efficacy. He did not have to attempt to speak English like NS interlocutors. He could speak as who he was. Consistent with Byram (1997), studying the foreign language can strengthen students' L2 self-development and ICC. The act of socializing with local, social group has a crucial impact on the student's improved ICC. Consistently, learners have their own right to speak as who they are as long as they can be understood (Ushioda, 2011). Due to the AEC integration, English has been the "working language of ASEAN" with a slogan "One Vision, One Identity, One Community" (ASEAN Secretariat, 2008, p. 29). Despite having diversity among the member states of the community in ethnicity, races and religion, English has been widely used as a lingua franca to bridge the differences among diverse group of international students. By studying abroad, the participant had gained more exposure to a variety of English accents, particularly Asian Englishes in ELF, rather than solely focusing on Standard English or American and British accents/pronunciation.

## **CONCLUSION**

This study is an on-going project which explores one Thai student's attitudes towards his L2 learning experiences and ICC during his study abroad. In higher education, he seemed to acquire both linguistic and intercultural communicative skills in diverse social groups, both in-class and out-of-class settings. It could be concluded that applying the well-known model of Intercultural Communicative Competence (Byram, 1997) is potential to measure the EFL student's cognitive and behavior changes while interacting with non-native English-speaking interlocutors in ELF era. The student could reflect on his L2 learning experiences and develop new knowledge and intercultural skills in Malaysian contexts. That means, the ICC model should be taken into consideration to shed the light on how the culture and identity are socially constructed for EFL learners as a lifelong learner. Thus, incorporating the mobility program (3+1) for the Business English program is fruitful in a sense that the EFL student gained more opportunities to communicate in English with NNS and NS in diverse contexts. In general, the participant felt satisfied with the curriculum after gaining meaningful overseas experiences and was aware of developing his L2 self-identities to some extent. Eventually, these knowledge and skills lead to foster his per-

sonal growth, awareness of cultural variety, linguistic and intercultural communicative competences in a long run.

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**CONTRIBUTION AND SURVIVAL OF SMEs IN INDIA AND THAILAND**

by

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**ABSTRACT**

Small and Medium Enterprises (SMEs) are the lifeblood of Indian and Thai economies. This paper aimed to answer two research questions: (1) what are the contributions and challenges of SMEs in both countries? And (2) how do they survive in this disruptive world? The authors adopted a qualitative approach, applying a documentary research and semi-structured in-depth interviews with seven entrepreneurs chosen via purposive and snowball techniques. The data were analyzed by content analysis. The findings indicate that: First, Indian SMEs were contributing about one third of the total manufacturing output which created huge employment opportunities for many unemployed youth. Second, Thai SMEs were contributing significantly to social and economic development. Almost all business operators were SMEs such as family or community business, cooperative and One Tambon One Products or OTOP. Third, the challenges of SMEs in both countries were similar particularly inadequate finance, unfashionable technology and ineffective marketing strategy. Fourth, they were expecting government funding and technology support like innovation products or online marketing. Thus, this paper was one of the contributions for SMEs and cooperation in these ASEAN economies.

**KEY WORDS:** SMEs, contribution, survival, Republic of India, Kingdom of Thailand

**INTRODUCTION**

Small and Medium Enterprises (SMEs) are the key contributors to the economic development in both developed and developing economies around the world. In the Asian region specifically, Asian Development Bank (ADB) statistics show that SMEs account for 96% of total enterprises, employ 62% of the labour workforce and contribute an average of 42% of gross domestic product (GDP) (ADB, 2016). According to the Organization for Economic Cooperation and Development (OECD, 2006), SMEs account for more than 95% of enterprises and provide 60-70% of the jobs. They possess high potentiality for growth. It is not a surprise to say that no economy in the world would survive without SMEs.

Asia is going through sweeping transformations that have altered its economic landscape in fundamental ways. The People's Republic of China (PRC) is shifting from export-led to consumption-led growth. The opposite is happening in India, where the *Make in India* campaign hopes to create a new growth model driven by manufacturing and exports. The 2015 establishment of the ASEAN Economic Community seeks to facilitate greater movement of goods, services, and labour within Southeast Asian countries. Japan is embracing structural reforms to enhance competitiveness. These trends are accelerating the pace of cooperation and integration among the region's economies.

The Look East Policy was formulated in India since 1991, to open up to Southeast Asia and exert influence as well as benefit from the South East Asian economies. India had extended moral and political support to the liberation struggles in Vietnam and Indonesia as well as played a key role in the Geneva Conference of 1954, which brought peace to the Indo-China region after the French withdrawal. India has signed the Free Trade Agreement with the 10 member ASEAN countries which will help increase trade between India and the ASEAN countries to \$70 billion in the year 2012. Thus, India's look east policy has been quite a success in its engagement with countries of the region. The present Indian Government has also entered into "strategic partnerships" with many ASEAN countries and Modi, the prime Minister of India has already attended three ASEAN summits continuing the essence of the Look East policy through its re-energized Act East Policy.

Over the past two decades, India has strengthened its outreach towards Southeast Asia, in both economic and strategic spheres. ASEAN has become India's fourth largest trading partner. Thailand's significance India has increased in recent years. The two countries have historic links, particularly through Buddhism, and there is a large Indian diaspora in Thailand. Thailand can be India's gateway to Southeast Asia. In recent times circumstances were changed and affected SMEs entrepreneurs of both countries. Therefore, the authors were interested in doing preliminary research in this area.

## **REVIEW OF LITERATURE**

In this section authors reviewed secondary sources and reported in three issues: (a) Indian SMEs Overview, (b) Thai SMEs Overview, and (c) The challenges of SMEs in disruptive world.

### **Indian SMEs Overview**

The annual report of MSME (Micro, Small and Medium Enterprises) 2016-17 reveals that the Indian economy thrives through the process of creation of enterprises. The MSMEs have been contributing to expansion of entrepreneurial culture through business innovations. The MSMEs are widely dispersed across sectors of the economy, producing diverse range of products and services to meet the demands of local as well as global markets. The contribution of MSMEs to GDP was 6%, 33% in manufacturing sector and 45% in exports. It shows the valuable contribution that the MSME sector is making in the economy, both in terms of manufacturing and services. (Ministry of MSMEs, 2017)

Despite the numerous challenges, the SME sector in India has performed well (Pachouri & Sharma, 2016) There are distinct barriers to innovation, the most important of which seems to be government policy. This leads to the adage that "entrepreneurs grow not due

to the government in India, but despite the government.” However, a deeper analysis leads one to conclude that the government is trying to facilitate the growth of SMEs by promoting various schemes and programs to facilitate innovation in the sector through its distinct institutions. The Science, Technology and Innovation Policy 2013 has had an impact but the institutional functioning of the government, Council of Scientific and Industrial Research labs, and individual firms often does not match.

### **Thai SMEs Overview**

Asian Development Bank in its Finance Monitor revealed that SMEs in Thailand play a critical role in driving the Thai economy, accounting for 97.2% of total enterprises and numbering 2.76 million, a 1.2% annual increase, in 2013. SMEs comprised 11.4 million employees or 81% of the total workforce in the country in 2013. Despite the fact that SMEs constitute the majority of enterprises and employment in the country, their contribution to gross domestic product (GDP) is limited, at 37.4% of GDP in 2013. Among business sectors, the GDP contribution of SMEs in the service sector has been gradually increasing, standing at 34.8% of SME GDP in 2013, followed by manufacturing (29.6%) and trade (27.7%). Of total export values, 25.5% (THB 762 billion) was generated by SMEs, while 30.9% of total import values (THB 369 billion) came from SMEs in 2013. This shows that SMEs are important players in international trade. (Asian Development Bank, 2015)

### **The Challenges of SMEs in Disruptive World**

The OECD (2017) report enlightens that, in India, most concerns relating to general and business skills are a challenge primarily faced by potential entrepreneurs while growth companies primarily face challenges relating to a lack of individual financial literacy, financial exclusion and a lack of awareness/knowledge of financing options. Complexity of financing options was not considered to be a concern or priority to be addressed in India, though this may be due to a lack of data or less complex instruments.

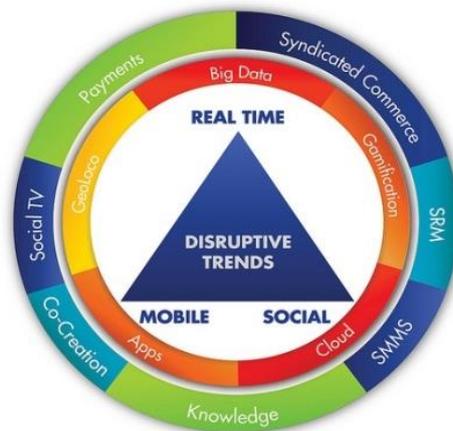
There are five main difficulties obstructing SME development in East Asia (Harvie & Lee, 2002). They are (i) access to markets, (ii) access to technology, (iii) access to human resources, (iv) access to financing, and (v) access to information. SMEs confront common constraints in their operations such as limited access to market information and promotional support from government agencies, shortage of financial support, lack of management capabilities, inadequate skilled labour, and uncertainties in government support programs (Punyasavatsut, 2008). SMEs face rigid barriers to their future growth and development in areas including access to finance, exporting, marketing, information technology, innovation, management skills, and government bureaucracy and regulations (Charoenrat, Harvie & Amornkitvikai, 2013) As identified by SMEs face a “financing gap,” since they have considerable difficulty relative to large enterprises in receiving formal financing, and therefore rely heavily on internal financial sources, which can constrain their growth (OECD, 2006; Harvie, Narjoko & Oum, 2013)

Clayton Christensen was the chap who coined the term “disruptive innovation”. He describes that "Disruptive innovation is a process by which a product or service takes root initially in simple applications at the bottom of a market and then relentlessly moves up market, eventually displacing established competitors" (Christensen C, 2018) He also ex-

plains that new entrants start at the bottom with a small often ignored customer base, simple and affordable products and eventually start to grow and compete directly with larger and more established companies.

Wheel of Disruption of Brian Solis, there are three cores rapidly evolving in disruptive trend which called that “Golden Triangle”. Those are real-time, mobile and social. The Golden Triangle surrounded by the cloud, was inspiring incredible innovation and thus producing new and disruptive new apps, tools and services. (Solis, 2015) as appear in Figure 1.

**Figure 1.** Wheel of Disruption



Source. (Solis, 2015).

It is noteworthy that, disruption is a process of small company or new company having less resources can be a challenge and competitiveness with large companies and others in the industry. So SMEs get a change to be a success enterprise in this disruptive world via concentrate on transform existing markets and create new ones which base on real-time, mobile and social. Based on the above discussion, it is important to study contribution and survival of SMEs in India and Thailand.

## RESEARCH QUESTIONS

This paper aimed to answer two research questions:

RQ I: What are the contributions and challenges of SMEs in India and Thailand?

RQ2: How do SMEs in India and Thailand survive in this disruptive world?

## METHODOLOGY

The research used qualitative methodology. The qualitative paradigm was used because it allows researchers to study SMEs in real natural settings, attempting to make sense of or interpret phenomena in terms of the meanings with a multiple focus.

There are a variety of empirical materials and many techniques for qualitative research. (Denzin & Lincoln, 1994) Through our literature reviews, we found that the ten traditional approaches commonly discussed and used as appear in Table 2. Some academics used mostly techniques for collected data are case study or life history, ethnography, grounded theory, and phenomenology (Cohen & Crabtree, 2006; Creswell, 1998; Denzin & Lincoln, 1994; Tesch, 1990).

Table 2.

*Ten Traditional Techniques Commonly of Qualitative Approach.*

	Cohen & Crabtree, 2006	Creswell, 1998	Denzin & Lincoln, 1994	Tesch, 1990	frequency
Action research	/	-	/	/	3
Biographical method	-	/	/	-	2
<b>Case Study/Life history</b>	/	/	/	/	<b>4</b>
Clinical research	-	-	/	-	1
Collaborative Research	-	-	-	/	1
Content analysis	-	-	-	/	1
<b>Ethnography</b>	/	/	/	/	<b>4</b>
<b>Grounded Theory</b>	/	/	/	/	<b>4</b>
Historical method	-	-	/	/	2
<b>Phenomenology</b>	/	/	/	/	<b>4</b>

Source. Compiled from (Cohen & Crabtree, 2006; Creswell, 1998; Denzin & Lincoln, 1994; Tesch, 1990).

The authors started with applying a documentary research from secondary sources, and then collected primary data as grounded theory via observation and in-depth interviews of case studies. They collected primary data via interviews of key informants of both countries. The samples were chosen via purposive and snowball techniques. The following Table 3 gives the detailed list of participated entrepreneurs and managers of India and Thailand.

Table 3.

*Details of Entrepreneurs Participants.*

Nature of SMEs	Position	Nationality	Gender	Age	Years in SMEs
Engineering	Entrepreneur	Indian	Male	46	11
Garments	Manager	Indian	Male	41	15
Engineering	Entrepreneur	Indian	Male	63	28
Electrical goods	Manager	Indian	Male	57	23
Woven fabric Manufacturing	Entrepreneur	Thai	Female	65	37
Dance and Performing Arts	Entrepreneur	Thai	Male	44	24
Heat pump dryer	Manager	Thai	Male	41	10

The participants of the study were seven entrepreneurs/managers who really appreciated to answer research questions of SMEs businesses for this study. The participants have engaged in production, service or trading SMEs more than ten years in both of India and Thailand. Two entrepreneurs and two managers of manufacturing category from a prominent Industrial Development Area of Bangalore city in India and two entrepreneurs and one manager of production, trade and service categories from Bangkok city were selected purposively.

The research instrument utilized in this study was semi-structured in-depth interviews. There were five open-ended questions which focus on the research questions. (McNamara, 1999). It includes identifying the research questions, gathering the information for identified questions, and analyzing and interpreting the information.

The researchers oriented the entrepreneurs/managers before they start collecting data. While the interviews were being administered, documentation was done through voice recording and note taking. The data were analyzed by content analysis and hot issues of the data were triangular checked of the participants and document research. Reporting process was then written in a descriptive way.

## **RESULTS**

The research findings are reported derived from research question concerning three issues: (a) Contribution of MSMEs in Republic of India (b) Contribution of SMEs in Kingdom of Thailand; and (c) Survival of SMEs in India and Thailand. The results are as following.

The SMEs business definition of Kingdom of Thailand takes into consideration the employees and total fixed assets. (Revenue Department, 2016; SME Bank of Thailand, 2017) While in the Republic of India, the SMEs definition is mainly based on investment in Plant and Machinery in case of manufacturing enterprises and equipment in case of service enterprises. The following Table 4 shows the definition of SMEs in both the economies. And there is the nature surrounding of SMEs at Bangalore, the capital city of Karnataka state, India and SMEs at Karnchanaburi province, central of Thailand as appear in Figure 2.

**Figure 2.** The Natures Surrounding of SMEs



SMEs at Bengaluru, the capital city of Karnataka state, India  
Photo credit: Mohan, Rohini



SMEs at Karnchanaburi, province, central region of Thailand  
Photo credit: Panthura, Preecha (right)

Table 4.

*Comparison SMEs definition in India and Thailand.*

Country	Category	Small enterprise	Medium Enterprise
India <sup>*</sup>	Manufacturing	There are not more than 5 ₹ crore investment in plant and machinery	There are not more than 10 ₹ crore investment in plant and machinery
	Services	There are not more than 2 ₹ crore investment in equipment	There are not more than 5 ₹ crore investment in equipment
Thailand <sup>**</sup>	Production	There are employees not more than 50 people and total capital not more than 50 THB million	There are employees 51-200 people and total capital assets 51-200 THB million
	Service	There are employees not more than 50 people and total capital not more than 50 THB million	There are employees 51-200 people and total capital assets 51-200 THB million
	Trade	-Wholesale have not more than 25 employees and total capital not more than 50 THB million -Retail have not more than 15 employees and total capital not more than 30 THB million	-Wholesales have 26-50 employees and total capital assets 51-100 THB million -Retail have 16-30 employees and total capital assets 31-60 THB million

*Source:*

<sup>\*</sup> Compiled from country related websites and annual reports

<sup>\*\*</sup> Land cost is not included in capital assets

(Revenue Department, 2016; SME Bank of Thailand, 2017).

### **Contribution of MSMEs in Republic of India**

In India, MSMEs (including micro enterprises) have been playing dominant role in the growth of Indian economy since reforms period (1991). As on today, they were contributing 33% of the total manufacturing output, 45% of exports and 6% of GDP. (Ministry of MSMEs, 2017) They were complimentary to large enterprises and contribute significantly for the socio-economic development of the country.

MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural and backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. They were the centers for many unemployed and unskilled people; and giving birth to young entrepreneurs in starting their own enterprises. These young entrepreneurs with technological advancement prefer MSMEs than to work for large corporate or multinational companies.

### Contribution of SMEs in Kingdom of Thailand

In Thailand, Small and medium-sized enterprises (SMEs) were the lifeblood of the Thai economy, contributing significantly to social and economic development (Brimble, Oldfield & Monsakul, 2002). Almost all business operators were SMEs such as family or community business, cooperative and One Tambon One Products or OTOP. The OTOP project has been operating in Thailand since 2001. A Tambon is a sub-district which comprises a few to several villages. The project creates a community business manufacturing a local product which is unique to each Tambon; it has been highly successful. It is local and yet global. It creatively provides self-reliance and human resource development to each region (Community Development Department, 2011).

They accounted for 99.2% of business establishments and 79.1% of total employment between 2007 and 2013. SME production also represented 37.5% of gross domestic product (GDP) during the same period. However, SME contribution to the country's GDP had gradually declined from 38.2% in 2007 to 37.4% in 2013. Thai manufacturing SMEs played a leading role in the economy, accounting for 19.6% of business establishments, 27.1% of total employment, and 11.6% of GDP from 2007 to 2013.

SMEs also assist large enterprises in regional production networks, since they link all key units of industry and fill gaps in industrial clusters that may not be completed by large enterprises alone (Regnier, 2000; Mephokee, 2004). SMEs were key sources of supply of goods, services, information, and knowledge for large enterprises, and play a pivotal role in the production process of export goods (Tapaneeyangkul, 2001).

### Survival of SMEs in India and Thailand

In India the in-depth interview was taken from four entrepreneurs who are operating their enterprises in Peenya Industrial Area, Bangalore, Karnataka State. Among them, two were engineering, one was garments making and one was electrical goods making. All these units were running since more than ten years. The major problems they encountered are as follows:

Table 5.

#### *Major Problems of Indian SMEs.*

Nature of Enterprise	Major Problems Encountered
Engineering	Low demand & poor infrastructure
Engineering	Low demand & shortage of power
Garments	Shortage of funds & high interest costs
Electrical goods	Competition

Two Small engineering enterprises of foundry work and powder coating enterprise were in short of demand for their products as the market was flooded with China products with low price. One engineering enterprise strongly believe that in addition to low demand, face poor infrastructure, in the form of improper underground drainage system, bad roads, bad footpaths and shortage of streetlights also hampers their activity. It was also planning to relocate the factory to a far-away place as the water cost and raw material cost were touch-

ing their all-time heights, making the products uncompetitive in the market. The powder coating enterprise was demanding regular supply of electricity and reduction in power tariff rates.

The garments factory manager felt that “Large units, including PSUs, delay payments to us, which leads to a working capital crunch because taxes and wages need to be paid monthly”. Banks have been unable to step in and help for a variety of reasons. This pushes us to the informal lending sector, says the manager. Further, he said that his enterprise had been hit by inadequate funds and high interest costs from banks.

The owner of electrical goods making enterprise said that, “there had been a flood of imports from China and other countries, due to a lower import duty on finished goods, particularly for mobile phones and LED lamps and Discoms (State government companies) are buying transformers made in China”.

In Thailand the in-depth interview was taken from three entrepreneurs who are operating their enterprises at central of Thailand. Among them, one was woven fabric in community business, one was Dance and Performing Arts in service small business and one was Heat pump dryer service. All these units were running since more than ten years. The major problems they encountered are as follows:

Table 6.

*Major Problems of Thai SMEs.*

Nature of Enterprise	Major Problems Encountered
Woven Fabric	Marketing and Human Resources
Dance and Performing Arts	Finance, and Competition
Heat pump dryer	Finance, technology and marketing

NongKhao community business was well known in Thai name "PhaKhoaMaaRoi Sri" which means a hundred coloured loincloths. The start idea from Department of Industry Promotion, Ministry of industry of the Kingdom of Thailand, had a **woven fabric** training activity via traditional lifestyles. Women's volunteers groups at Ban NongKhao had been a chance to training loom weaving with hundreds of colours since then. The unit is a well-known woven fabric community enterprises which got awarded five-star OTOP products. ("Central Thai Wisdom Archive", 2012) It was located at 79, Ban KhokWua, Moo 10, Tambon NongKhao, Amphoe ThaMuang, Karnchanaburi province.

The entrepreneur told that the challenges of NongkKhao community were marketing and human resources. *"We serve only local target markets. We would like to expand the market to other countries but it is difficult for our groups. We are facing language problem and time to manage order from foreign. The products are hand-made, take a spiritual to weave its each inch by inch, and cannot increase produce like an industry products"* she said. *"I think we are facing lack of skilled labourers because of young people are not interested in weaving or working in the fabric business"* she added.

Jenvit **Dance and Performing Arts** is a family business in Thailand. The enterprise delivers services in the form of traditional dance and performing arts for customers. The team

consists of about 40 persons who work part time and full time. The entrepreneur felt that Performing Arts business needs a huge finance support. If finance is available they build theatres to attract more customers. *"Competition in dance and performing arts businesses is pretty high"* he said.

The third entrepreneur created the **heat pump dryer** containers for agricultural produce to solve their problems. The drying services help some of their problems. They keep heat pump dryer containers at the farmer places. They charge flexible and reasonable prices. They offer drying services both low volume and high volume as well. According to him, they are facing severe financial problem. Banks are denying funds as they do not have financial statements of the enterprise. *"We have no modern technology like big companies or international business. They brought equipment from foreign countries. This hampers our business"* the entrepreneur said. *"Marketing environments have changed in Thailand. For example, Thai government set Thailand 4.0 policy, growth of cooperation of countries in Asia, trend of social media, and increase of Internet of Things (I o T) etc. So we need to use modern marketing for survival in business before we burn out or death"* he said emotionally.

## DISCUSSION AND IMPLICATION

In both Indian and Thai economies, the contribution of SMEs was significant. In India they were contributing 33% of the total manufacturing output, 45% of exports and 6% of GDP. They were complimentary to large enterprises and providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural and backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth.

In Thailand SMEs was the lifeblood of the Thai economy, contributing significantly to social and economic development. They accounted for 99.2% of business establishments and 79.1% of total employment and also represented 37.5% of gross domestic product (GDP) during the same period. There are many types of SMEs business such as family or community business, cooperative and OTOP. It is noteworthy to mention that community businesses lack understanding of marketing strategy. They have mainly focused on how to produce their products (Panthura & Jasuwan, 2017). The marketing strategies should promote woven fabric products to grow in balance between the entrepreneur, the consumer and the community wisdom in the same direction. In addition, the authors suggested that marketing strategies for sustainable community business need to focus on product strategies, social value strategies, and distribution strategies (Panthura & Jasuwan, 2017).

Whether it is India or Thailand, SMEs in both the economies were facing challenges. The four enterprises in India and three in Thailand when interviewed deeply by the authors, found the same. The four enterprises in India were facing the challenges of low demand, shortage of finance, competition, poor infrastructure and shortage of power. These are the major challenges faced by Indian small and medium enterprises. The three enterprises of Thailand were facing the challenges of shortage of finance, difficulty in marketing, shortage of skilled labour, poor technology and competition. Through these results, the authors found that SMEs in both the economies were facing almost similar challenges like, finance, and marketing; and technological issues in addition to other smaller issues.

When the question relating to government support is asked, all the seven entrepreneurs answered in the same way that the support is to be increased and continued in the coming years too.

From the above results of the study, the authors felt that the SMEs of India and Thailand, ASEAN economies for that matter, were always been disrupting from many challenges in the disruptive world. The emergence of disruptive innovation in this world is an opportunity for entrepreneurs to adapt to the changing technology. They have to start disruption from their end to grow fast and face disruption from other challenges. The governments should continue to encourage SMEs in all the ways they expected. With rapid changes in this disruptive world, it is required that all sectors seriously pay attention to strengthening Indian and Thai SMEs to be ready for any future challenges.

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**DECRIMINALIZATION IN DRUG POLICY:  
A PERSPECTIVE FROM POLICY MAKERS AND DRUG USERS**

by

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**ABSTRACT**

This research aimed to study perspectives of two key stakeholder groups in an examination of a decriminalization approach to drug policy through in-depth interviews. The first group included eight influential experts, who were experienced personnel working in the area of substance abuse issues, and who played key roles in national drug policy. The second group included 15 stakeholders who were selected by cluster sampling from in and around Bangkok through all of the treatment and rehabilitation systems available in Thailand; this group has been adversely impacted by drug addiction and would be directly affected by an amendment to the national drug policy. Data were collected from January 1 to February 28, 2018 and analyzed by the ATLAS.ti computer program. The consensus of the expert group was that the war on drugs policy was a failure, and that Thailand needs to shift towards a decriminalization and public health approach. There remained differences in this group, between law enforcement and public health experts, about how far drug usage should be decriminalized in Thailand. In the stakeholder's perspective, social factors were the primary cause of drug involvement, recidivism and sobriety. With a positive attitude reflected in a "drug users as patients not criminals" policy, they believed that drug addicts can recover. However, it is the individual's commitment and environmental factors which play the key role.

**KEY WORDS:** Drug policy, decriminalization, perspective

## **INTRODUCTION**

Use and trafficking of addictive substances have been a problem in Thailand for a long time. Initially, most Thais were only aware of opium and opium dens. However, at present, there is a wide variety of illegal drugs that are sold and used throughout the country which are much more harmful than opium. These substances include heroin, cocaine, and amphetamines. Historically, Thailand has implemented a policy of suppression of the drug trade and imposed serious penalties on traffickers. However, the criminal approach to combatting addictive substances has not been successful, as evidenced by the increased use and expanding variety of illegal drugs. As long as demand continues to be strong, the producers and suppliers will continue to find ways to deliver drugs to users. Thailand is a source, destination and transit point for illegal drugs in the region. The Office of the Narcotics Control Board estimates that there are two million drug addicts in Thailand, and three to four billion pills of amphetamines are consumed or trafficked each year. Increasingly, the drug production factories are in Thailand's lower-income neighbors which can produce at least one billion pills of amphetamines per year, half of which are trafficked into/through Thailand. Thai authorities are only able to intercept one-fifth of these drugs (i.e., 100 million pills). The number of substance abuse criminal cases in 2016 totaled 203,886, including 227,770 defendants. The Department of Corrections reported that 72% of inmates are cases of illegal drug use or trafficking. About 90% of the drug convictions are related to amphetamines. Thailand's prison system is not able to manage such a large and increasing population of drug offenders, resulting in tremendous inefficiencies in the corrections program (Office of the affairs under the royal initiatives of HRH Princess Bajrakitiyabha, 2016). In addition, most of the drug offenders come from the lower socio-economic strata of society, and most are end-users, not traffickers or producers.

Thailand has both voluntary and compulsory systems of drug treatment/rehabilitation. The voluntary programs represent a recognition that, to some degree, drug addiction is a health problem and should be treated that way. However, the imprisonment and compulsory enrollment in treatment as a condition of sentencing indicates that Thailand also views the drug problem as a criminal offense. Thus, there is current debate about the cost-benefit of decriminalization of drug addiction, but there is a lack of accurate information about success of treatment/rehabilitation and the extent of recidivism (Pruetthiwinoo, 2010). Indeed, the number of drug addicts who voluntarily join treatment programs are fewer than those who are compelled to enter treatment as part of their criminal sentence. For instance, in 2015 there were nearly 100,000 drug addicts in compulsory treatment programs, while about 70,000 were voluntarily in treatment (ONCB, 2015).

The World Health Organization (WHO) and United Nations (UN) Office on Addictive Substances reported that only 10% of substance abusers were considered problem/criminal cases. In other words, countries should treat drug addiction as a public health challenge instead of as a criminal offense (UNODC, 2013). However, it is hard, politically, for many countries to reduce their criminal offense approach to that of drug control. Furthermore, the lack of an effective approach to treatment makes it hard to advocate a public health approach to drug addiction. During 2012-16, the Thai government allocated more than half of the budget of the Ministry of Justice to issues related to drug control. Of this, half went to the Department of Corrections (Kittayarak, 2016), at the expense of education or health interventions.

The UN General Assembly Special Session (UNGASS 2016) on April 19-21, 2016 focused on reduction of demand as the priority approach to drug control, while allowing for effective interventions to reduce supply as well. However, it is noteworthy that the point was made that decriminalization (of substance abuse) is not the same as legalization of addictive drugs. The objective is to bring drugs and drug users more out into the open so that effective interventions can be implemented. Also, less priority is given to users of small amounts of drug and those who procure drugs for personal use only. This approach holds that imprisonment of drug offenders should be a last resort. There also needs to be more priority given to harm reduction programs (Rolles, Sanchez, Powell, Kushlick, & Murkin, 2016). A successful program of decriminalization was carried out in Portugal, with statistical evidence of the success of this approach such as the results of this program can also provide evidence of the cost-benefit of this approach. Thus, many countries, including Thailand, are interested in replicating the Portugal model (Kittayarak et al., 2016). As such, the study presented in this paper was conducted to examine the feasibility of decriminalization in the Thai context, yet few studies have investigated current decriminalization policy has been use in order to find the most appropriate solution to solving the drug problem in Thailand.

Thailand has been operating on the concept of drug-free society, following the war on drugs policy. The concept of non-illegal Thailand has not yet been adopted. The concept of crime reduction of drug cases in Thailand has been used but is still unclear in practice. It should be studied more extensively, especially in the context that suits Thailand, to be effective in solving the drug problem of the highest country. Therefore, this qualitative study sought to examine drug addict's recent experiences with policing of Thailand and to analyses attitudes toward drug control approach of policy makers and health/law professionals who are influential in the drug policy development process.

### **Research Question**

What is decriminalization in Thailand drug policy among policy makers and drug addict's perspective?

### **Objectives of the Research**

This research aimed to study the perspective of two key stakeholder groups in an examination of a decriminalization approach to Thailand drug policy. Another objective of this study was to propose guidelines for implementing measures to decriminalize drug addiction in Thailand.

## **METHODOLOGY**

This was a qualitative research study to take an in-depth look at the perspective and feasibility of decriminalization of substance abuse, approaching substance abuse as a social phenomenon. This study also examined the possible modification of drug policy and expectations for benefits of an improved approach to the drug abuse problem. Data were collected from key informants in Bangkok and its suburbs. Qualitative data for this study were generated through in depth interviews eight policy makers and 15 drug addicts. Purposive sampling methods were used in order to obtain participants from 2 groups of key informants with specific experience. Subjects who met the following criteria were in-

vited to participate in the study: (a) experts and experienced personnel who work on substance abuse issues, and/or are influential in the drug policy development process in Thailand, a minimum of five years policy experience. The final consisted of 8 experts from various agencies involved in drug law enforcement, public health, academia, and civil society. (b) 15 participants in the policy environment, namely, those persons who are adversely impacted by drug addiction (i.e., substance abusers themselves). This latter group of respondents were selected by cluster sampling through the treatment programs from all treatment and rehabilitation system in Thailand, 5 participants from Thailand's Princess Mother National Institute on Drug Abuse Treatment (voluntary), 5 participants from Lad Lum Kaew Drug Addicts Rehabilitation Center (compulsory) and another 5 participants from Central Correctional Institution for drug Addicts (correctional).

All audio-recorded interviews were transcribed verbatim in Thai and translated into English. Further, a native English-speaking proofreader with an excellent knowledge of both Thai and English also verified the English transcripts for grammatical accuracy and nuance by comparing the English transcripts with Thai transcripts and audio-files. All data were entered into Atlas.ti, software designed to assist qualitative data management and analyses. Qualities of data were assessed for credibility, dependability, and conformability (Stake, 1994).

The research protocol and data collection was certified from the committee for research ethics (Social Science), Faculty of Social Science and Humanities, Mahidol University (MU-SSIRB No: 2017/322 (B2) Certificate of Approval No. 2018/010.0901.) Before entering the research process, the participants were introduced and explained the research information and assured that their personal information would be kept confidential, and that all identifying data would be destroyed after completion of the research. The researcher obtained voluntary informed consent from prospective participants, they were informed the right of refusing to answer or participate the study anytime for any reason.

## **FINDINGS**

The findings of the study are divided into two sections; (1) Findings from the expert group, and (2) Findings from the stakeholder group (case study).

### **The Findings from the Expert Group**

The experts on this panel have worked on narcotic drugs for over five years. They have contributed to the country's drug policy and have a proven track record. The panel included experts from various agencies involved in law enforcement, public health, academia, and Civil Society.

Table 1.

*Individual Characteristic of the Experts.*

No.	1	2	3	4	5	6	7	8
Gender	Male	Male	Male	Male	Male	Female	Female	Male
Age	63	63	59	61	40	58	59	52
<u>Expertise</u>								
Academic	√	√	√		√		√	
Legal	√	√		√				√
Policy	√	√	√	√	√	√	√	√
Prevention	√				√			
Suppression	√			√				
Treatment			√		√	√		
Public Health			√		√			
Civil Society					√			
Agency	ONCB	NCT	DMS	NSB	NGO	DOP	MU	ONCB

*Notes:*

- ONCB: The Office of the Narcotics Control Board, Ministry of Justice
- NCT: Department of Narcotics Litigation, Office of the Attorney General
- DMS: Department of Medical Services, Ministry of Public Health
- NSB: Narcotics Suppression Bureau, Royal Thai Police
- NGO: Non-governmental organization
- DOP: Department of Probation, Ministry of Justice
- U: Mahidol University

## **Perspectives towards Drug Decriminalization**

The experts in this study all agreed that Thailand is a signatory to various UN resolutions on new approaches to drug control and response. The past 40 years of violent suppression and incarceration has done little to stem the flow of drugs to and through the country. This has resulted in a conflicted response of criminal prosecution combined with half-hearted rehabilitation and treatment; neither of which is particularly effective. The time has passed for the so-called “War on Drugs.” There were examples in the world today of more cost-effective approaches to drug control. The experts in this research have all agreed that it is time for a new paradigm for control and reduction of the use of addictive substances, and Thailand needs to advance drug policy reform. Increasingly, experts on drug control in Thailand have agreed with an approach that emphasizes public health and human-rights. The concept of drug decriminalization has been derived from the following perceptions.

### **Viewing Drug Users as Patients, Not Criminals**

Decriminalization would help change the mind-set of the populace so that substance abusers are seen as curable patients who can be rehabilitated. Decriminalization of drugs will result in the view of the addict as being a concrete patient, which will encourage drug addicts to enter the rehabilitation system more voluntarily. As Expert No. 3 said, *“...Coercing people who use drugs to be treated will make them resist and try to escape. Even if they can complete the treatment process, when they return to the community, they avoid getting back to the staff. With no education and no job, they become marginalized and stigmatized. As a result, they have to return to drugs or commit crimes, and many ends back in prison.”*

### **Effectiveness of Law Enforcement**

Excessive drug law enforcement has many negative effects on family life. Persons are sentenced to terms out of proportion to the offense committed and then have to endure the harsh conditions of prison. Thus, this approach to the problem has distorted how the criminal justice system uses and allocates its resources. As Expert No. 3 said, *“...In practice, there should be a separate framework for drug users and drug pushers. That is because 80% of drug users are not addicts; they use drugs for social reasons or to self-medicate. Some of those who are regular users can manage use in a way that they are still functional. Only 1% or 2% of drug users are out-of-control addicts.”*

### **Mass Incarceration**

Prison overcrowding has many consequences, including risk of infectious disease, drug abuse in prison and bribery of officers. Overcrowding also hinders habitual behavior correction. As Expert No. 5 said, *“...The criminal justice system is using overkill when it pursues prosecution of a transaction of a single pill of illegal drug. Thai prisons have a normal capacity of 150,000 prisoners but currently have to accommodate three times that number. This only exacerbates the problem. How can these people get rehabilitation in these conditions? It's beyond the potential to change habits.”*

### **The Concept of Treating the Offenders**

By using other informal social control measures in addition to legal measures, the impact of stigmatization can be reduced so that the behavior can be corrected and the ex-addict can adapt to the norms of society. As Expert No. 3 said, *“...Therefore, the community should be involved. The measure is called the Community Health Act. For example, an agreement on the ban on alcohol at funerals is an agreement on drug use. The punishment of the community will be based on administrative measures such as disqualification for welfare or perform community service.”*

### **Perspectives towards Removal of Criminal Penalties for Drug Users**

Although, the consensus of the expert group was that Thailand needs to shift towards decriminalization and public approach. There has still been resistance in government and differences between law enforcement and public health experts about how far drugs should be decriminalized in Thailand, especially in the case of removing criminal sanction from drug use. As Expert No. 3 said, *“...Thailand punishes people who use drugs with criminal penalties, diverting them into treatment, and considered it as help. This is a very backward matter. This policy has been implemented for ten years. If we truly consider drug users as patients, they should have the right to consent to their treatment. Otherwise law enforcement may exacerbate certain conditions, such as mental health problems or violent behavior that may result in harm to themselves or others. However, it must also be granted by the court.”* (See Figure 1)

### **The Perspective of Drug Legalization**

Many experts have commented that the drugs should be legalized. The purpose would be to eliminate most of the profit of the drug supply chain and corruption from the drug trade. As Expert No. 6 said, *“...The current approach is to promote therapeutic and community-based therapies. But the high value of drugs is a barrier to community participation. That is because there is a conflict of interest involved with influential people. Reducing drug demand alone does not work effectively.”*

Similarly, Expert No.7 proposed that everyone should be able to access drugs under control by saying, *“... If we unlock and liberate drugs, its value will be reduced. Drug traffickers would have no incentive to trade because drugs are now legal. Anyone can have access to drugs. It will shift the supply of drugs change from drug dealers to government.”*

This is consistent with Expert No. 5, who led the economic viewpoint on tackling the problem of drugs: *“... The tremendous power is in parallel with the state power. Military tactics do not solve the problem; only an economic strategy can. To tackle the problem of suppression and control of production along the border of minorities, let the Government Pharmaceutical Organization produce and register a generic substitute for five baht per pill. Who else would want to produce it in that kind of market?”*

### **Obstacles to an Effective Decriminalization Policy**

The drug problem that exists in Thai society is caused by many factors. However, the perspective of experts have placed an emphasis on policy and law enforcement.

## Policy

### Understanding the intention of measures

There were three policy dimensions: Criminalization, legalization, and decriminalization. Each of these dimensions represents a different policy intention. There needs to be a unified understanding of the meaning and differences of these dimensions; otherwise, it will be difficult to craft a coherent policy. As Expert No. 5 said, “...*The true intent of law should focus on human lives. The person who uses drugs should be considered from a public health approach rather than a criminal approach. The lawyers do not fully understand these matters. This does not mean that Thailand has no potential for harm reduction work. But Thailand has easy way to align attitudes, because each camp holds on to their original position and that makes it a barrier to work together as a team.*”

### Laws

When there have been misunderstandings of the intention of policies, the resulting laws have only further confused the situation and created counterproductive action. As Expert No. 5 said, “...*Thailand's voluntary system is to set up a checkpoint for urine tests and give the urine-+ person a choice of treatment or prison. Is this voluntary or over criminalization? Some officers entice drug users with 1-2 pills in order to arrest them for trading. Possession of over 15 pills of drugs is automatically assumed to be intention to sell. Drug cases do not reach the Court of Appeals. It can be said that Thai law was wrong from the beginning.*”

### Applying policy in practice

#### Lack of measures to accommodate policy

Often, policies on addictive substance control have been issued without ample consideration of the feasibility of applying the policy in practice. The goals and expectations of these policies were often not in line with the limited resources available to carry them out. Thus, these policies failed to generate commensurate improvements in the situation. As Expert No. 5 said, “...*The first drop-in center (for drug addicts) of the organization occurred during the war on drugs in 2003. The program was funded by the Global Fund and there was no support from the Thai government. The State preferred to focus on suppression.*”

This pattern also reflects a top-down approach to policy and programming. Thus, policy has been monolithic throughout the country and has not been tailored to the local context and challenges. As Expert No. 3 said, “...*There is only one model for implementation: urine screening. If a positive urine sample was voluntarily provided, then the offender is sent to treatment/rehabilitation. If the positive sample was involuntarily provided, then it becomes a criminal case. The only treatment program used throughout the country is the TC Matrix Program.*”

#### Corruption

Inevitably, there will be some government officials who use their position of authority to extract material benefits from the drug trade for themselves. As Expert No. 6 said “...*In*

*addition to the personal harm of addictive drug use, the drug trade is a corrupting force for Thailand's officials. Indeed, sometimes the traffickers are government officials themselves. It's hard to solve this problem using traditional approaches."*

## **Environment**

### **Political**

Thailand has experienced a change of government quite often in its modern history. This has resulted in inconsistent policy and measures to address the drug problem over the years. As Expert No. 4 said "*...Drugs are often associated with politics. Each government has a policy to focus on solving drug problems. They want to craft their image as having solved the problem of the country.*"

### **Social-economy**

Thailand is still a developing country and is struggling to keep pace with the effects of globalization and increased competition in the region. Many Thais are trapped in a cycle of poverty and debt just to stay alive and keep their family afloat. As Expert No. 6 said, "*...Whatever we do, if we don't improve the socio-economic environment, then communities will continue to be fertile ground for drug traffickers.*"

## **Knowledge and Understanding in Society**

Thailand can introduce new policies and change laws, but if the population is not aware of these or does not understand the laws, then it will be hard to enforce the laws and implement the policies. Expert No. 2 said "*...It has been hard for policy makers to explain to the public the potential benefits (of decriminalization). Even the family and relatives of drug users do not understand the benefit of such a policy. The people have been brainwashed to believe that severe suppression is the only viable approach to drug addiction. They view treatment and rehabilitation as a waste of money. Further, they are skeptical of harm reduction, such as needle exchange or methadone treatment, and see it as just another way of promoting and abetting drug use.*"

## **Summary from the Study of the Expert's Perspective**

The experts have a consensus perspective that "War on Drugs" is a failure, and it is time for a new paradigm for control and reduction of the use of addictive substances based on scientific knowledge and empirical evidence. The government has also announced the intention of a new drug control approach and policy reform, amended drug laws towards decriminalization for effective and sustainable reduction of drug supply and demand. However, there remain differences of opinion in the expert group about how drug decriminalization in Thailand. Table 2 shows that it is imperative that country leaders should have consistent views on people who use drugs and a drug control approach. Both must be clearly understood in the purpose or the true intentions for the drug problem, so the policy and measures will not be in conflict. It will encourage the performance of the relevant staff to understand and encourage effective community and society participation. However, the removal of criminal penalties for drug users requires the provision of appropriate measures, data information systems, effective treatment system, and promoting the reduc-

tion of harm related to drugs, etc., by considering all factors of drug abuse in the context of Thai society.

Table 2.

*The Expert's Perspective toward Drug Decriminalization.*

Issues	1	2	3	4	5	6	7	8
<u>Perspective</u>	√							√
1. Drug use is unacceptable. Those who use drugs must be treated.								
2. Drugs are part of mankind. The user has the right to decide on the treatment.		√	√	√	√	√	√	
<u>Drug use: offense or non-offense</u>								
1. Criminal offense, but if the action is under the rehabilitation Act's criteria, drug users will be diverted into treatment system	√	√					√	√
2. Not criminal offense in case of possession in the prescribed amounts but control by administrative measures instead.			√	√	√			
<u>People who undergo treatment</u>	√							√
1. Everyone who use drugs								
2. Problematic addicts who require medical treatments		√	√	√	√	√	√	
<u>Target goal of treatment</u>	√							
1. Quitting drugs, provide opportunity under the time limit.							√	√
2. Relapse is common for addicts, but need to minimize the potential harm to individuals and society		√	√	√	√	√		

## **Findings from the Stakeholder Group (Case Study)**

### **Demographic Characteristics of the Participants**

Of the total population, 9 were males and 6 were females, between the ages of 18-39 years old. Most participants graduated from high school and had income-producing jobs. Although this study was conducted in and around Bangkok, nearly half of the interviewees came from other provinces of Thailand. Their marital status was as follows: 6 were married, 6 were single and 3 were divorced.

Table 3.

*Individual Characteristics and Information of the Stakeholder Group.*

No <sup>1</sup>	Sex	Age	Domicile	Education	Marital Status	Occupation	Experience of drug use at first age	Experience of drug <sup>2</sup>	Experience of Sobriety
1	M	39	Bangkok	Bachelor	single	Business owner	26	E	Yes
2	M	34	Bangkok	Bachelor	married	Business owner	14	M	Yes
3	M	24	Bangkok	Primary	married	Work with family	14	K	No
4	M	24	Bangkok	Primary	married	Motorcycle taxi driver	12	M	Yes
5	M	31	Bangkok	Secondary	single	messenger	12	M	Yes
6	M	19	Bangkok	Secondary	single	Car care employee	14	C	Yes
7	M	18	Roi Et	Secondary	single	Work with family	12	M	Yes
8	F	32	Bangkok	Secondary	divorced	Sale cloths	22	M	No
9	F	34	Korat	Secondary	married	waitress	22	M	No
10	F	25	Ang Thong	Primary	single	Construction worker	10	M	Yes
11	F	39	Lopburi	Vocational	divorced	Family business	33	M	Yes
12	F	30	Bangkok	Vocational	married	unemployed	22	M	Yes
13	F	27	Saraburi	Secondary	single	Family business	18	M	Yes
14	M	33	Rayong	Secondary	divorced	Family business	15	M	Yes
15	M	20	Ang Thong	Secondary	married	Worker at market	13	M	Yes

## Remarks:

1. No. 1-5 = correctional system, No 6-10 = compulsory system, No 11-15 = voluntary system
2. M=Methamphetamine, C=Cannabis, E = Ecstasy, K= Ketamine

## Experience of Drug Use

Most stakeholders had experienced first drug use at the age of 12-16 years. They first tried drugs mainly due to the influence of friends and out of curiosity, even though they knew that drugs could be harmful for themselves. Most started using amphetamines by smoking; then they began using other drugs or drugs combination. The increased use of drugs led to behavior change, and this adversely affected their physical and mental health. Many of the respondents had never been treated, even though they had been arrested by the authorities several times. Only one in 15 of the respondents voluntarily asked for treatment. Many of the respondents reported periods of abstinence that lasted for months or years without any treatment program needed. On the other hand, all those who were forced into treatment admitted that they returned to drugs immediately after release. The response of these key informants has shown that social, economic and environment conditions were the underlying driving factors for problem drug use, recidivism and sobriety, not drugs themselves or policies.

Mr. E said, “...*Quitting drugs depends on self-determination. I had a period of abstinence when I focused on the job. But when I had more free time and reunited with old friends, I was back on drugs again.*”

Mr. N said, “...*It's getting tiresome and I really want to quit. But it's hard when I have to go back to the same environment. However, it's up to us; no one has forced me to use drugs. I used to stop using drugs for up to two months.*”

Mr. O said, “...*Treatment of drug addicts takes time; not everyone will recover. It takes 70% self-determination, 20% by treatment, and another 10% from family. Without motivation -- for me it is my wife -- you could be back into drugs at any time.*”

## Perspective towards Drug Policy and Decriminalization

Most respondents had a positive attitude towards a drug policy that focused on suppressing drug traffickers and encouraging voluntary treatment. Some stakeholders felt the consequences of policy from their own experience, such as the ineffectiveness of distinguishing drug traffickers and users, being stigmatized by the criminal justice procedure, and being cut off from job opportunities. Thus, they continue the downward cycle of drug use. As Mr. B said “...*Once you've been branded as a drug user, society will beat you down and cut off any opportunity to advance. This is especially true when looking for work. The policy seems to say that they are giving us job opportunities, but the opposite is true in practice. Thus, we continue in this downward cycle of criminal behavior. The people around us see us as criminals.*”

Mr. A said “...*from my first rehabilitation, it was like sending elementary school children to the university. I actually learned about more drug sources and distribution networks. Since then I have access to drugs at half price and have become a drug dealer.*”

Most of the stakeholders had less perception and understanding of national drug policy reform, especially decriminalization. But everyone agreed with the policy of “drug users are patients” and the encouragement of voluntary treatment without a criminal record. They believed that drug addicts are treatable; success depends on self-determination with

the support of an appropriate environment and family. They believed there needs to be viable job options and no drugs in the community. Few of them mentioned the influence of drug policy or criminal penalties on use.

In addition, some stakeholders expressed their perspective of drug legalization. As Mr. B said “...*I think that drug legalization might help solve the drug problem. Whenever anything is legalized, its value drops. Since the motivation of everyone who is involved with drugs is money, drugs which cannot make money for them cause them to lose interest immediately.*”

Ms. I said “...*If the State decriminalizes drugs and allows access to alternative drugs, I would go get it. I am so scared of going back to rehabilitation; I would do anything to avoid criminal offenses. However, non-addictive drugs, and differences of environmental and stimuli may not be able to replace the drugs in the black market.*”

The samples of stakeholders know and realize that drugs are harmful for themselves and society. Most of them do not agree to allow the use of drugs. They have a positive attitude towards drug policy that focus on suppressing drug traffickers, and encourage voluntary treatment. Most of them also have a positive attitude towards the treatment program, although the study found that most of the samples were not problematic drug users, since they are productive person with job to do and income. According to the World Health Organization and the United Nations Office on Drugs and Crime, only around 10% of all drug users are classified as problematic addicts that need specific intervention with public health measures.

### **Summary from the Study of the Stakeholder Group**

All 15 interviewees used drugs between the ages of 12-33 years, primarily due to the influence of friends, curiosity or stress. Only one became involved with selling drugs due to economic challenges. Mostly started using amphetamine by smoking as the first drug, then began using other drugs or combination. The respondents expressed consequences which fell into two categories: personal and social. Personal consequences included compromised health, slow response, and inefficiency in recognition, waste of time and money, and loss of family trust. Additionally, the drug epidemic within the community stimulates continued use of drugs. Social consequences included consequences of the criminal justice system, such as a damaged criminal record resulting in social rejection and difficulty getting a job, ultimately leading to further economic struggle. Moreover, corruption of officials resulted in inappropriate treatment and recidivism. Most respondents had low to moderate drug policy awareness. However, they had a positive attitude toward drug policy by agreeing with the state's seriousness in suppressing drug traffickers and supporting drug users in treatment; because they believe drugs are harmful to the individual and society. However, there were two respondents who expressed negative attitudes toward drug policy based on their personal experience.

## **DISCUSSION**

With regard to substance abuse, many countries around the world have implemented decriminalization as a policy to address the problem of addiction (WHO, 2014; Pardo, 2014; Room, 2014; Room, 2012). This policy has been developed in recognition of the general

failure of the “war on drugs” approach that had been tried in the past (Rolles, 2009; Caulkin, 2005). The criminalization of drug addiction has only created other problems including overcrowding of prisons, corruption, loss of political freedom, violence, and violation of human rights (Amon, 2014; Baldwin, 2013). Taking a criminal approach to substance abuse has only caused pain and hardship for millions, and has wasted budget and resources toward the illusive concept of a “drug-free world.” Thus, nearly all the drug program strategies of the past have focused on cutting off the supply of drugs and arresting drug traffickers (Global commission on drug policy, 2011). However, that approach ignores the fact that substance abuse is largely demand-driven. Attacking the supply chain without also addressing demand reduction is sure to fail since demand for drugs is very elastic and, thus, the market always responds despite attempts to reduce accessibility (Thoumi, 2012).

In the Portugal program aforementioned, decriminalization of addictive substance use is not the same as legalization. For instance, virtually all drug use was decriminalized in 2001 in that country. That does not, however, mean that drug use became legal. The distribution and sale of controlled substances is still considered a criminal offense in Portugal, but possession and use of drugs is handled as a public health problem and not criminal activity. Cases of substance abuse and addiction are handled by counselors, psychologists and social workers instead of police and prison wardens. While there may be certain substances, such as marijuana, that would be made truly legal in some cases, the decriminalization of drugs does not mean that users could get high in public and buy and sell chemicals from whomever they please with no fear of prosecution. The policy simply changes the way society deals with the problem of addiction from a legal and treatment perspective (Hughes, 2010). Many decriminalization advocates point to the success of Portugal as a positive statement in favor of decriminalization. However, not everyone is convinced that decriminalization is the best way forward (Rosmarin & Eastwood, 2013; Stevens, 2011). Detractors often cite the following concerns: (1) Individuals with a biological predisposition toward addiction may be more likely to experiment with drugs if they do not fear legal prosecution; (2) The existing treatment resources are not nearly large enough to handle the influx of millions of new addicts from the legal system; and (3) Decriminalization may lead to a push for legalization in some situations. If decriminalization leads to an increased supply of drugs on the streets, prices will fall and millions of new people may be tempted to experiment (Walker, 2011; Pardo, 2014).

The opinion of stakeholders toward the best response to the drug problem has informed policy and programs (Fraser, 2015). Even though a harm reduction approach to drug addiction has received lip-service in Thailand, unless the leadership in government advocates decriminalization, then the status quo is likely to prevail. Increasingly, experts on drug control in Thailand have agreed with the need to try new approaches, including decriminalization. However, this view has not been uniform and there remain differences between law enforcement and public health experts about how far drug usage should be decriminalized in Thailand. (See Table 4)

Different perspectives of experts on drug control approaches will also affect different policies, measures, the implementation of policy, and concrete results. (See Figure 2)

There needs to be improved effectiveness and expertise in screening of substance abusers. Authorities should not simply rely on urinalysis as the only method. There also needs to be a distinction between drug users and addicts, since different control procedures are required for different types. There should also be an examination of the effectiveness of

treatment and rehabilitation programs. This includes the need for a review of public health measures and administrative measures to promote effective treatment that is free from the threat of criminal prosecution (UNODC et al., 2013). Harm reduction programs should be launched and expanded in coverage. Harm reduction service outlets should be welcoming and easy to access. Harm reduction services should be implemented in tandem with services to improve quality of life and social improvements. This should include promoting knowledge and understanding in the population about the policy of the drug program response. That way, communities will be encouraged to participate actively in the program, and substance abusers will feel encouraged to change their behavior, quit drugs, reintegrate with mainstream society and manage their addiction so that they can free themselves from its grip and return to a productive life in the home community.

## **CONCLUSION**

Thailand is a signatory to various UN resolutions on new approaches to drug control and response. The past 40 years of violent suppression and incarceration has done little to stem the flow of drugs to and through the country. This has resulted in a conflicted response of criminal prosecution combined with half-hearted rehabilitation and treatment; neither of which is particularly effective. The time is past for the so-called “War on Drugs.” It is time for a new paradigm for control and reduction of the use of addictive substances. There are examples in the world today of more cost-effective approaches to drug control, and Thailand should strongly consider applying those best practices, at least on a pilot basis. While criminal penalties will still be necessary for the larger and more heinous offenders, most of the drug user population could be better approached through social welfare policies and programs which work toward helping drug users to re-integrate with mainstream society and manage their addiction so that they can free themselves from its grip. This would be a human-rights based approach to drug control, combined with reduced stigma and discrimination against the population of drug users. Increasingly, experts on drug control in Thailand agree with the need to try new approaches, including decriminalization. However, this view is not uniform, and there is still resistance in government and even in the affected communities about abandoning a suppression and criminal approach to drug addiction. Also, the social and economic factors which pressure people to use drugs need to be addressed for any long-term solution to substance abuse and recidivism.

### **Concept of Decriminalization for Drug Use Support**

The way to reduce crime under the Drug Code is still aimed at all drug users to receive treatment. There needs to be improved effectiveness and expertise in screening of substance abusers. Authorities should not simply rely on urinalysis as the only method. There also needs to be a distinction between drug users and addicts, since different control procedures are required for different types. There should also be an examination of the effectiveness of treatment and rehabilitation programs. This includes the need for a review of public health measures and administrative measures to promote effective treatment that is free from the threat of criminal prosecution. Harm reduction programs should be launched and expanded in coverage. Harm reduction service outlets should be welcoming and easy to access. Harm reduction services should be implemented in tandem with services to improve quality of life and social improvements. This should include promoting knowledge and understanding in the population about the policy of the drug program response. That

way, communities will be encouraged to participate actively in the program, and substance abusers will feel encouraged to change their behavior, quit drugs, and return to a happy and productive life in the home community.

### **RECOMMENDATIONS**

Based on the findings of this study, the following is recommended with regard to combating the issue of drug policy and use in Thailand; (1) The shift of drug policy towards decriminalization must be comprehensive at the root of it, to clarify policy and measures, and the implementation of policy for concrete results. The implementing agencies and the affected communities/populations must be involved so that everyone can proceed in the same direction, (2) There needs to be serious recognition and addressing of the social, economic and environmental conditions for Thailand's long-term solution to substance abuse and recidivism, and (3) The state should encourage more research on models of regulating drug markets in Thai society.

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**FOREIGN AID AND DOMESTIC GOVERNANCE:  
EVIDENCE FOR ASEAN COUNTRIES**

by

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**ABSTRACT**

The impact of official development assistance (ODA) on domestic governance in recipient ASEAN countries is empirically tested on a panel data set over 1996-2015, by using the Hausman-Taylor technique which effectively deals with possible endogeneity issues. The data were from the World Bank's World Development Indicators and from the Organization of Economic Cooperation and Development (OECD) database. Some important diagnostic tests were carried out. It was found that higher ODA levels are associated with improved corruption control and that a high level of democracy practices promotes the rule of law and better corruption control. Foreign direct investment is crucial in the improvements of governance quality and countries with "British legal origin" maintain higher governance quality. Some implications for the improvements of domestic governance, particularly related to corruption control, for the ASEAN countries and other transitional and developing economies are listed.

**KEY WORDS:** Foreign aid; governance; ASEAN; FDI; corruption control

**INTRODUCTION**

Over decades, the effects of foreign aid, including its impact on the quality of governance in the recipient countries, have attracted considerable attention of academics, development policymakers, donors, and other stakeholders. Since its inception in the late 1940s (Bräutigam & Knack, 2004; Addison, Morrissey & Tarp, 2017), foreign aid has been

committed and disbursed to many poor developing and transitional countries, to assist them in their rehabilitation, reconstruction and development efforts. Many of these aid-receiving countries were, or continue to be, devastated by years of enduring civil wars, internal conflicts and political instability, plunging its people in extreme poverty and depriving them of their basic needs. Despite its main objective being to fight against poverty and to promote economic, social and human development, foreign aid has been criticized for being ineffective in promoting economic activities (Boone, 1996; Williamson, 2008), failing to improve the recipient countries' institutions and governance (Knack, 2001; Ear, 2007a; Asongu & Nwachukwu, 2016), and promoting opportunist behavior and rent-seeking activities (Svensson, 2000; Hodler, 2007).

However, a large body of empirical studies reports on the important role played by foreign aid in enhancing economic growth (Hansen & Tarp, 2001; Dalgaard & Hansen, 2001; Feeny, 2005; Brücker, 2013; Askarov & Doucouliagos, 2015; Arndt et al., 2015), reducing poverty (Alvi & Senbeta, 2012; Kaya, Kaya & Gunter, 2013; Ravallion, 2014), and improving institutions and governance (Okada & Samreth, 2012; Kersting & Kilby, 2014; Jones & Tarp, 2016). Clemens et al. (2012) and Askarov & Doucouliagos (2015) have investigated why different studies over the past decades on the effects of foreign aid draw different conclusions. They indicate that the previous studies on aid effectiveness suffered from measurement problems, as well as from methodological flaws. First, these studies have focused primarily on the contemporaneous effects of aggregate aid. However, different aid-funded projects may exert different effects at different times. For instance, aid-for-trade may affect economic activity with a small time-lag, whereas humanitarian aid might well never affect economic growth (Clemens, Radelet, Bhavnani & Bazzi, 2012). Secondly, another problem relates to the heterogeneity of recipient countries in a sample, which might create unsurmountable difficulties in disentangling aid effects in the sample. Thirdly, the issue of endogeneity was not sufficiently addressed using the conventional instrumental variable estimator, which uses external instruments that are often difficult to find, resulting in questionable validity of the instruments and estimation results.

Taking these shortcomings of previous studies into account, we investigate in the present paper the impact of foreign aid on governance in the recipient countries of ASEAN (Association of Southeast Asian Nations). In this way, we contribute to the existing literature on the subject by focusing on eight developing ASEAN member states that have received foreign aid during the 1996-2015 period and share similarity in terms of levels of economic development and governance quality.<sup>1</sup> The period considered starts with the three years of the "Asian economic crisis" (1997-1999) and also contains the years 2008-2010 of world-wide recession. However, the ASEAN countries have experienced impressive economic growth during the 1996-2015 period and among the four poorest of these countries, two – Vietnam and Cambodia - were able to leave their least-developed country status behind. Since also the various indicators of domestic governance differ widely between the aid-receiving countries and some have experienced important changes in domestic governance, a statistical analysis of the impact of foreign aid on domestic governance in these

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<sup>1</sup> Singapore and Brunei are much more advanced ASEAN members that have not received foreign aid over the studied period. They have also enjoyed both much higher incomes and quality of governance as compared to the rest of this regional grouping. The eight ASEAN members include Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand, and Vietnam.

countries can shed light on this much debated issue, not only for some or all of the countries investigated, but also for other developing countries.

In addition, rather than using the conventional instrumental variable estimator that requires external instruments which are in many cases difficult to find and reportedly suffer from questionable validity, we employ Hausman-Taylor estimator—the instrumental variable method that uses only internal information as instruments. We also test aid effects on governance by breaking down our data set by donor. This is largely motivated by the fact that aid from different donors may have different objectives and effects. For instance, some donors may provide aid to help promote economic activity directly in the recipient countries, while other donors may focus primarily on promoting institutions and governance, human rights, democracy and so on, through non-governmental organizations.

The remainder of this paper is organized as follows. Section two reviews the literature on the nexus between foreign aid and governance. Section three discusses the econometric specification and the data, followed by the estimation techniques in Section four. Section five presents and discusses the estimation results. Section six concludes.

### **LINKS BETWEEN AID AND GOVERNANCE**

Many studies have shown that governance matters for the overall long-run economic performance (North, 1990; Gradstein, 2004; Minoiu & Reddy, 2010; Gani, 2011). Governance is broadly defined as the government's ability to make and enforce rules, and to deliver services, regardless of whether that government is democratic or not (Fukuyama, 2013). It is multi-faceted, encompassing all aspects of the exercise of authority through formal and informal institutions in the management of the resource endowment of a state (Garcia-Sanchez & Cuadrado-Ballesteros, 2013).

“Good governance” is required by international institutions as a condition for international assistance to developing countries (Hamilton, 1989, Amsden, 2007), but the concept of “good governance”, originally introduced by the World Bank (World Bank, 1992), is much debated and instead the adoption of the concept of “sound governance” has been advocated (Farazmand, 2004). On the other hand, aid not only affects foreign direct investment and international trade, as well as economic growth and development, but it also affects governance and institutions in the aid-receiving countries. It has been argued that globalization and privatization as a part of structural adjustment programs, has promoted corruption in less- as well as more-developed nations (Farazmand, 1999; Farazmand, 2001).

The effectiveness and impacts of foreign aid on the quality of governance, however, are widely disputed among development economists, political scientists, policymakers and practitioners, over the past decades. Foreign aid granted by the developed countries and, more recently, by an increasing number of developing countries as official development assistance (ODA) and other forms of assistance (charities, support by non-governmental organizations and civil society) to transitional and poor developing countries, is aimed at driving economic development and improve welfare of these recipient countries (Keeley, 2012).

Theoretically, aid is supplementary to tax revenues of governments in aid-receiving countries, thus lessening binding financial constraints (Busse & Gröning, 2009). This allows the recipient governments to focus their attention on improving governance, which includes rule of law, law enforcement, maintenance of social order and security, the fight against corruption, improvements of public service delivery, and so on. Some forms of aid, e.g. aid-for-trade, provide technical assistance to the recipients, thereby contributing more directly to the improvement of the quality of their institutions, governance and accountability.

Foreign aid can be used to improve governance in many ways (Degnbol-Martinussen, 2002; Bräutigam & Knack, 2004; Brazys, 2016). First, more aid to governments means more funds available for their development agendas for improving public services, enhancing effective policy formulation and its implementations, and establishing strong, effective institutions. Second, foreign aid can be used for enhancing state capacity through training and technical assistance to meet the development demands of the recipients. This could lead to the enhancement of the quality of public administration and the use of public resources, thus boosting the effectiveness of governance and institutions. Third, it can be used to strengthen procedures and institutions for state-society linkages, which includes support for judicial reforms and the rule of law, as well as the fight against corruption, that remains a serious hurdle to economic and social development in many developing countries. Fourth, some foreign aid is directly made to empower non-governmental organizations and civil society organizations with truly genuine development agendas in their missions, so that they can engage more productively with their host governments for the benefit of the general public.

The pessimist views on foreign aid, however, have suggested that aid may result in the deterioration of governance quality in the receiving countries in several ways (Knack, 2001; Bräutigam & Knack, 2004; Askarov & Doucouliagos, 2015). First, aid-funded projects siphon off talented employees of the public sector because their pays in the government jobs in the poor developing world are notoriously low and insufficient for a decent living standard. This encourages government employees to have multiple jobs, thus distracting their attention and reducing their commitment in their government workplace. Second, foreign aid may undermine institutions, encourage rent-seeking behavior, foment conflicts over the control of aid funds and/or aid-funded projects, and alleviate pressure to make necessary reforms of the existing inefficient political institutions and policies. Government employees' involvements in the projects funded by foreign aid leave them less time to devote to their work at their own workplace, which adversely affects the quality of governance. Third, aid dependence may create moral hazard by aid-receiving governments who believe that they may be bailed out by the donor community when facing fiscal constraints.

Addison et al. (2017) have taken stock of a large body of previous empirical work on the aid effects and its effectiveness since the establishment of foreign aid programs in the late 1940s. These empirical studies have reported mixed results, especially those related to macroeconomic (aid-growth) effects of aid. Such inconclusive results might be due largely to different methodologies and data used (cross-sectional vs. panel data) as well as differing time horizons. However, findings of more recent studies seem to converge (Addison et al., 2017). In their in-depth review of the existing aid-growth literature, Arndt et al. (2015) have taken note of the positive role that aid has played in promoting economic growth for

the aid recipients over the longer time horizons. In a similar vein, Addison et al. (2017) indicate that—based on a comprehensive review of the empirical studies on aid effects—the pessimist views that aid is ineffective and harmful receive much less empirical support in the existing literature.

It is rather surprising that previous work on the effects of foreign aid on governance is relatively scarce. Using data from 32 African countries over 1982-1997, Bräutigam & Knack (2004) have found that aid has deteriorated governance and that the negative relationship between high aid levels and the worsening governance is statistically significant and robust. Their findings also suggest that higher aid levels have resulted in a lower tax share of GDP, which is confirmed by several studies (Crivelli & Gupta, 2017). Similarly, Busse & Gröning (2009) have examined the aid-governance nexus based on a sample of 106 aid-receiving countries over the period 1984-2004, using the Generalized Method of Moments (GMM) estimation strategy. Their estimation results suggest that aid has negatively affected governance in these countries. Their findings are robust to different specifications.

However, several studies reported positive aid effects on governance. Jones & Tarp (2016) found that foreign aid has exerted a positive net effect on political institutions and that the positive effect was largely generated by the conditionality that aid was allocated for the enhancement of the quality of governance in the recipients. Their finding is in line with that of Kersting & Kilby (2014) who have found evidence for the long-run aid effect on democracy, which confirm the earlier results reported by Knack (2004). Kersting & Kilby have also explored whether foreign aid was channeled through donors' leverage and conditionality, and provided evidence that aid was operated in response to the recipient countries' commitments to undertaking a democratization process and democratic reforms. Yet another study carried out by Dutta et al. (2013) has examined the nexus of aid and political institutions and has concluded that aid has contributed to making already democratic countries more democratic. Their econometric results also suggest that aid can be used to strengthen democracy in countries where democracy is weakly practiced. Okada & Samreth (2012) have investigated the effects of multilateral aid on corruption and have showed that higher aid levels correlate with lower corruption. However, no effects have been found in the case of bilateral aid. A positive impact of aid on democracy was also reported by other scholars (Findel et al., 2007; Scott & Steele, 2011).

Several studies have reported negative aid effects on governance and institutions. Using cross-sectional data from 80 recipient countries, Knack (2001) has found that aid dependence hurts the quality of institutions and governance, which is proxied by rule of law, bureaucratic quality, and control of corruption in the government, over the studied period. Asongu & Nwachukwu (2016) have investigated whether foreign aid has had any impact on governance in Africa. With the governance data from the World Bank's Worldwide Governance Indicators covering 52 African countries, they have found that aid in the form of ODA has undermined these countries' quality of governance, measured by indexes of government effectiveness, regulatory quality, control of corruption and rule of law. Other aspects of governance, such as voice and accountability, and political stability, do not seem to be negatively affected by aid.

Following Knack (2001), with different data sources and somewhat improved estimation methods, Ear (2007a) has tried to replicate Knack's results, using indexes of the World Bank's concept of governance which is disaggregated into six dimensions, namely Control

of Corruption, Government Effectiveness, Rule of Law, Regulatory Quality, Political Stability, and Voice and Accountability. Using data from more than 200 countries and territories over five years, Ear's estimation results suggest that only the rule of law is negatively related to aid, but its statistical evidence is rather weak. The findings are not robust and largely sensitive to the model specification. Another paper by Ear (2007b) has used Cambodia as a case study to investigate the relationship between aid and governance. Based on a survey of just 43 respondents who, as indicated by Ear, were 'development experts' working for donor agencies, international NGOs, local NGOs, and the Royal Government of Cambodia, he has concluded that aid did not have a positive impact on governance in Cambodia and may even have contributed to its further deterioration (Ear, 2007b). However, Ear (2007b)'s results may suffer from methodological flaws, and the interpretations of the results, therefore, must be made with great caution, due largely to the very small sample size of a survey of only 43 informants that, in any case, cannot represent the population of Cambodia.

### ECONOMETRIC SPECIFICATION AND DATA

Considering the conceptual discussion and empirical literature presented above and following previous empirical work (Boone, 1996; La Porta, 1999; Knack, 2001; Al-Marhubi, 2004), our econometric specification to investigate the effects of foreign aid on the quality of governance in ASEAN member states is shown below.

$$\begin{aligned} \text{Governance}_{it} = & \beta_0 + \beta_1 \text{Aid}_{it} + \beta_2 \text{Ln}(\text{GDPCAP})_{it} + \beta_3 \text{FDI}_{it} \\ & + \beta_4 \text{Openness}_{it} + \beta_5 \text{Democracy}_{it} + \beta_6 \text{BLO} + \alpha_i + \varepsilon_{it}, \quad (1) \\ \text{where } i = & 1, 2, 3, \dots, N \text{ and } t = 1, 2, 3, \dots, T \text{ (1996 to 2015, inclusive)} \end{aligned}$$

The subscripts  $i$  and  $t$  refer to each ASEAN member state and time, respectively.  $\alpha_i$  stands for individual country-specific effects, accounting for the unobserved heterogeneity, and  $\varepsilon_{it}$  is a white noise error term. A variable in logarithm is denoted by  $\text{Ln}$ . In equation (1), the quality of governance (*governance*) is modelled as influenced by foreign aid (*Aid*), per capita income (*GDPCAP*), trade openness (*Openness*), the quality of democracy in the aid-recipient countries (*Democracy*), and British legal system origin (*BLO*) which is a binary variable taking the value of 1 if the country's legal origin is British and 0 otherwise. It should be noted that the introduction of the BLO variable allows to test the "legal origins theory" (La Porta et al., 2008), but as the variable also reflects historical and institutional aspects of the countries, among others colonial (and post-colonial) history, also non-legal explanations can be involved.<sup>ii</sup>

We have estimated the econometric specification (1) by using a panel data set from ASEAN member countries over 1996-2015.<sup>iii</sup> Data for the dependent variable (*governance*) are from the World Bank's Worldwide Governance Indicators database online. The World Bank's Worldwide Governance Indicators provide six dimensions of governance,

<sup>ii</sup> As Klerman et al. (2011) indicate the variable correlates almost perfectly with former colonial policies. In this paper, only two countries (Malaysia and Thailand) have "British legal origin", one of which was not colonised.

<sup>iii</sup> Since Brunei Darussalam and Singapore were not aid recipient countries over the period under investigation, they, therefore, were excluded from the analysis.

covering more than 200 countries and territories since 1996. The six aspects of good governance include government effectiveness, regulatory quality, rule of law, and control of corruption, voice and accountability, and political stability and absence of violence. Following Dadasov (2016), the last two are excluded from our analysis since they capture political institutions and the processes of government selecting and building only. The first four indicators capture the institutions that govern the government's capacity to implement sound policies and interactions of socioeconomic agents. Kaufmann et al. (2010) have defined the remaining four governance indicators as follows: government effectiveness (GE), measuring the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies; regulatory quality (RQ), capturing perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development; rule of law (RL), capturing perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence; and control of corruption (CC), measuring perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as 'capture' of the state by elites and private interests.

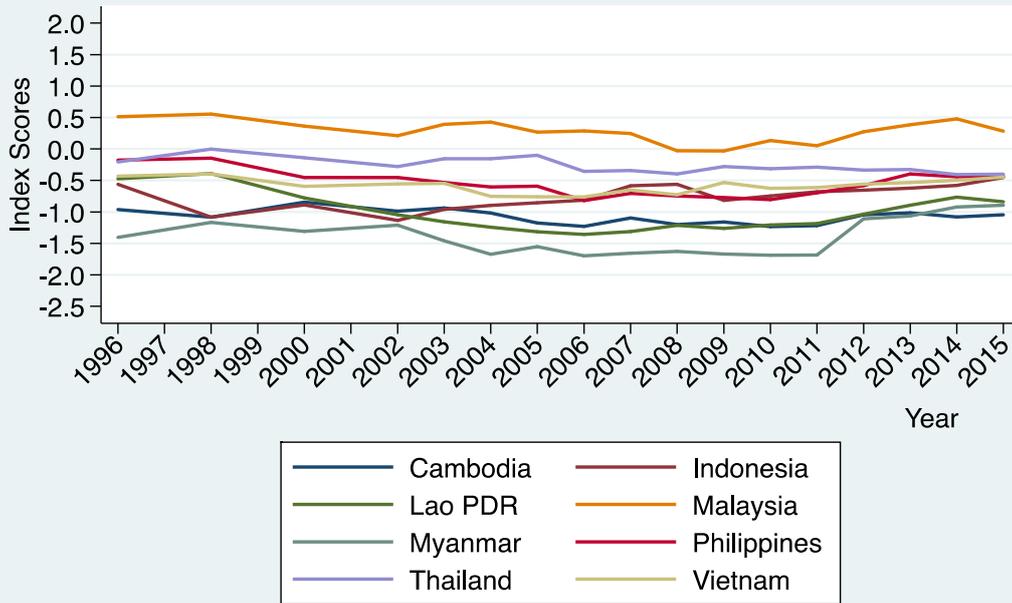
Explanatory variables data, such as GDP per capita measured in Purchasing Power Parity, foreign direct investment (FDI) as a percentage of GDP, and trade openness (Openness) as a percentage of GDP, are from the World Bank's World Development Indicators. Foreign aid is from the Organization of Economic Cooperation and Development (OECD) database, while the democracy index and the British legal origin (BLO) indicators are from the Center for Systematic Peace's Polity IV and La Porta et al. (1999), respectively. Details on variable descriptions and data sources are given in the Appendix.

Figure 1 depicts the stylized facts of the evolutions of the four aspects of governance quality for the eight ASEAN member states in our sample over 1996-2015. Overall, the old ASEAN member states, on average, have outperformed the new ones, namely CLMV (Cambodia, Lao PDR, Myanmar and Vietnam). Malaysia has enjoyed the highest governance quality for the period under consideration (Panels A-D). Looking at the index for individual dimensions of governance, Malaysia has performed better in terms of control of corruption, followed by Thailand. Its control-of-corruption scores were above the average on the -2.5 to 2.5 scale, even though Malaysia's control of corruption indexes has worsened in 2015. CLMV have experienced the lowest level of governance quality, with Myanmar being at the bottom and Vietnam at the top of the CLMV.

Malaysia also has enjoyed the highest level of government effectiveness, followed again by Thailand, which implies that these two countries are in a better position in implementing policies more effectively. In contrast, Myanmar was by far the worst performer, being faced with the lowest quality of government effectiveness. Malaysia also has maintained its highest performance vis-a-vis the other members of the grouping. In contrast, Myanmar invariably has faced the lowest regulatory quality and was the worst performer of the other governance dimensions, including the rule of law.

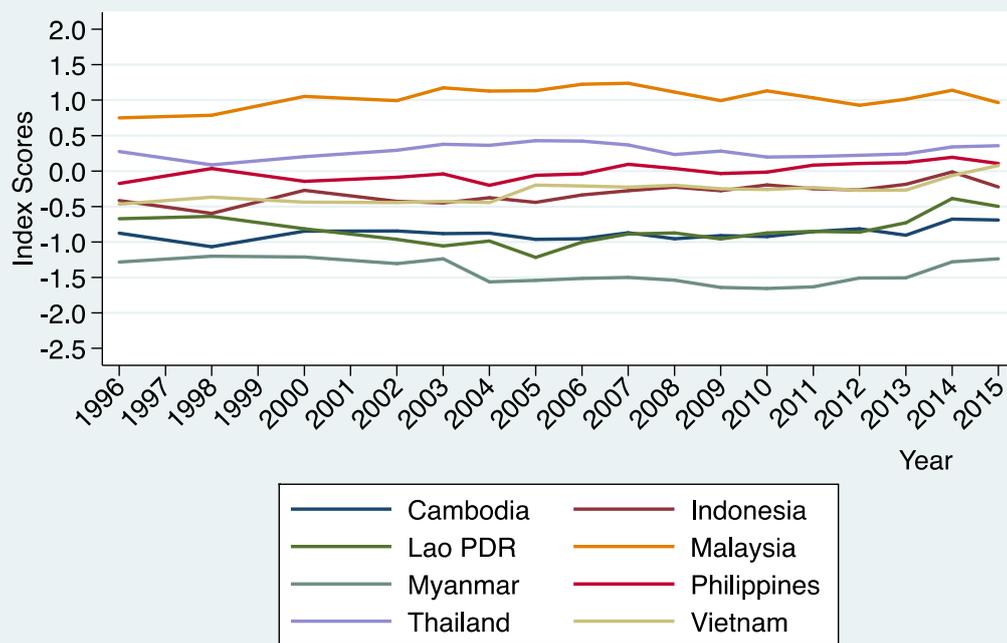
Figure 1: Evolutions of Quality of Governance for ASEAN-8 Member States, 1996-2015

Panel A: Evolution of ASEAN-8 Members' Control of Corruption, 1996-2015



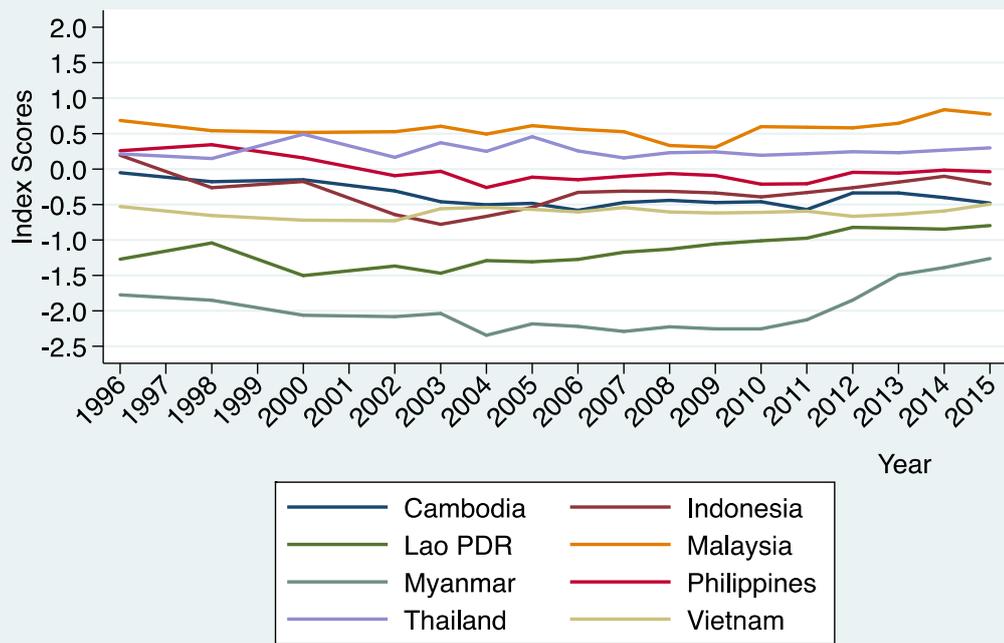
Source: World Bank's Worldwide Governance Indicators

Panel B: Evolution of ASEAN-8 Members' Government Effectiveness, 1996-2015



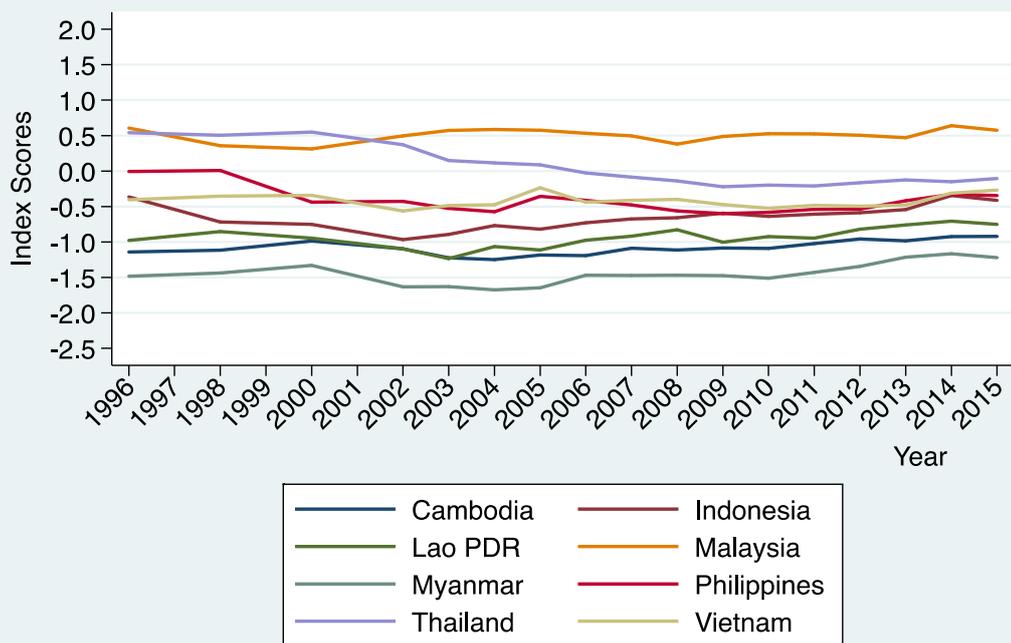
Source: World Bank's Worldwide Governance Indicators

Panel C: Evolution of ASEAN-8 Members' Regulatory Quality, 1996-2015



Source: World Bank's Worldwide Governance Indicators

Panel D: Evolution of ASEAN-8 Members' Rule of Law, 1996-2015



Source: World Bank's Worldwide Governance Indicators

Figure 2 shows the trends of net official development assistance (ODA) as a percentage of GDP for the eight ASEAN member countries that are considered, between 1996 and 2015, inclusive. Lao PDR was the most aid dependent economy, measured by net ODA as a percentage of its GDP. Between 1997 and 2009, net ODA has reached more than 20% of Lao PDR's GDP. However, its aid dependency has decreased over time from 1998 onwards. Cambodia is the second economy that has been dependent on foreign assistance for its economic development, having received more than 12% of GDP in 1996, but, as in the case of Lao PDR, the country's dependency on aid declined over time. Some more advanced members of the regional bloc, namely Malaysia and Thailand, have become net aid donors for some years under investigation, as evidenced by the negative net ODA as a percentage of their respective GDP. Likewise, Indonesia was also a net ODA donor in 2014-15.



### ESTIMATION STRATEGY

Many previous studies investigating the links between foreign aid and the quality of governance or determinants of governance have used cross-sectional data, the dataset that contains information on the sample of individual countries taken at a given point in time only (La Porta et al., 1999; Knack, 2001; Al-Marhubi, 2004; Ear, 2007a; Seldadyo et al., 2010). However, it has been recently argued that the use of cross-sectional data analysis leads to biased results due to unobserved individual country-specific heterogeneity that cannot be controlled for in the estimations of the cross-sectional data (McPherson & Trumbull, 2008; Rault et al., 2009; Goh et al., 2013).

Therefore, in the present paper we opt for a panel data set, i.e., data containing time series of individual countries, in the estimations of econometric specification (1). Panel data have several advantages over the usual cross-sectional or time series data (Hsiao, 2003,

2005, 2007; Plasmans, 2006). Plasmans (2006) has shown that panel data are more efficient with respect to random sampling and ease of identification, present less multicollinearity and are better for aggregation as this may vary over time. Similarly, Hsiao (2005) has indicated that an important advantage of panel data is that it allows controlling for the effects of omitted variables and contains information on the inter-temporal dynamics. Moreover, the individuality of the entities allows the effects of missing or omitted variables to be controlled for.

Panel data sets allow using three estimation procedures: pooled OLS, fixed-effects (FE), or random-effects (RE) estimations. If the assumption holds that the unobservable individual country-specific effects are not very different, pooled OLS estimations are the most efficient and simplest method. The FE estimator takes into account the unobservable country heterogeneity, and is always less efficient than the RE estimator, but the latter may suffer from endogeneity bias (based on the Hausman test) so that the FE estimator is preferred in that case. However, the use of a fixed-effects model will drop the time-invariant variable and will make FE estimations less preferred to the RE estimation alternative. Like the FE model, RE estimations take into consideration the unobservable heterogeneity effects, but incorporate these effects into the error terms, which are assumed uncorrelated with the explanatory variables.

To choose the most appropriate model for the panel data set from these three competing models, three statistical tests are available (Plasmans, 2006): the F-test, the Hausman specification test (Hausman, 1978), and the Lagrange multiplier test (LM test) (Breusch & Pagan, 1980). The F-test is used to carry out a test for the FE model against the pooled OLS. The null hypothesis of the F-test is that all individual effects are equal (pooled regression), or algebraically,  $H_0: \alpha_1 = \alpha_2 = \alpha_3 = \dots = \alpha_N = \bar{\alpha}$ , with the F-test statistic for the joint significance of the individual effects. The rejection of the null hypothesis will be in favor of the FE model.

The choice between pooled OLS and RE models is tested using the Breusch & Pagan (1980) LM test. If individual country-specific effects do not exist, the pooled OLS model is known to deliver the best linear unbiased estimators (BLUE), while RE estimators are not efficient. The opposite holds if individual country-specific effects do exist in the panel data set. The pooled OLS model assumes that the individual specific effects,  $\alpha_i$ , are equal and different from zero, while the RE model assumes that they follow a random, independently and identically distributed stochastic process; that is,  $\alpha_i \sim iid(0, \sigma_\alpha^2)$ ;  $u_{it}$  is assumed to be normally distributed with zero mean and constant variance, that is,  $u_{it} \sim iid(0, \sigma^2)$ . It has been shown by Breusch & Pagan (1980) that, under the null hypothesis  $H_0: \sigma_\alpha^2 = 0$  against the alternative hypothesis  $H_1: \sigma_\alpha^2 > 0$ , the LM test statistic is asymptotically  $\chi^2$  distributed with one degree of freedom. A large value for the LM test statistic will reject the null hypothesis in favor of the RE model.

The Hausman test is for testing the appropriateness of the FE model against the RE model. The Hausman test statistic is computed as follows (Verbeek, 2004):

$$\psi_H = (\hat{\beta}_{FE} - \hat{\beta}_{RE})' [\hat{V}\{\hat{\beta}_{FE}\} - \hat{V}\{\hat{\beta}_{RE}\}]^{-1} (\hat{\beta}_{FE} - \hat{\beta}_{RE}) \quad (2)$$

where  $\hat{V}_s$  denote estimates of the true covariance matrices. Under the null hypothesis that the explanatory variables and  $\alpha_i$  are uncorrelated, the Hausman test statistic  $\psi_H$  is asymptotically  $\chi^2$  distributed with  $K$  degrees of freedom, where  $K$  is the number of slope coefficients in the random effects model. A large value of  $\psi_H$  leads to the rejection of the null in favor of the fixed effects model.

The alternative approach to either FE or RE models is the Hausman-Taylor (H-T) method, which was proposed by Hausman & Taylor (1981). The H-T method combines the FE and RE estimation strategies and allows the estimations of both time-constant and time-varying explanatory variables that appear in our econometric specification. The H-T model takes the following form (McPherson and Trumbull, 2008):

$$y_{it} = \beta_0 + \beta_1 X_{1it} + \beta_2 X_{2it} + \alpha_1 Z_{1i} + \alpha_2 Z_{2i} + u_i + \epsilon_{it}, \quad (3)$$

where  $\epsilon_{it}$  is the white noise error term and  $u_i$  is the country specific effect. Hausman & Taylor (1981) have defined four sets of variables:  $X_{1it}$  are variables that are time-varying and are uncorrelated with  $u_i$ ;  $Z_{1i}$  are variables that are time-constant and are uncorrelated with  $u_i$ ;  $X_{2it}$  are variables that are time-varying and are correlated with  $u_i$ ; and  $Z_{2i}$  are variables that are time-constant and are correlated with  $u_i$ . The presence of  $X_{2it}$  and  $Z_{2i}$  that are correlated with  $u_i$  is the root cause of biased results in the random-effects method.

Hausman & Taylor (1981) have proposed the estimation strategy that uses only the information already contained within the model to serve as instruments for  $X_{2it}$  and  $Z_{2i}$ . As the H-T approach does not require the use of external instruments, the difficulties of finding the most suitable instruments can therefore be avoided (McPherson & Trumbull, 2008; Rault et al., 2009; Greene, 2012<sup>iv</sup>

The instruments can be constructed by taking deviations of the time-varying variables  $X_{1it}$  and  $X_{2it}$  from their group means. The transformation to deviations from the group means removes the part of disturbance that is correlated with  $X_{2it}$ , which is similar to the fixed-effects estimator (Greene, 2012). Since  $Z_{1i}$  variables are uncorrelated with the disturbances, they can also serve as instruments. Likewise,  $X_{1it}$  variables, by definition, are uncorrelated with disturbances, so their group means are also uncorrelated with the disturbances, and they can thus be used as instruments in the H-T estimator.

To summarize, the H-T method is an instrumental variable technique that uses only information already contained in our econometric specification. Therefore, the challenges of finding suitable instruments can be avoided (McPherson & Trumbull, 2008; Rault et al., 2009; Greene, 2012). The approach does not only address the endogeneity issue which can be also overcome by the fixed-effects estimator, but it also provides the estimates for important time-invariant variables that are automatically dropped by the fixed-effects model. Thanks to its potential usefulness (the appealing characteristics of fixed-effects and random-effects models combined), the H-T estimator was used in previous studies (McPherson & Trumbull, 2008; Rault et al., 2009; de Jong & Bogmans, 2011; Goh et al., 2013).

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<sup>iv</sup> Clemens et al. (2012) indicate that the diverse results reported by different studies on aid effects are largely due to the use of questionable, poor-quality external instrumental variables by the traditional instrumental variable approach.

## **RESULTS**

Table 1 presents descriptive statistics and multicollinearity checks for all included variables. The average scores for all governance variables over the period under investigation are well below the median score on the 0-10 scale. The VIF values for all explanatory variables are much lower than 5, indicating the absence of harmful multicollinearity among these explanatory variables. This suggests the stability of the estimates of these variables.

Table 1.

*Basic Statistics and VIF Values for Explanatory Variables.*

Variable Name	VIF	Mean	Minimum	Maximum
AidTotal	2.06	3.10	0	22.18
Ln(GDPCAP)	3.94	8.51	6.73	10.20
FDI	1.44	3.63	-2.76	10.31
Openness	1.99	99.87	0.17	220.41
Democracy	1.49	3.66	0	9
BLO	2.86	0.25	0	1
CC	–	3.67	1.60	6.11
GE	–	4.43	1.69	7.48
RL	–	3.93	1.65	6.28
RQ	–	4.13	0.31	6.67

*Notes:* *AidTotal* is total official development assistance as percentage of GNI;

*LnGDPCAP* is log of GDP per capita; *FDI* is foreign direct investment, measured as % of GDP; *Openness* is trade openness; *Democracy* is democracy index; *BLO* is binary variable, representing British legal origin; *CC* is control of corruption; *GE* is government effectiveness; *RL* is rule of law; and *RQ* denotes regulatory quality.

To report the best possible results, we have carried out the Hausman test in order to choose the most appropriate technique to estimate our econometric specification (1). Other diagnostic tests such as heteroskedasticity and autocorrelation have also been carried out. The test results, which are reported along with the estimated coefficients, suggest that the fixed-effects estimation method is statistically suitable. Tests for heteroskedasticity show that the null hypothesis of homoskedasticity is strongly rejected at the 1% significance level, which implies that heteroskedasticity is present in our data set. Likewise, the autocorrelation test statistics are also significant, indicating the presence of autocorrelation. Therefore, our econometric specification above is estimated with serial correlation and heteroskedasticity robust standard errors.

The fixed-effects results show that the variable of our interest, foreign aid, is positive and highly significant at the 1% level, for control-of-corruption, which suggests that aid does have a positive impact on the control of corruption in the countries under study. This finding provides evidence of statistical association between higher level of foreign aid and better control of corruption in the aid-receiving countries. Our result is in line with some previous empirical studies (Tavares, 2003; Okada & Samreth, 2012; Mohamed & Azman-Saini, 2015). However, aid appears not to be associated with the quality of other aspects of governance such as government effectiveness, rule of law and regulatory quality, as they lack statistical significance for these governance indicators.

Table 2.

*Fixed-Effects Estimation Results for Total Aid.*

Variable	CC	GE	RL	RQ
Constant	2.580** (0.997)	2.148 (1.708)	3.686* (1.818)	2.510 (2.298)
AidTotal	0.072*** (0.017)	0.007 (0.018)	-0.008 (0.024)	0.005 (0.053)
Ln(GDPCAP)	0.012 (0.102)	0.224 (0.201)	-0.013 (0.202)	0.155 (0.221)
FDI	0.076** (0.024)	0.034 (0.022)	0.057** (0.019)	0.057** (0.021)
Openness	0.003 (0.003)	0.002 (0.002)	$-1 \times 10^{-4}$ (0.002)	0.001 (0.004)
Democracy	0.043*** (0.010)	0.013 (0.020)	0.049 (0.037)	-0.016 (0.037)
BLO	–	–	–	–
Overall R <sup>2</sup>	0.024	0.716	0.167	0.145
No. of Obs.	134	134	134	134
Autocorrelation test	88.69***	17.72***	8.08**	14.19***
Heteroskedasticity test	247.50***	34.43***	86.94***	178.32***
Hausman test	N.M	509.09***	62.47***	N.M

*Notes.*

1. *Ln* denotes natural logarithm and N.M denotes ‘not meaningful results’.
2. *AidTotal* is total foreign aid provided by all donors; *LnGDPCAP* is log of GDP per capita; *FDI* is foreign direct investment, measured as % of GDP; *Openness* is trade openness; *Democracy* is democracy index; and *BLO* is a binary variable, representing British legal origin.
3. \*, \*\*, and \*\*\* denote that the slope parameter estimates are statistically significant at the levels of 10%, 5%, and 1%, respectively.
4. Standard errors are serial correlation and heteroskedasticity robust standard errors in parentheses.

The estimated coefficient on FDI has the positive sign and is significant at the 5% level. This provides evidence that higher level of FDI in the host countries leads to better quality of domestic governance in these countries. The finding suggests that foreign investors may require a particular level of quality of governance in a host country before they decide to invest in this country. In addition, they may push for improvements of governance quality to better secure investment permits and operations in the host economy. Similarly, democracy is also found to be related to the quality of governance, implying that countries that

are more democratic enjoy better control of corruption. Other variables, such as per capita GDP and economic openness, are not significant at the conventional significance level, which indicates that these two variables do not seem to be relevant to governance quality.

The use of the fixed-effects approach drops an important time-constant variable, BLO (British legal system origin). To retain this variable and to address possible endogeneity issues, we report the estimates by the Hausman-Taylor method, the instrumental variable technique that removes the correlation between the composite error terms and the included variables. As discussed above, it uses only information (internal instruments) already contained in the econometric specification (1). Therefore, the challenges of finding suitable external instruments can be avoided. The Hausman-Taylor results are reported in Table 3, which are consistent with those reported in Table 2. The coefficient on aid retains its statistical significance at the 1% level for the case of control of corruption. Likewise, FDI also retains its significance for all four aspects of governance, confirming FDI plays an important role in promoting governance quality in the eight ASEAN host economies. The coefficient on democracy is positive and turns to be significant for both control of corruption and rule of law, suggesting that countries that are more democratic achieve higher quality of control of corruption and rule of law. BLO is found to be highly significant for the four dimensions of governance, implying that countries with so-called British legal origin have better control of corruption, more government effectiveness, better quality of rule of law and higher quality of regulatory quality. Per capita income turns to be statistically significant at the 1% level (Table 3), which indicates that citizens of countries with high per capita income tend to demand that their governments be more effective.

Table 3.

*Hausman-Taylor Estimation Results for Total Aid.*

Variable	CC	GE	RL	RQ
Constant	1.933** (0.905)	1.494** (0.710)	2.994*** (0.779)	1.832* (1.007)
AidTotal	0.071*** (0.017)	0.006 (0.012)	-0.009 (0.014)	0.005 (0.017)
Ln(GDPCAP)	0.032 (0.104)	0.234*** (0.075)	0.002 (0.088)	0.167 (0.108)
FDI	0.072*** (0.018)	0.032** (0.013)	0.054*** (0.015)	0.054*** (0.018)
Openness	0.004** (0.002)	0.002 (0.001)	$1 \times 10^{-4}$ (0.001)	0.001 (0.002)
Democracy	0.050** (0.020)	0.017 (0.015)	0.054*** (0.017)	-0.012 (0.021)
BLO	1.713*** (0.578)	2.123*** (0.693)	2.056*** (0.548)	2.067** (0.941)
No. of Obs.	134	134	134	134

*Notes.*

1. *Ln* denotes natural logarithm.
2. *AidTotal* is total foreign aid provided by all donors; *LnGDPCAP* is log of GDP per capita; *FDI* is foreign direct investment, measured as % of GDP; *Openness* is trade openness; *Democracy* is democracy index; and *BLO* is a binary variable, representing British legal origin.
3. \*, \*\*, and \*\*\* denote that the slope parameter estimates are statistically significant at the levels of 10%, 5%, and 1%, respectively.
4. Standard errors are serial correlation and heteroskedasticity robust standard errors in parentheses.

To investigate whether the impact of foreign aid on governance depends on its sources, we have broken down aid by aid from DAC countries, the EU, and multilateral institutions such as the World Bank. The results are reported in Tables 4-6. Foreign aid from the EU, DAC donors, and multilateral institutions are found to have improved the control of corruption in the recipient ASEAN countries. This finding seems to suggest that these institutions may require the aid-receiving countries to address their corruption issues as a condition for aid. As in the case of aggregate aid, FDI and BLO retain their statistical significance, confirming their effects on the four aspects of governance quality. Democracy is consistently found to have promoted the rule of law and better control of corruption, while economic openness has a reduction effect on corruption only. The coefficient on income per capita is significant for government effectiveness, indicating that countries with higher per capita income experience a higher level of government effectiveness.

Table 4.

*Hausman-Taylor Estimation Results for DAC Aid.*

Variable	CC	GE	RL	RQ
Constant	2.201** (0.882)	1.664** (0.692)	2.695*** (0.757)	1.560 (0.980)
AidDAC	0.109*** (0.026)	0.001 (0.019)	0.002 (0.022)	0.024 (0.027)
Ln(GDPCAP)	0.001 (0.101)	0.216*** (0.073)	0.033 (0.086)	0.194* (0.104)
FDI	0.076*** (0.018)	0.031** (0.013)	0.056*** (0.015)	0.057*** (0.019)
Openness	0.003* (0.002)	0.002 (0.001)	$1.2 \times 10^{-4}$ (0.001)	0.001 (0.002)
Democracy	0.050** (0.020)	0.017 (0.015)	0.054*** (0.017)	-0.012 (0.021)
BLO	1.775*** (0.590)	2.126*** (0.690)	2.053*** (0.551)	2.076** (0.946)
No. of Obs.	134	134	134	134

*Notes.*

1. *Ln* denotes natural logarithm.
2. *AidDAC* is total aid provided by all DAC countries; *LnGDPCAP* is log of GDP per capita; *FDI* is foreign direct investment, measured as % of GDP; *Openness* is trade openness; *Democracy* is democracy index; and *BLO* is a binary variable, representing British legal origin.
3. \*, \*\*, and \*\*\* denote that the slope parameter estimates are statistically significant at the levels of 10%, 5%, and 1%, respectively.
4. Standard errors are serial correlation and heteroskedasticity robust standard errors in parentheses.

Table 5.

*Hausman-Taylor Estimation Results for EU Aid.*

Variable	CC	GE	RL	RQ
Constant	2.852*** (0.915)	1.958*** (0.695)	3.239*** (0.758)	1.797* (0.988)
AidEU	0.171** (0.072)	-0.040 (0.050)	-0.075 (0.058)	0.025 (0.071)
Ln(GDPCAP)	-0.064 (0.106)	0.187** (0.073)	-0.022 (0.086)	0.170 (0.105)
FDI	0.065*** (0.019)	0.029** (0.013)	0.052*** (0.015)	0.054*** (0.018)
Openness	0.004** (0.002)	0.002 (0.001)	$-2 \times 10^{-5}$ (0.001)	0.002 (0.002)
Democracy	0.053** (0.021)	0.017 (0.015)	0.054*** (0.017)	-0.012 (0.021)
BLO	1.692*** (0.540)	2.134*** (0.686)	2.068*** (0.547)	2.063** (0.940)
No. of Obs.	134	134	134	134

*Notes.*

1. *Ln* denotes natural logarithm.
2. *AidEU* is total aid provided by the EU; *LnGDPCAP* is log of GDP per capita; *FDI* is foreign direct investment, measured as % of GDP; *Openness* is trade openness; *Democracy* is democracy index; and *BLO* is a binary variable representing British legal origin.
3. \*, \*\*, and \*\*\* denote that the slope parameter estimates are statistically significant at the levels of 10%, 5%, and 1%, respectively.
4. Standard errors are serial correlation and heteroskedasticity robust standard errors in parentheses.

Table 6.

*Hausman-Taylor Estimation Results for Multilateral Aid.*

Variable	CC	GE	RL	RQ
Constant	2.277*** (0.879)	1.354** (0.690)	3.335*** (0.749)	2.356** (0.978)
AidML	0.137*** (0.036)	0.026 (0.025)	-0.047 (0.030)	-0.030 (0.036)
Ln(GDPCAP)	0.001 (0.103)	0.249*** (0.073)	-0.034 (0.085)	0.113 (0.105)
FDI	0.063*** (0.018)	0.032** (0.013)	0.053*** (0.015)	0.052*** (0.018)
Openness	0.004** (0.002)	0.002 (0.001)	-3.5 × 10 <sup>-5</sup> (0.001)	0.001 (0.002)
Democracy	0.051** (0.020)	0.017 (0.015)	0.054*** (0.017)	-0.012 (0.021)
BLO	1.651*** (0.542)	2.110*** (0.691)	2.083*** (0.552)	2.087** (0.940)
No. of Obs.	134	134	134	134

*Notes.*

1. *Ln* denotes natural logarithm.
2. *AidML* represents total aid provided by multilateral agencies; *LnGDPCAP* is log of GDP per capita; *FDI* is foreign direct investment, measured as % of GDP; *Openness* is trade openness; *Democracy* is democracy index; and *BLO* is a binary variable, representing British legal origin.
3. \*, \*\*, and \*\*\* denote that the slope parameter estimates are statistically significant at the levels of 10%, 5%, and 1%, respectively.
4. Standard errors are serial correlation and heteroskedasticity robust standard errors in parentheses.

**CONCLUDING REMARKS**

In this paper, the impact of foreign aid on domestic governance was empirically tested, using a panel data set over 1996-2015 from the ASEAN member states that received aid during this period. We have controlled for other factors, such as per capita income, trade openness, foreign direct investment, democracy and a “legal origin” indicator, which may influence domestic governance in these countries. To report the best possible results, we have opted for the Hausman-Taylor technique, which effectively deals with possible endogeneity issues within our specification, and we have carried out some important diagnostic tests.

The results show that higher levels of foreign aid are associated with improvement of corruption control in the ASEAN countries involved. GDP per capita is found to positively

affect government effectiveness, while a high level of democracy practices promotes the rule of law and better control of corruption. Interestingly, there is strong evidence for the crucial role that FDI has played in the improvements of governance quality. FDI has a positive significant impact on all four dimensions of governance—control of corruption, government effectiveness, rule of law, and regulatory quality. Similarly, countries with “British legal origin”, on average, maintain higher governance quality. We have also examined if governance is affected by aid sources, namely aid flows from the EU, OECD DAC donor countries, and multilateral institutions such as the World Bank. Our results are consistently similar to these with aggregated aid. With disaggregated aid, trade openness is, however, positively related to better control of corruption.

Our findings should offer some implications for the improvements of domestic governance for the studied ASEAN countries, as well as for other transitional and developing economies with a similar economic development. As aid is found to have a positive effect on the control of corruption, aid flows to countries with high corruption levels should help address corruption issues in these countries. This could take place through the positive effect of foreign aid on economic growth and development. A richer country is, on average, less corrupt than a poorer one. Second, FDI is a main determinant of governance. Thus, additional FDI flows can be used as an instrument to enhance governance quality in a host economy as it may put pressure on the host government to continually improve the business and institutional environment for attracting FDI-funded projects for its economic development. Third, since democracy is found to be a significant determinant of the rule of law and control of corruption, the promotion of democracy in recipient countries is an effective way of improving these two aspects of governance. Finally, trade openness is yet another determinant of governance, namely control of corruption. Therefore, accepting more imports from countries with high anti-corruption practices should help combat this issue for these countries through the importing countries’ pressure on the exporting countries to streamline trade-related procedures, which tend to have a reduction effect on corruption.

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**APPENDIX A**

**Definitions of Variables and Data Sources**

Variable	Definitions	Sources
AidTotal	Net aid received as percentage of GNI	World Bank's World Development Indicators
AidDAC	Net aid received from OECD DAC member countries, computed as percentage of GNI	OECD DAC, available at <a href="http://www.oecd.org">www.oecd.org</a>
AidEU	Net aid received from the European Union, computed as percentage of GNI	OECD DAC, available at <a href="http://www.oecd.org">www.oecd.org</a>
AidML	Net aid received from multilateral institutions, computed as percentage of GNI	OECD DAC, available at <a href="http://www.oecd.org">www.oecd.org</a>
Ln(GDPCAP)	GDP per capita	World Bank's World Development Indicators
FDI	Foreign direct investment as percentage of GDP	World Bank's World Development Indicators
OPENNESS	Total trade as percentage of GDP	World Bank's World Development Indicators
Democracy	Democracy index, which ranges from 0 to 10	Center for Systematic Peace's Polity IV
BLO	Binary variable, representing British legal origin	La Porta et al. (1999)

Control of Corruption (CC)	Logarithm of regulatory quality index, which ranges from -2.5 to 2.5, with a score of 2.5 representing the strongest institutions. The index is rescaled to between 0 and 10.	World Bank's Worldwide Governance Indicators
Regulatory Quality (RQ)	Logarithm of regulatory quality index, which ranges from -2.5 to 2.5, with a score of 2.5 representing the strongest institutions. The index is rescaled to between 0 and 10.	World Bank's Worldwide Governance Indicators
Government Effectiveness (GE)	Logarithm of regulatory quality index, which ranges from -2.5 to 2.5, with a score of 2.5 representing the strongest institutions. The index is rescaled to between 0 and 10.	World Bank's Worldwide Governance Indicators.
Rule of Law (RL)	Logarithm of regulatory quality index, which ranges from -2.5 to 2.5, with a score of 2.5 representing the strongest institutions. The index is rescaled to between 0 and 10.	World Bank's Worldwide Governance Indicators

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**THE EFFECT OF INTEGRATED ELT APPROACH ON  
READING PROFICIENCY OF THAI TEACHERS IN  
AN IN-HOUSE TRAINING IN A BILINGUAL SCHOOL CONTEXT**

by

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**ABSTRACT**

As part of a professional development program in the field of education, this study explored whether an integrated ELT approach used in an in-house ESL training for Thai teachers in a private bilingual school in Thailand helped improve their English proficiency particularly reading. The study was conducted over a two month period with the quantitative data collected at Time 1 (pretest) and Time 2 (posttest) via the use of a digital reading comprehension assessment program called “Scholastic Literacy Pro<sup>TM</sup>”. The participants were 42 Thai teachers with limited English proficiency working at the school. The results of Time 1, before intervention, and Time 2, after intervention, were used to partly assess participants’ development in English language learning and to reflect the effectiveness of the integrated ELT approach used in the in-house ESL training program. The study showed that the Time 2 test score of most participants had improved. Nevertheless, further study is needed to better understand the impact of the integrated ELT approach in improving overall English proficiency of Thai teachers in this particular bilingual school context.

**KEY WORDS:** English language teaching (ELT), integrated ELT approach, constructivism, team teaching, bilingual school

**INTRODUCTION**

**Background**

Today, an estimated 60% of the world’s population know and speak more than one language (ilanguages.org). This percentage is significant. It shows that a vast number of the world’s population are increasingly moving from monolingual to bilingual or multilingual in order to be at the competitive edge. This is partly because of the word ‘Globalization 4.0’ –the integrated state of global economy stemming from series of industrial revolution in the Western and European countries. Yet, the idea of communicating to one another using more than one language is not new. It has been going on for thousands of years throughout the modern human history. People who are bilingual or multilingual not

only gain better social and economic well-being, but also appear to learn a new language more quickly and are able to sustain cognitive function with aging better than monolinguals according to a study on ‘Bilingualism: Language and Cognition’ at Fordham University in New York (Grey, 2017).

Bilingual education has been promoted in Thailand for a little over thirty years now. The trend of bilingual education expansion is still growing as demand for English speaking workforce within the country is very high these days. According to Cambridge International Examinations (cambridgeinternational.org), the basic concept of bilingual education is ‘the use of two or more languages as media of instruction for content subjects such as science, math or history.’ To support successful learning in bilingual education, the bilingual school of this study employed ‘team-teaching’ strategy in most of its major content subject classrooms.

## LITERATURE REVIEW

### Team-Teaching Strategy

What is meant by “team-teaching” has been defined by many scholars. Goetz (2000), for example, suggests in her article ‘Perspective on Team-teaching’ that there appears to be two broad categories of team-teaching:

- *Category A:* Two or more instructors are teaching the same students at the same time within the same classroom.
- *Category B:* The instructors work together but do not necessarily teach the same groups of students nor necessarily teach at the same time.

Both categories could be seen in use at this bilingual school. *Category A* team-teaching was used in the Kindergarten (K 1-3) and the Primary School (Grade 1-6), while *Category B* was used in the Secondary School (Grade 7-12). As team members, English speaking and Thai teachers had to maintain their roles in complementing each other to achieve desirable student outcomes to meet the school’s common goal of the 21<sup>st</sup> century teaching and *learning*. This requires Thai teachers to be skillful in English communication. There were many Thai teachers who were bilinguals and presented no difficulty communicating in English. However, there were also a number of Thai teachers whose English proficiency was at a beginner level which limited their potential of being effective team-teaching partners. Recognizing this issue as a challenge in maintaining academic standards at the school, school leaders and policy makers encouraged and supported this group of Thai teachers to strengthen their English language skills by providing them with an in-house English as a second language (ESL) training as part of their professional development. This study aimed to investigate the effectiveness and success of the training program in improving Thai teachers’ English language proficiency at the end of the two months’ training.

### Integrated ELT Approach

The approach selected for the in-house ESL training program in this study was an integrated English language teaching (ELT) approach for the development of all four language skills – listening, speaking, reading and writing. English language was the main

medium of instruction. According to Shoemaker (1989), integrated teaching and learning refers to “education that is organized in such a way that it cuts across subject-matter lines, bringing together various aspects of the curriculum into meaningful association to focus upon broad areas of study. It views learning and teaching in a holistic way and reflects the real world which is interactive.” In the online teaching and learning called ‘NIOS MOOCS Sr. Secondary’ supported by the Ministry of Human Resource Development (MHRD), Government of India, Sinha (2017) describes three main types of integrated teaching and learning as follows:

1. *Integration within subject area or Intra-disciplinary*—A process of integration within one subject area where knowledge and skills of the same subject are connected together during the teaching and learning process. “When teachers integrate the sub-disciplines within a subject area, they are using an intradisciplinary approach. Integrating reading, writing, and oral communication in language arts is common example (Drake & Burns, 2004)”.
2. *Integration between subject areas or Multi-disciplinary & Inter-disciplinary*—A process of integrating knowledge and skills of two or more different subjects. “In a *Multi-disciplinary* approach, the knowledge and skills are organized around a theme. In an *Inter-disciplinary* approach, teachers organize the curriculum around common learning across disciplines (Drake & Burns, 2004)”. This helps students make connections to many relevant or related disciplines, for example, in promoting English vocabulary learning, a topic in general science and physics can be introduced to language learners.
3. *Integration beyond subject areas or Trans-disciplinary* – This process focuses on students’ day-to-day experiences and connects them to different subject areas to acquire knowledge and skills (Sinha, 2017). It includes many disciplinary skills as they happen in a real life context, for example, project-based and outdoor activity learning.

The integrated ELT approach used in this training was apparently a Type 1.—*Integration within the subject area—Intra-disciplinary* where all four language skills were interconnected and focused. In addition to the fact that no language can be acquired in isolation, the integrated ELT approach in this training also linked with Type 2.—*Integration between subject area –Multi-disciplinary & Inter-disciplinary* in facilitating ESL learning. This was seen in reading activities where short passages and stories in a variety of topics such as Aesop’s fables, modern science and technology articles, and daily news of learners’ interest were used in the ESL teaching and learning. After reading, learners answered comprehension questions both verbally and in writing. During which time, some writing techniques, sentence structures and grammar might be explained to support writing, reading as well as speaking skills. Listening skills development was practiced using technology-integrated recording materials, for example, songs, music videos, and short story films. Comments, discussions and oral presentations were among learning activities practiced by the learners during the two month training program.

### Advantages of an Integrated ELT Approach

Listed below are some advantages of an integrated ELT approach.

1. *Stimulate active learning*—An integrated ELT approach promotes active learning. Active learning involves providing opportunities for students to meaningfully talk and listen, write, read, and reflect on the contents, ideas, issues, and concerns of an academic subject (Meyers & Jones, 1993).
2. *Develop communicative competence*—To be communicative competent, an ESL learner must be able to utilize all four language skills. Jing (2006) states, “The integration of the four skills emphasizes the focus on realistic language and can, therefore, lead to the student’s all-round development of communicative competence in English.”
3. *Encourage holistic learning*—Since everything in life is interconnected, an integrated ELT approach helps learners understand and view language learning and life experience holistically. Learners use their prior knowledge to interpret information and construct a meaningful representation for the information which is crucial to language learning (Ross, 2017).
4. *Promote learner-centered*—In an integrated ELT approach, teachers select a topic of study based on student interests and resources. The teacher finds out what the students already know and helps them generate questions to explore. The teacher also provides resources for students and opportunities to work in the field. Students share their work with others in a culminating activity and display results of their exploration, review and evaluate their projects (Drake & Burns, 2004).
5. *Build up student’s motivation*—The employment of an integrated ELT approach helps generate interests and foster positive attitudes towards ESL learning. This motivates students to pay close attention to what is being taught in the classroom resulting in overall language improvement.
6. *Provide meaningful learning experience*—The use of an integrated ELT approach especially in a theme-based teaching and learning process provides students with meaningful input. So, they can develop a more encompassing use of their English through cognitive engagement (Banegas, 2011; Butler, 2005, p. 234; Kong & Hoare, 2011).
7. *Facilitate constructive learning*—Learning will be constructive and effective providing that there is extensive exposure to the target language and plenty of opportunities for the learner to use it (Brumfit, 1980). Based on Constructivism theory, learning environments could enhance “collaborative construction of knowledge through social negotiation, not competition among learners for recognition (Jonassen,1994).” This makes learning fun and engaging. And the environment in the bilingual school of this study was considered highly supportive for constructive English language learning and improvement.

### **Challenges in ESL Learning and Acquisition**

The goal of the in-house ESL training at the bilingual school of this study was to help Thai teachers whose English was in a beginner level develop and improve their overall English language proficiency by combining all the skills needed in every class. This was the reason that an integrated ELT approach was introduced and implemented in the program. It is a simulation of real life language learning that helps facilitate the process of language acquisition in an authentic way (Drake & Burns, 2004). Nevertheless, the success of ESL learning and acquisition requires time and effort investment from the English language learner (ELL). This was the first challenge found in this study. The participants were all full-time teachers who had their daily duties and responsibilities to perform to facilitate learning of their students, and they did not have much time left for themselves. Nevertheless, over the two month period of the ESL training, they had successfully managed to participate in the program without long absences from the class.

The second challenge was on each individual education background and first language literacy skills. In language acquisition field, many researchers state that it generally takes five to seven years for an individual to achieve advanced fluency; however, if an individual had not fully developed his or her first language, this process may take up to ten years or longer (Robertson & Ford, 2009). Fortunately, the first language literacy skills were not an issue for Thai teachers in this study, but their varied English language background was. In other words, their years of English language learning experience and exposure to the target language prior to participating in the in-house ESL training had an impact on their language improvement.

The third challenge found in this study was on assessment and evaluation. The study was conducted over a period of two months to see the impact of the integrated ELT approach on English reading proficiency of Thai teachers in this in-house ESL training and to gauge the effectiveness of the program in facilitating and helping the participants improve their English language skills. The instruments used were the English reading pretest and posttest through the employment of a digital reading comprehension assessment program called “Scholastic Literacy Pro<sup>TM</sup>”. The reasons for using this computer adaptive test platform were, firstly, “Scholastic Literacy Pro<sup>TM</sup>” is a widely recognized research-based and reliable testing platform (Scholastic, 2007). Secondly, the school had adopted this testing platform as an assessment tool for students’ reading comprehension during the time of this study. So, it was a test of convenience to obtain pretest and posttest scores of the Thai teachers’ reading skills. Lastly, many scholars and linguists have always suggested that reading should be mastered if a second language was to acquire. Professor Emeritus Stephen Krashen, University of Southern California, for instance, states that “reading is good for you. Reading is the only way, the only way we become good readers, develop a good writing style, an adequate vocabulary, advanced grammar, and the only way we become good spellers (Krashen, 1993)”. Hence, “Scholastic Literacy Pro<sup>TM</sup>” reading test was used in this study.

The primarily purpose of this study was to quantify the integrated ELT approach on the participants’ reading proficiency over the two month period of the training. The study examined and analyzed data of Time 1 (pretest) and Time 2 (posttest) through descriptive statistics. Then, it revealed the results and presented a conclusion regarding the effects of the integrated ELT approach on the reading skills. Finally, it provided a few recommen-

dations for future study on the effectiveness and impact of the integrated ELT approach on ESL teaching and learning.

## **OBJECTIVES**

This study consists of three main objectives:

1. To obtain the Time 1 (pretest) and Time 2 (posttest) English reading scores from the participants to be used in assessing their language proficiency.
2. To compare Time 1 and Time 2 English reading scores if they were different due to the training intervention.
3. To interpret the effect of the integrated ELT approach on reading proficiency of the participants in an in-house ESL training based on these scores.

Subsequently, three research questions were formed as follows:

1. How was the Time 1 and Time 2 English reading scores obtained?
2. Were Time 1 and Time 2 English reading scores different?
3. Did the integrated ELT approach, in fact, improve reading proficiency of the participants in this in-house ESL training.

## **METHODOLOGY**

### **Subjects**

This study was conducted with a sample population of forty-two Thai teachers, seven males and thirty-five females, working in the 2016 academic year in a bilingual school in Thailand. Their ages ranged from twenty-three to fifty-nine years. Fifteen teachers were from the Kindergarten, fourteen were from the Primary School and thirteen were from the Secondary School.

### **Instruments**

A digital reading comprehension assessment program from a computer adaptive platform called “Scholastic Literacy Pro<sup>TM</sup>” was used in this study to provide the reading tests to the participants. Two tests were administered – Time 1(pretest) and Time 2 (posttest). The scores were obtained from the platform and recorded by the researchers.

### **Data Collection**

To answer the first research question, all participants were required to take the Time 1 test prior to starting of the intervention program. The Time 1 reading test scores were recorded by the researchers. After the 8 week intervention of an ESL training, the participants took the Time 2 test, and the reading test scores were recorded. The test time was approximately 30 minutes for each test, however, this could be shorter if the test taker underperformed on the programmed questions. It was worth noting that, the participants were not required to read the materials recommended by “Scholastic Literacy Pro<sup>TM</sup>”, nor were they taught to prepare for their tests using these materials. The researchers believed

that if they read the materials prior to participating in an in-house ESL training program, their Time 1 scores would be inflated and the data after comparing with the Time 2 would not reflect the effectiveness of the integrated ELT approach used in the training. The test result of each participant was calculated by “Scholastic Literacy Pro<sup>TM</sup>” and posted on the computer screen instantly after each test. All the test scores were recorded by the researchers for further analysis.

### **Data Analysis**

The second research question was addressed by the use of the Paired-Samples *t* Test – a parametric test. The Paired-Sampled *t* Test compares means of two related units assumed normally distributed. The purpose is to determine whether there is a statistical evidence that the mean difference between paired observations is significantly different from zero (Kent State University). The fact that the scores obtained from “Scholastic Literacy Pro<sup>TM</sup>” are presented as Lexile scores which range from 0L to over 2000L raises a concern whether the Time 1 and Time 2 test scores fit the description of “normally distributed”. Thus, to supplement the Paired-Sampled *t* Test, an additional test, a non-parametric Wilcoxon Signed-Rank test was used. The Wilcoxon Signed-Rank Test is able to use data measured at the ordinal, interval or ratio level and compares two sets of values or scores from the same group of participants in order to investigate any changes in scores over a period of time.

The significant difference in scores between the means of the Time 1 and Time 2 would provide evidence to address the third research question. If there was a significant difference in the mean scores, it could be stated that the improvement in reading took place as direct result of the training. To investigate this, the researchers formed two hypotheses:

### **Null Hypothesis**

The use of an integrated ELT approach in an in-house ESL training will not change Time 1 to Time 2 scores; that is the difference between the mean scores of Time 1 and Time 2 is equal to 0.

$$H_0: \mu_1 - \mu_2 = 0$$

### **Alternative Hypothesis**

The use of an integrated ELT approach in an in-house ESL training will change Time 1 to Time 2 scores; that is the difference between the mean scores of Time 1 and Time 2 is not equal to 0.

$$H_a: \mu_1 - \mu_2 \neq 0$$

## **RESULTS AND DISCUSSION**

### **Results**

Forty-two participants completed their Time 1 prior to starting of the in-house ESL training. After the two month period of the training, the Time 2 was administered. Both tests were completed through the use of a computer adaptive assessment platform called “Scholastic Literacy Pro<sup>TM</sup>”. After the participants completed the tests, their scores were

obtained and recorded on the same day. According to the study, the investigation was designed to control for other factors that may have influenced the teachers’ reading performance scores, for example, reading materials recommended by “Scholastic Literacy Pro<sup>TM</sup>” were not exercised by the participants during the two month training period, any discussions among test takers and the use of any dictionaries were not allowed in the test room. These measures were taken to control for extraneous factors that could invalidate the results. The Time 1 and Time 2 scores were analyzed and shown in Table 1.

Table 1.

*Paired-Samples Statistics.*

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Pretest	273.98	42	169.573	26.166
	Posttest	345.21	42	210.636	32.502

According to the Paired-Samples Statistics in Table 1, it is clear that the means for the Time 1 (pretest) and Time 2 (posttest) are indeed different. The Time 1 mean = 273.98 vs. the Time 2 mean = 345.21. In the Std. Deviation column, standard deviations for both Time 1 and Time 2 measurements are also different. The Time 1 Std. Deviation mean = 169.573 vs. the Time 2 = 210.636. The second research question – Were Time 1 and Time 2 English reading scores different? – is answered.

Table 2.

*Paired-Samples Test.*

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Pretest - Posttest	-71.238	154.876	23.898	-119.501	-22.975	-2.981	41	.005

Table 2 presents the information needed to decide whether there is a statistical evidence to support this study that the Time 1 and Time 2 test scores would be significantly different. We noticed that the calculated sample mean of -71.238 was within the 95% confidence limits of -119.501 (lower) and -22.975 (upper). In the last column, Sig. (2 tailed), we could see the value of .005. This value tells us that there is only 0.5% chance that the observed difference resulted from chance.

Based on the results of the Paired-Samples *t* Test, we had statistical evidence that the use of an integrated ELT approach in the in-house ESL training resulted in a significant change in reading performance. This means that the investigation was a success. The third research question, “Did the integrated ELT approach, in fact, improve reading proficiency of the participants in this in-house ESL training?” is answered.

The scores obtained from “Scholastic Literacy Pro<sup>TM</sup>” were given as Lexile scores which range from 0L to over 2000L. This could present a question whether the Time 1 and Time

2 test scores fit the description of ‘normally distributed’. Thus, the researchers believed that it would be a good idea to use a non-parametric Wilcoxon Signed-Rank test to supplement the analyses of the Paired-Sampled  $t$  Test. The Wilcoxon Signed-Rank Test converts the data measured at interval or ratio level to the ordinal level of measurement. Then, it calculates the medians of the ranks for the Time 1 (pretest) and Time 2 (posttest) groups, after which it tests to see if there is a significant difference between the medians of the tests (Aldrich & Cunningham, 2016).

Table 3.

*Hypothesis Test Summary: Nonparametric Wilcoxon Signed-Rank Test.*

Null Hypothesis	Test	Sig.	Decision
The median of differences between Pretest and Posttest equal 0.	Related-Samples Wilcoxon Signed-Rank Test	.007	Reject the Null Hypothesis

Table 3 displays the calculated hypothesis test summary with the significance level of .05. According to the table, the nonparametric Wilcoxon Signed-Rank Test also found a significant difference for the Time 1 (pretest) and Time 2 (posttest) reading scores. The null hypothesis that the use of an integrated ELT approach in an in-house ESL training will not change Time 1 to Time 2 scores, and that the difference between the mean scores of Time 1 and Time 2 is equal to 0 is rejected with a significance level of .007. Hence, we have some evidence that the alternative hypothesis is true which would mean that there was a difference in the reading performance. This is in agreement with the results of the Paired-Sampled *t* Test. So, we have additional evidence that there was a significant improvement in reading proficiency of the participants in an in-house ESL training based on these scores. In other words, we could attribute significant differences to the intervening action of the ESL training.

## **DISCUSSION**

The goal of the in-house ESL training was to help Thai teachers improve their English and become a competent user of the language, so that they could effectively team-teach with the English speaking teachers at the school. And because all the four skills (reading, writing, speaking, listening) are equally important, an integrated ELT approach was used in the program. Though the results of this study showed that most Thai teachers had made their improvement in reading, the other three skills of the teachers also need to be evaluated. It is important, from a methodological perspective, that data collection to assess all the skills be done to test the strength of the integrated ELT approach in language training. There are also many other factors which could contribute to the success of ESL learning and acquisition of the learners, for example, the school environment, teacher's personality, motivation and attitudes towards English language learning, etc. These factors should be taken into consideration whether they had affected the reading improvement of the participants in this study.

As the researchers decided to go for a test of convenience to obtain Time 1 and Time 2 scores through a digital reading comprehension assessment program called "Scholastic Literacy Pro<sup>TM</sup>" which presents the scores in Lexile, the issue of validity as a research instrument could be in question. For future reading comprehension test, other digital reading comprehension assessment programs can be explored and used to complement this study. The researchers did not investigate the subsequent impact of the participants improved reading scores. This could be the next step in future study on this topic.

## **CONCLUSION**

This study was influenced by the bilingual and multilingual movement across the globe due to the need to be competitive in the 21<sup>st</sup> century network world. The study identified and described the nature of team-teaching in a bilingual school context in Thailand to highlight the need for ESL learning and improvement for the Thai teachers whose English proficiency was at the beginner level in order to promote and facilitate professional development for them. A concept of the integrated ELT approach was introduced and implemented in the in-house ESL training for the reasons that all four language skills – listening, speaking, reading and writing – are interconnected, and that languages cannot be taught in isolation from other subjects. Throughout the entire training time, English was the primary medium of instruction. An authentic environment engaged learners in meaning-making strategies such as cooperative group work, discussions, brainstorming,

hands-on experiences, problem solving tasks, and display of visual objects (Swain, 1985). According to Krashen (1983), when teachers use the primary language (mother tongue) for translation, learners most likely will tune out the second language. Over the two month period, Time1 (pretest) and Time 2 (posttest) reading scores were obtained through the use of a computer adaptive platform called “Scholastic Literacy Pro<sup>TM</sup>”. The quantitative data was analyzed using the Paired-Samples *t* Test and the null hypothesis was rejected. The study revealed that the integrated ELT approach had as a positive effect on Thai teachers’ reading improvement. This finding could be used to support the decision making of schools’ leaders and policy makers in promoting similar professional development programs for their faculty members.

The importance of English language as the predominant world’s language cannot be ignored. Therefore, an integrated ELT approach is critical to facilitate ESL learners in their process of English language acquisition. The challenges seen in the field of second language acquisition can be addressed with the integration of all the skills in teaching and learning.

### **RECOMMENDATIONS**

Based on the findings and conclusions of this study, the following recommendations are made for future study:

1. Further research should be conducted with the subjects who are involved in English language learning for the improvement of communicating and collaborative teaching with English speaking teachers in the 2018 academic year at this particular bilingual school.
2. Further research should be conducted and investigated in depth in the aspects of effectiveness and success of the use of an integrated ELT approach for language teaching and learning in enhancing the level of English language proficiency for ESL learners and how the improvement impacts them on collaborative and team-teaching and communication with English speaking teachers in this particular bilingual school context.
3. Further research should be done on a larger scale to include many bilingual schools in Thailand which employ the use of an integrated ELT approach in their in-house ESL training as part of professional development to find out if it is applicable and benefits these schools and their faculty members and employees in language learning and acquisition.

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**THE STRATEGIC POSITIONING COMPETITIVE ANALYSIS OF  
CONTAINERS PORTS AND THE RELATIONSHIP BETWEEN  
THE CONTAINER GROWTH RATE AND  
GROSS DOMESTIC PRODUCT IN ASEAN COUNTRIES**

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**ABSTRACT**

This research aimed to (1) analyze strategic positioning of the container unit shipped through ports in ASEAN by using BCG Matrix, and (2) study the relationship between the percentage of container growth rate and the GDP growth rate in each ASEAN country by using Pearson's correlation coefficient. The data from 2000 to 2016 were used in this research. The results of the strategic positioning analysis showed that in the year 2000, Malaysia was in Dogs position and later was moved into Cash Cow and Star positions that indicated a high growth rate and high market share. On the other hand, during 2000-2010, Indonesia, Vietnam, Thailand, Philippines, Myanmar, Cambodia, and Brunei Darussalam were in Question Mark and Dog positions. However, later in the year 2010-2016, they were moved into Dog position that indicated a low growth rate and low market share. The results of the relationship between the percentage of container growth rate and the GDP growth rate in each ASEAN country showed that Singapore's container growth rate and the GDP growth rate were significantly correlated.

**KEY WORDS:** Container, strategic positioning, BCG matrix, GDP

**INTRODUCTION**

World trading mostly depends maritime transportation. More than 90% of the international shipment is by maritime transportation and the goods are delivered through ports(Cho & Yang, 2011). The trend of global containers shipment by maritime transportation is rapidly growing. As we can see from the number of containers shipment in the year 2000 that reached 255 million TEU (Twenty-Equivalent Unit) and reached 701 million TEU in 2016 (The World Bank, 2018). Singapore is in the second rank of the world that has the highest container units shipped through Singapore ports followed from China. Moreover,

Malaysia, Indonesia, Vietnam, Thailand, and Philippines are in the 4, 8, 11, 13, and 17 ranks of the highest container units shipped through their ports, respectively (UNCTAD, 2015). According to this situation, it is indicated that ASEAN countries are the center of shipment and physical distribution. Moreover, the geographic position of ASEAN countries is the stronghold for shipping industry in regional and global scale. There are many important straits in this region including Lombok, Malaca, Ombai-Wetar and Sunda straits. There are also the four most important shipping routes out of the sixteen world strategic shipping routes. One of them is especially Malaca Strait that is the second busiest in the world followed from Hormuz Strait (Dang & Yeo, 2017). Nowadays, ports in ASEAN countries get the strong competition, and it results in the changes in operational structure and management to enhance the capacity in competition and to get higher market share. Yeo (2010) reported that modern material handling equipment and the adaptation of technology and the capacity to facilitate vessel or the large ship are the key factors that make the ports become successful.

However, strategic positioning by using BCG matrix analysis can illustrate the marketing position of each port and can be further used for planning and development in the future. BCG matrix is also the tools that is widely used by planners (Terwiesch & Ulrich, 2008) because it can help company easily know its marketing position by measuring market growth rate and market share. Recently, many researchers have used BCG matrix to determine strategic positioning of ports to enhance capacity in competition of ports in several areas. (Dang & Yeo, 2017; Haezendonck, Verbeke, & Coeck, 2006; T. E. Notteboom, 1997) Besides, many researchers also studied the capacity in competition of container ports. J. S. L. Lam and Yap (2006) studied the measurement and comparison of cost competitiveness of container ports in Southeast Asia. J. S. L. Lam and Yap (2008) studied the competition for transshipment containers by major ports in Southeast Asia. Yap, Lam, and Notteboom (2006) studied the developments in container port competition in East Asia. Chien-Chang, Ching-Wu, and Liang (2003) studied the competitiveness analysis of major ports in eastern ASIA. Bae, Chew, Lee, and Zhang (2013) studied the container transshipment and port competition. And T. E. Notteboom (2006) studied the strategic challenges to container ports in a changing market environment. However, these researchers focused on the competitions between the main ports in East Asia and Southeast Asia countries, not the overall image in national scale. In order to fulfill the gap of the previous studies and to raise another point of view, this research analyzed strategic positioning of containers (using BCG Matrix) that were shipped through ports in ASEAN countries. The findings revealed the evolution of strategic positioning and can be further used for determining appropriate strategies for ports development.

Nowadays, all countries focus on the economic growth by looking at the significant indicator that is GDP or Gross Domestic Product. GDP is the final total value of all products and services produced in the country. It is considered the main indicator for measuring economic growth. Most of the governments in the world also considered GDP growth as the target measurement in management and as the indicator of the country's sustainability (GNH, 2007). As mentioned earlier, ASEAN countries are the center of container shipment and goods distribution, therefore, this research also focused on the relation between the percentage of container growth rate and the GDP growth rate in each ASEAN country to investigate whether the two variables are correlated. In conclusion, this research has two main objectives that are (1) to analyze strategic positioning (BCG Matrix) of the container units shipped through ports in ASEAN, and (2) study the

relationship between the percentage of container growth rate and the GDP growth rate. This research will help port managers and other involvers see the overall image of containers shipment and plan the appropriate strategies to improve and develop strategic positioning to increase capacity in competition of container ports in ASEAN.

## **METHODOLOGY**

This research collected the secondary data of the container units shipped through ports in nine ASEAN countries consisting of Singapore, Malaysia, Indonesia, Vietnam, Thailand, Philippines, Myanmar, Cambodia, and Brunei Darussalam. The data of containers units were collected from the World Bank from 2000 to 2016. The procedure was divided into two steps below.

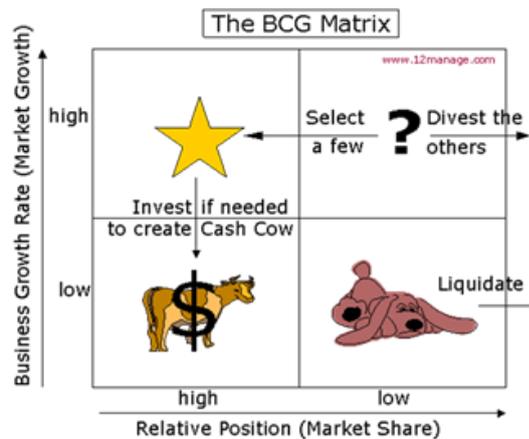
### **Strategic Positioning Analysis (BCG Matrix)**

The container growth rate or Market Growth was calculated from the numbers of the container units shipped through ports in ASEAN. The Relative Market Share was compared with Singapore because Singapore gets the highest container units shipped through its port compared to other ASEAN countries. The Strategic Positioning analysis was done by using the data of container units from 2000-2016. After that, the appropriate strategies were suggested to help enhance capacity in competition for each ASEAN country.

### **Introduction to Boston Consulting Group (BCG)**

BCG Matrix is a tool that was created by Boston Consulting in 1986. It is portfolio analyses that can indicate strategic positioning (Rynca, 2016). According to the theoretical framework, BCG is shown in Matrix 2\*2. BCG Matrix has been used by planners and policy makers to help develop strategic plan, and it becomes popularly used (Da Cruz, Ferreira, & Azevedo, 2012; Haezendonck et al., 2006). BCG Matrix is also used for determining strategic positioning of ports based on the container growth or Market Growth rate and Relative Market Share in container shipping port context (T. E. Notteboom, 1997). Moreover, Dang and Yeo (2017) also used BCG Matrix to determine strategic positioning of rank 1-20 ports in ASEAN. They considered the two factors consisting of Marketing Growth Rate and Relative Market Share. The Marketing Growth Rate indicates overall growth rate of container units, and this index is represented in Y-axis. Whereas, the Relative Market Share is the comparison of market share rate to the leader competitor to examine the proportion of market share, and this index is represented in X-axis. When plotting Y-axis and X-Axis, the four categories matrix is shown in matrix consisting of Stars, Question Marks, Cash Cows and Dogs.

**Figure 1.** Boston Consulting Group Matrix



Source: <http://www.igpthai.org/NS057/keyword.html>.

Figure 1. shows the BCG Matrix. Stars refers to the high growth of container shipment and high relative market share. The countries whose container units are in Stars category indicate that they are in growing state with high potential for the future. Therefore, there should be long term investment in port development so that the port could become the marketing leader. Cash cows refers to the low growth of container shipment (mature market) and high relative market share that indicates the high market share. The countries whose container units are in Cash cows category indicate the maturity; therefore, there is no need to invest much. This also indicates the profit gaining state, and the port can continuously make profits from shipment. Question Marks refers to high growth rate but low relative market share. It shows the potential for development. Therefore, more investments should be made to develop the capacity of the ports. Moreover, the operational effectiveness should be improved to gain higher market share as well. If the investment succeeds, it has the potential to become Stars or Cash cows in the future. Dogs refers to the low growth rate and low relative market share. The countries whose containers units are in Dogs category indicate the disadvantage against other competitors; therefore, their strategies should be improved. Thus, the BCG Matrix can help management and involves know the effectiveness of the previous operation of their ports, strategic positioning of containers, and the previous market share of the containers shipped through ports in each ASEAN country when compared to the competitors.

### **The Relationship between the Percentage of Container Growth Rate and the GDP Growth Rate**

The subjects in this research were six ASEAN countries consisting of Singapore, Malaysia, Indonesia, Vietnam, Thailand, and Philippine. The container units and GDP growth rate data were collected from The World Bank from 2000 to 2016. The relationship between the percentage of container growth rate and the GDP growth rate were analyzed by using Pearson's correlation coefficient with the hypotheses as follows:

H0 = the percentage of growth rate containers units and the GDP growth rate are not correlated.

H1= the percentage of growth rate containers units and the GDP growth rate are correlated.

## **DATA ANALYSIS**

### **The Container Units in ASEAN Countries**

The economic environment nowadays has affected the growth of ports in ASEAN countries. In the late of the year 2015, ASEAN countries established ASEAN Economic Community to support economic advantages. It resulted in the higher economic growth rate and also resulted in higher competition between ports in ASEAN countries (Dang & Yeo, 2017).

Table 1.

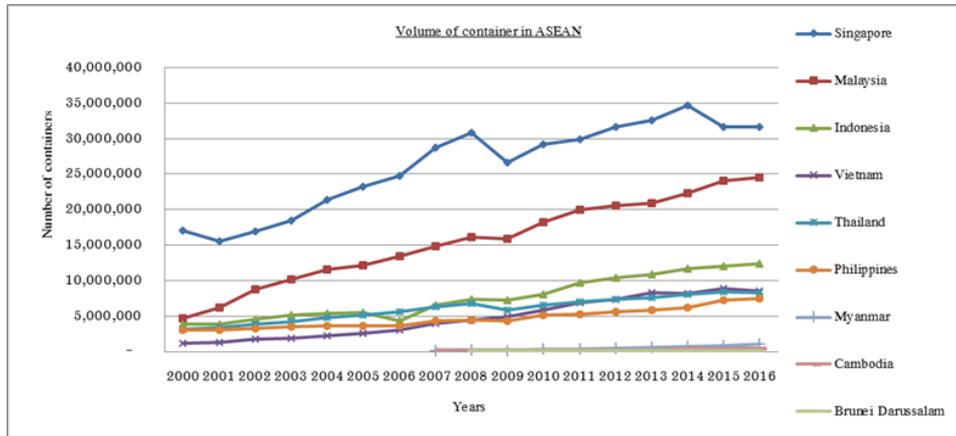
*The Container Units in ASEAN Countries.*

Country	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Singapore	17,100,000	15,572,677	16,986,010	18,441,000	21,329,100	23,192,200	24,792,400	28,767,500	30,891,200	26,592,800	29,178,500	29,937,700	31,649,400	32,578,700	34,688,000	31,710,200	31,688,000
Malaysia	4,642,428	6,224,913	8,751,570	10,210,145	11,510,931	12,197,750	13,419,053	14,828,836	16,093,953	15,922,800	18,203,567	20,010,545	20,588,224	20,910,265	22,367,904	24,012,700	24,570,000
Indonesia	3,797,948	3,901,761	4,539,880	5,176,982	5,369,297	5,503,176	4,316,296	6,582,910	7,404,831	7,255,005	8,089,047	9,674,437	10,428,434	10,811,007	11,636,900	12,031,700	12,431,700
Vietnam	1,189,796	1,290,555	1,771,990	1,904,939	2,273,056	2,537,487	2,999,646	4,009,066	4,393,699	4,936,598	5,886,249	6,924,430	7,372,468	8,254,299	8,149,626	8,841,833	8,495,730
Thailand	3,178,779	3,387,071	3,799,090	4,232,685	4,847,000	5,115,213	5,574,490	6,339,261	6,726,237	5,897,935	6,520,905	7,036,492	7,323,881	7,546,523	8,119,271	8,359,455	8,239,363
Philippines	3,031,548	3,090,952	3,324,800	3,468,471	3,676,456	3,633,559	3,676,133	4,351,271	4,471,428	4,306,965	5,087,499	5,314,702	5,641,594	5,825,634	6,176,041	7,210,441	7,421,441
Myanmar	-	-	-	-	-	-	-	170,000	180,000	163,692	335,346	380,675	474,300	567,156	716,926	827,249	1,026,216
Cambodia	-	-	-	-	-	-	-	253,271	258,775	207,577	224,206	237,941	255,378	286,450	424,000	474,000	482,000
Brunei Darussalam	-	-	-	-	-	-	-	-	90,366	85,577	93,230	105,018	109,219	121,813	128,026	130,026	124,919
Total Asian	32,940,499	33,467,929	39,173,340	43,434,222	49,005,840	52,179,385	54,778,018	65,302,115	70,510,489	65,368,948	73,618,549	79,621,940	83,842,898	86,901,847	92,406,694	93,597,604	94,479,368

Source. The World Bank (Source: <https://data.worldbank.org/indicator/IS.SHP.GOOD.TU>).

Notes. The data of containers of Myanmar and Cambodia began in 2007 and Brunei Darussalam began in 2008.

**Figure 2.** Volume of Container in ASEAN



Source. The World Bank.

Figure 2. shows that Singapore got the highest container units in ASEAN with the numbers of 31.6 million TEU. Whereas Brunei Darussalam got 0.12 million TEU that was the lowest numbers in ASEAN (The word bank, 2018). Singapore is located in the main shipping routes or the global trade routes. The ships that go to Europe, Middle East, Far East, until the west side of USA have to pass this route because it is the shortest one. Singapore is located at the southern tip of the Malay Peninsula between Malacca Strait and Singapore Strait. Hence, Singapore port is the connection between Indian Ocean and Pacific Ocean and also between Europe and Far East (Pan-ngum et al., 1998). Moreover, Singapore port gets modern technology. Additionally, Singapore port has been accepted in term of fair fee with the friendly fee regime. The infrastructure of the Singapore port is also appropriate for container shipment with facilities and other services including logistics and freight forwarding facilities (Sumalee, 2011).

Table 2.

*The Percentage of Container Growth in ASEAN Countries.*

Country	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	Average
Singapore	-9.808	8.321	7.890	13.541	8.033	6.454	13.818	6.875	-16.164	8.862	2.536	5.408	2.852	6.081	-9.391	-0.070	3.452
Malaysia	25.422	28.871	14.286	11.300	5.631	9.101	9.507	7.861	-1.075	12.529	9.030	2.806	1.540	6.517	6.850	2.268	9.528
Indonesia	2.661	14.056	12.306	3.582	2.433	-27.498	34.432	11.100	-2.065	10.311	16.387	7.230	3.539	7.097	3.281	3.218	6.379
Vietnam	7.807	27.169	6.979	16.195	10.421	15.407	25.178	8.754	10.997	16.133	14.993	6.077	10.683	-1.284	7.829	-4.074	11.204
Thailand	6.150	10.845	10.244	12.674	5.243	8.239	12.064	5.753	-14.044	9.553	7.327	3.924	2.950	7.054	2.873	-1.458	5.587
Philippines	1.922	7.033	4.142	5.657	-1.181	1.158	15.516	2.687	-3.819	15.342	4.275	5.794	3.159	5.674	14.346	2.843	5.284
Myanmar	-	-	-	-	-	-	-	5.556	-9.963	51.187	11.908	19.740	16.372	20.891	13.336	19.388	16.491
Cambodia	-	-	-	-	-	-	-	2.127	-24.665	7.417	5.772	6.828	10.847	32.441	10.549	1.660	5.886
Brunei Darussalam	-	-	-	-	-	-	-	-	-5.596	8.209	11.225	3.846	10.339	4.853	1.538	-4.088	3.791

Table 2. shows that Myanmar has had 16.5% average growth rate of container units that has been the highest rate in ASEAN. And during 2009-2010, Myanmar had got the highest container units and the growth rate had reached 51.19%. However, during 2008-2009, the growth rate of container units in ASEAN countries had been in negative rate due to the subprime crisis that caused the world economic recession in 2009; consequently, the container units of all ASEAN countries had also decreased.

### **Strategic Positioning Analysis by Using Bcg Matrix Technique**

Market Growth Rate was calculated from the container units shipped through ports in ASEAN countries, and Relative Market Share was the comparison with Singapore whose numbers of container units was in the highest numbers in ASEAN.

Table 3.

*The Market Growth Rate and Relative Market Share of Container Units in Asean Countries.*

Country	Relative Market Rate															
	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Malaysia	0.400	0.515	0.554	0.540	0.526	0.541	0.515	0.521	0.599	0.624	0.668	0.651	0.642	0.645	0.757	0.775
Indonesia	0.251	0.267	0.281	0.252	0.237	0.174	0.229	0.240	0.273	0.277	0.323	0.329	0.332	0.335	0.379	0.392
Vietnam	0.083	0.104	0.103	0.107	0.109	0.121	0.139	0.142	0.186	0.202	0.231	0.233	0.253	0.235	0.279	0.268
Thailand	0.218	0.224	0.230	0.227	0.221	0.225	0.220	0.218	0.222	0.223	0.235	0.231	0.232	0.234	0.264	0.260
Philippines	0.198	0.196	0.188	0.172	0.157	0.148	0.151	0.145	0.162	0.174	0.178	0.178	0.179	0.178	0.227	0.234
Myanmar	-	-	-	-	-	-	-	0.006	0.006	0.011	0.013	0.015	0.017	0.021	0.026	0.032
Cambodia	-	-	-	-	-	-	-	0.008	0.008	0.008	0.008	0.008	0.009	0.012	0.015	0.015
Brunei Darussalam	-	-	-	-	-	-	-	-	0.003	0.003	0.004	0.003	0.004	0.004	0.004	0.004
<b>Market Growth Rate (ASEAN)</b>	1.576	14.565	9.810	11.369	6.082	4.744	16.116	7.387	-7.865	11.206	7.540	5.034	3.520	5.957	1.272	0.933

Table 4.

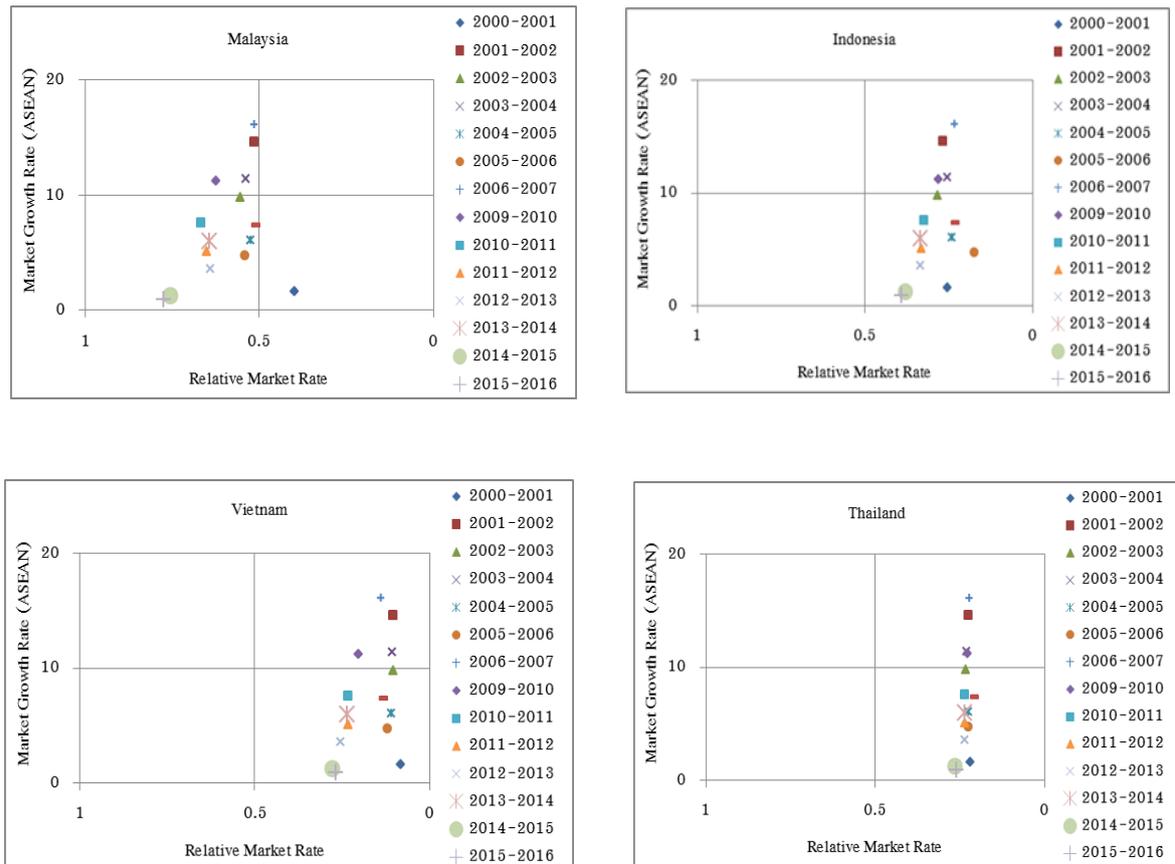
*The Results of Portfolio Analysis of Container Units in Asean Countries.*

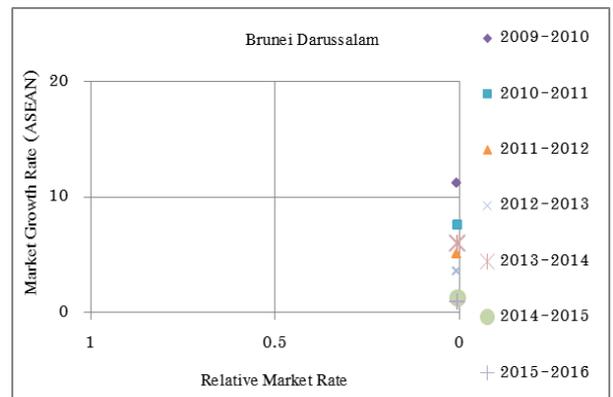
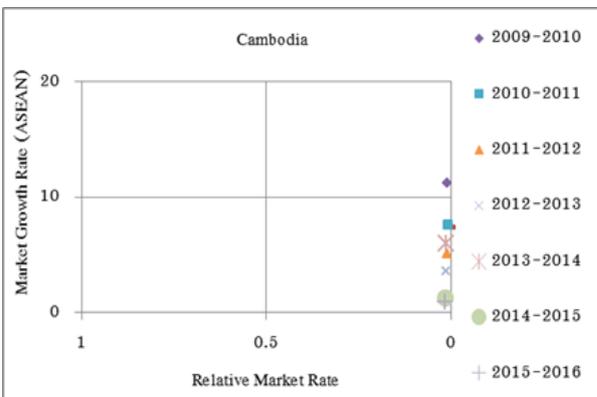
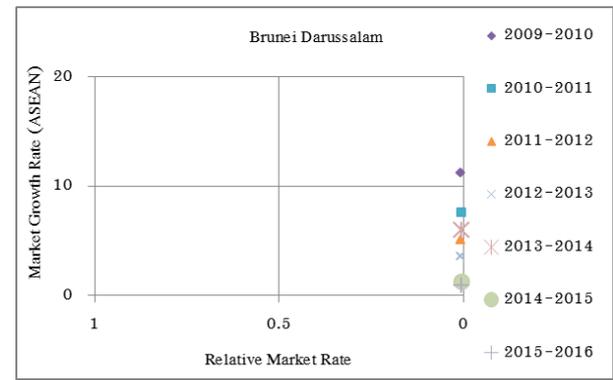
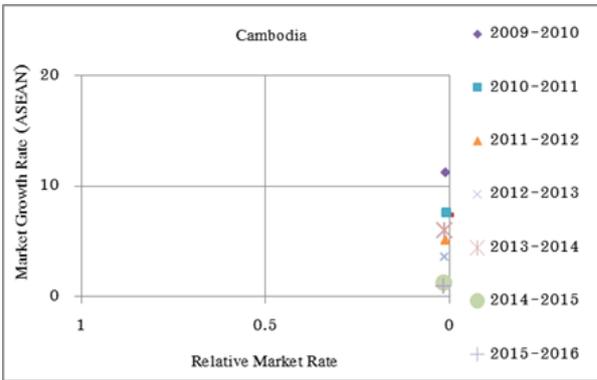
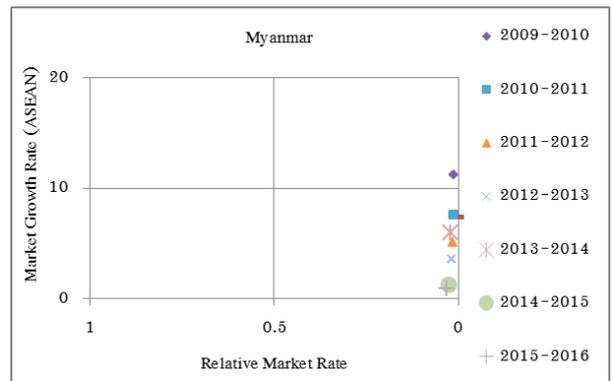
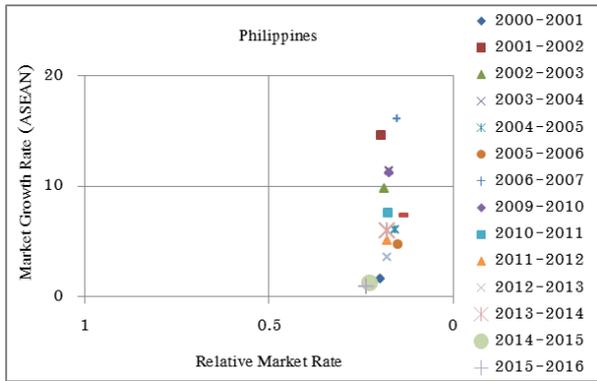
Country	Relative Market Rate														
	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Malaysia	Dogs	Stars	Cash cows	Stars	Cash cows	Cash cows	Stars	Cash cows	Stars	Cash cows					
Indonesia	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Dogs	Dogs	Dogs	Dogs
Vietnam	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Dogs	Dogs	Dogs	Dogs
Thailand	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Dogs	Dogs	Dogs	Dogs
Philippines	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Marks	Dogs	Marks	Dogs	Dogs	Dogs	Dogs	Dogs	Dogs
Myanmar	-	-	-	-	-	-	-	Dogs	Marks	Dogs	Dogs	Dogs	Dogs	Dogs	Dogs
Cambodia	-	-	-	-	-	-	-	Dogs	Marks	Dogs	Dogs	Dogs	Dogs	Dogs	Dogs
Brunei Darussalam	-	-	-	-	-	-	-	-	Marks	Dogs	Dogs	Dogs	Dogs	Dogs	Dogs

*Notes.* Marks refers to Question Marks category.

The strategic positioning analysis of container units shipped through ports in eight ASEAN countries using BCG Matrix can indicate the strategic position. On the other hand, this tool aims to show the evolution of the container units in each ASEAN country to help management and involvers plan and determine their operation, to conclude and predict the possibility in port development in the future. The data in Table 3 were analyzed and the strategic positioning of container units in each ASEAN country were presented in Table 4.

**Figure 3.** Portfolio Analysis Container Traffic in Country of ASEAN





Notes. The growth rate in container units in ASEAN countries during 2008-2009 were negative due to subprime crisis. Therefore, the data during those years were excluded from the BCG Matrix analysis.

Malaysia got the highest relative market share, and its strategic positioning was in the Stars and Cash cows. Now, Malaysia has the second highest container units in ASEAN followed from Singapore. This indicated the potential and capacity of Malaysia port. Whereas, Indonesia has gotten higher relative market rate during 2006-2016. It also has the opportunity to move from Question Marks to Stars or Cash cows if it gets higher market share. Vietnam is another country that we have to keep our eyes on because previously the container units in Vietnam ranked after Thailand. However, in the year 2012 until now, the container units in Vietnam has beaten Thailand. This also indicated the potential of Vietnam to move its position from Question Marks and Dogs to Stars or Cash cows if it gets higher market share. Thailand and Philippines were in Question Marks and Dogs; therefore, the strategy should be improved to develop ports and enhance capacity to support large container ship. Moreover, it can increase the capacity in attracting more container ships to transship at their ports to get higher market share rate; consequently, the strategic positioning could be improved. Now, Thailand has developed Laem Chabang Port that is the main port of the country. The process of Laem Chabang Port development now is in phase 3 that will enhance the capacity of Laem Chabang Port to receive more than 18 million containers per year and support the large container ship with 10 thousand tons loads. This aimed to increase market share in Thailand. Moreover, Myanmar, Cambodia, and Brunei Darussalam were in the Question Marks and Dogs. They all three have the similar strategic positioning because they have similar market share, and they have the least containers units in ASEAN. It is difficult to change their positions; however, long term investment is needed to develop the port in the future.

**The Relationship between the Percentage of Container Growth Rate and the GDP growth rate**

Table 5.

*The Percentage of Container Growth Rate and the GDP Growth Rate.*

Country	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Singapore (% container growth)	-9.81	8.32	7.89	13.54	8.03	6.45	13.82	6.87	-16.16	8.86	2.54	5.41	2.85	6.08	-9.39	-0.07
Singapore (% GDP)	-0.95	4.21	4.44	9.55	7.49	8.86	9.11	1.79	-0.60	15.24	6.22	3.87	5.00	3.57	1.93	2.00
Malaysia (% container growth)	25.42	28.87	14.29	11.30	5.63	9.10	9.51	7.86	-1.07	12.53	9.03	2.81	1.54	6.52	6.85	2.27
Malaysia (% GDP)	0.52	5.39	5.79	6.78	5.33	5.58	9.43	3.32	-2.53	6.98	5.29	5.47	4.69	6.01	5.03	4.22
Indonesia (% container growth)	2.66	14.06	12.31	3.58	2.43	-27.50	34.43	11.10	-2.07	10.31	16.39	7.23	3.54	7.10	3.28	3.22
Indonesia (% GDP)	3.64	4.50	4.78	5.03	5.69	5.50	6.35	6.01	4.63	6.22	6.17	6.03	5.56	5.01	4.88	5.02
Vietnam (% container growth)	7.81	27.17	6.98	16.19	10.42	15.41	25.18	8.75	11.00	16.13	14.99	6.08	10.68	-1.28	7.83	-4.07
Vietnam (% GDP)	6.19	6.32	6.90	7.54	7.55	6.98	7.13	5.66	5.40	6.42	6.24	5.25	5.42	5.98	6.68	6.21
Thailand (% container growth)	6.15	10.85	10.24	12.67	5.24	8.24	12.06	5.75	-14.04	9.55	7.33	3.92	2.95	7.05	2.87	-1.46
Thailand (% GDP)	3.44	6.15	7.19	6.29	4.19	4.97	5.44	1.73	-0.69	7.51	0.84	7.24	2.73	0.91	2.94	3.24
Philippines (% container growth)	1.92	7.03	4.14	5.66	-1.18	1.16	15.52	2.69	-3.82	15.34	4.27	5.79	3.16	5.67	14.35	2.84
Philippines (% GDP)	2.89	3.65	4.97	6.70	4.78	5.24	6.62	4.15	1.15	7.63	3.66	6.68	7.06	6.15	6.07	6.92

Table 6.

*The Correlation Coefficient of Container Growth Rate and the Gdp Growth Rate.*

GDP	The percentage of container growth					
	Singapore	Malaysia	Indonesia	Vietnam	Thailand	Philippines
Singapore	.671**					
Malaysia		-.246				
Indonesia			.268			
Vietnam				.367		
Thailand					.463	
Philippines						.465

\*\* Correlation is significant at the 0.01 level (2-tailed).

Table 6 revealed that container growth rate and GDP growth rate of Singapore was significantly correlated ( $P < 0.01$ ). The reason is because Singapore gets the main income from being the center for container shipment and goods distribution in ASEAN. The container growth rate and GDP growth rate of other countries including Malaysia, Indonesia, Vietnam, Thailand, and Philippine were not correlated. This indicated that the increasing or decreasing of container units in these countries were not related to the GDP growth rate.

## **DISCUSSION AND CONCLUSIONS**

This research studied 1) the strategic positioning analysis of the container units shipped through ports in ASEAN by using BCG Matrix, and 2) the relationship between the percentage of container growth rate and the GDP growth rate in each ASEAN country by using Pearson's correlation coefficient. The data were collected for 16 years from nine ASEAN countries. This study revealed the growth rate and the market share of the container units shipped through each country port. The data of each country were also compared to Singapore who was in the first rank among ASEAN countries. Moreover, the results of the study showed the evolution of the growth rate of container units and the previous strategic positioning. The results revealed that Malaysia was in the Star and Cash Cow that indicated higher market share than other ASEAN countries. This position also inferred to the effectiveness of the Port KLANG which is the important port and was in the fifth rank highest container units in the world (UNCTAD, 2017). Moreover, Malaysia port is located in significant geographic position that is Malacca Strait which is the main sea lane. However, other countries were in the same positions that were Question Mark and Dog positions that indicated low market share. Unfortunately, they haven't gotten the opportunity to move to Star and Cash Cow. This situation can infer that market share is difficult to change. Apart from technology and the readiness of the ports which are the important factors in the competition, this research also showed that geographic factor is another main factor to be considered by the shipment company around the world.

The study of the relationship between the percentage of container growth rate and the GDP growth rate by using Pearson's correlation coefficient showed that the percentage of container growth rate and the GDP growth rate of Singapore were significantly correlated ( $P < 0.01$ ). It is because Singapore has less natural resources, so its income is from being the center for container shipment and goods distribution in ASEAN. Whereas the container growth rate and GDP growth rate of Malaysia, Indonesia, Vietnam, Thailand, and Philippine were not correlated. This means that the increasing of container units in these countries can not indicate the GDP growth rate. Singapore, Malaysia, Indonesia, Vietnam, Thailand, and Philippine were in rank 4, 8, 11, 13, and 17 of the world highest container units shipped through the countries, respectively (UNCTAD, 2015). This shows that ASEAN countries are the center of container shipment and goods distribution. This also suggests an opportunity for ASEAN countries to develop their ports to get higher market share of container units. The results from this research will make management and involvers to plan their appropriate strategies to increase or maintain their position in the competition. However, this research studied only in ASEAN container shipping port context; therefore, the analysis could be adapted to use in other regional context around the world in the future.

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## **SPEECH ACTS IN THE MOVIE “ZOOTOPIA”**

by

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### **ABSTRACT**

This study examines how illocutionary acts performed in the movie “Zootopia” by looking at the two main characters’ interactions, namely Judy Hopps and Nick Wilde. The focus of this study is on two research questions which are (1) What type of illocutionary acts did the main characters use in their conversation? and (2) How did illocutionary acts reflect the main characters’ stereotypes and discrimination throughout the story? This study was conducted by using speech act analysis (Searl, 1996), which was one of the interpretative approaches. The findings indicated that four types of illocutionary acts were employed by the main characters, including (1) representative, (2) directives, (3) expressives, and (4) commissives. Also, the majority of stereotypes and discrimination depicted in the film was associated with racial issues.

**KEY WORDS:** Speech act analysis, illocutionary acts, stereotypes, discrimination

### **INTRODUCTION**

Generally, films are considered suitable for studying language use. Researchers found this film interesting and is a good example of learning how individuals who speak in dissimilar ways based on the view of their race, ethnicity, culture and sexual orientation, can cooperate or work with one another. In general, there are three types of speech act: locutionary acts, illocutionary acts and perlocutionary acts (Austin, 1962). Researchers’ attention is placed on illocutionary acts due to it being the most imperative act in speech act analysis in terms of identifying the speaker’s purposes.

The objectives of this research are to examine (1) the illocutionary acts performed in the “Zootopia” using a transcript of the story as data, and (2) how illocutionary acts reflect the stereotypes and discrimination shown in the film. Moreover, researchers will investigate how illocutionary acts reveal the stereotypes and discrimination played out by the anthropomorphic characters in the film. Researchers’ particular focus is on the two central characters, namely Judy Hopps and Nick Wilde, as these characters come from different backgrounds with differing race, ethnicity, culture and gender

## **RESEARCH QUESTIONS**

RQ 1: What type of illocutionary acts do the main characters use in their conversation?

RQ 2: How do these illocutionary acts reflect the stereotypes and discrimination illustrated by the film?

## **LITERATURE REVIEW**

### **Speech Act Theory**

Speech act theory refers to an utterance that has performative act in language and correspondence, for example, offer, request, asking, thanking or apologizing (Searle, 1969). Searle noted that by saying things, one creates an utterance and performs particular acts such as command, ask, request, promise, apology and so forth. Austin (1962) stated that as the speakers could have different intentions or hidden meanings in their words, speech acts are classified into three types for clearer understanding. There are three fundamental levels. Firstly, a locutionary act refers to the act of expressing the word in its typical sense or the literal meaning. Locution is the depiction about what the speakers said. Secondly, an illocutionary force refers to the speaker's intentions or an attempt to do something by expressing those utterances, for example, ordering, offering, promising, and so forth. It is characterized as the understanding of the listener. One creates an utterance with some intention in mind. Lastly, a perlocutionary effect refers to the subsequent effect of the expression on the listener. It is caused by the locution which may or may not regard the speaker's intentions. In other words, a perlocutionary act is the listener's reaction toward speaker's utterance. It relies upon the listener's response.

### **Classification of Illocutionary Acts**

According to Searle (1976), there are five main types of action that speakers perform while speaking; representatives, directives, commissives, expressives, and declarations. Firstly, representatives are uttered by speakers who talk about anything they believe to be true. For example, statement of fact, assertion, conclusion, description, claim, suggestion and hypothesis. In practical ways, the speaker tries to make words suit the world. Secondly, directives are employed by speakers who cause the listeners to do things or to direct them to the speaker's wants or needs. For example, request, order, challenge, invitation and question. In practical ways, the speakers intend to make the world suit the words by their utterance. Thirdly, commissives are stated by speakers who have committed themselves to some consequence of their actions. For example, promise, vow, pledge and threat. Practically, the speakers try to make the world suit with the words by themselves. Fourthly, expressives are uttered by speakers to express feelings, emotions or a psychological state such as thanking, apologizing, pleasure, pain, dislikes, and sorrow. It may be produced as a result of things that the speakers or the hearers do. Thus, the speakers make words to suit the world reflecting their personal state of feeling. Lastly, declarations are used by speakers who intend to change something with an institutional requirement. For example, a priest may do the sacrament of Baptism for individuals. A person will change to a Catholic.

## **Stereotype**

A stereotype is an individual's beliefs about the features or characteristics of a particular group (Judd & Park, 1993). Judd and Park added that the characteristic is viewed as more or less predominant in a certain group compared to other groups. Therefore, stereotype depicts the distinctions among the groups. Characteristics not need to be profoundly common in a group to be stereotyped; they need only differentiate a particular group from others. A stereotype is expressed at the individual level, and it needs not to be shared with others. There are several factors to studying the correctness of individuals' stereotypes, such as the specific target group, contrasts among perceivers in recognition with the group, level of preconception toward the group, association with the group, the specific record of precision, and so on.

## **Discrimination**

Discrimination means the act of unjustifiable practices toward individuals or a group, particularly the bad manner by which one treats other individuals, in light of their complexion, sexual orientation, gender, race and so forth, according to Merriam-Webster online dictionary (n.d). Fiske (2000) noted that racism refers to a conscious or unconscious belief in the predominance of one race over another. This definition assumes the presence of different biological races. Moreover, Fiske explained that numerous foundations of society, for example, the media and family transmit generalizations about males and females. For instance, western social orders frequently identify men with control: and their regular activities are described as active, solid, beneficial, overcoming. In contrast, women frequently hold inferior positions, their job is less esteemed and it receives less acknowledgment and compensation.

## **METHODOLOGY**

This study followed a qualitative research methodology. Researchers conducted the study by using speech act analysis (Searl, 1996), an interpretative approach. The data used in this research included the transcript of 18 scenes of "Zootopia" downloaded from Wikia's website. The website may also make available the script of the subtitles for "Zootopia." Researchers first read the transcript of "Zootopia" to understand the main ideas and background of the film. Researchers noted types of illocutionary acts, stereotypes and discrimination that main characters signified in the film while reading. Three related theoretical stances of the story, including Speech Act theory (e.g., Austin, 1962; Searle, 1969), stereotype (Judd & Park, 1993) and discrimination (Flowers & Europarat, 2009) were studied and presented in the literature review. After this step, researchers reread the story to gather the data, following the established theoretical practices. Lastly, researchers presented appropriate excerpts from the film script related to the analysis with explanations.

## **FINDINGS**

This part contains the data analysis of the film "Zootopia." The findings are divided into two parts. In part one, according to the first research question, researchers examined the data and presented example excerpts of dialogue which exemplify five categories of illocutionary acts: representatives, directives, commissives, expressives and declaratives (Searle, 1976). Simultaneously, researchers discussed the second research question by

providing an analysis of the stereotyping and discrimination below each excerpt. In part two, researchers provided summaries to discuss both research questions.

## **Part 1: Analysis of Main Characters' Conversation According to Illocutionary Acts**

### **Representatives**

#### **Sarcasm Speech Act**

##### **Excerpt 1**

Nick Wilde: You can't touch me, Carrots. I've been doing this since I was born.

Judy Hopps: You're gonna want to refrain from calling me "Carrots."

In the tenth scene, Judy wanted to arrest Nick because he was selling food without permission. Nick told Judy that "You can't touch me, Carrots." He addressed Judy as Carrots. According to Merriam-Webster dictionary, sarcasm means an ironic utterance projected to cut or hurt someone's feelings. Nick wanted to hurt her feelings and implied that she was small and too cute. He stereotyped Judy based on her race and ethnicity as he called her by the name of what she eats. Therefore, Judy replied angrily to Nick that "You're gonna want to refrain from calling me 'Carrots.'" Judy's utterance indicated that she may catch Nick one day and he may want to refrain from calling her "Carrots".

##### 1.1 Hypothesizing speech act

##### **Excerpt 3**

Judy Hopps: Closed. Great.

Nick Wilde: Hm. And I will betcha you don't have a warrant to get in, hmm? Darn it. It's a bummer.

Judy Hopps: You wasted the day on purpose!

In the nineteenth scene, Judy and Nick went to the gate of the Tundratown limo service because they believed that a missing animal or Mr. Otterton was there. The gate was locked because it was already late at night. Then, Nick hypothesized that Judy does not have a warrant to get in. From Judy's reply, it was Nick's fault because he brought her to meet a sloth, so she will not arrive at the gate of Tundratown limo service on time. A sloth as a government officer took a great deal of time to process her document at the Department of Mammal Vehicles.

#### **Criticism Speech Act**

##### **Excerpt 5**

Nick Wilde: All right, look, everyone comes to Zootopia thinking they can be anything they want. Well, you can't. You can only be what you are. Sly fox, dumb bunny.

Judy Hopps: I am not a dumb bunny.

Nick Wilde: Right. And that's not wet cement. You'll never be a real cop. You're a cute meter maid, though. Maybe a supervisor one day. Hang in there!

In the tenth scene, Nick criticized Judy because she was stupid and not a real cop. He supported his criticism with the fact that Judy stepped on wet cement and he categorized Judy as a dumb bunny. He may have an idea of an ideal cop in mind which does not match with Judy. He further explained that Judy could only do an easy job such as that of a meter maid. This scene showed the negative attitude of Nick toward Judy. Furthermore, Nick was portrayed in the film as a fox who always prejudged other animals.

### **Directives**

Request Speech Act

#### **Excerpt 9**

Nick Wilde: A jumbo pop. Please.

Judy Hopps: A jumbo pop.

Nick requested of Judy “A jumbo pop. Please.” Nick might have used the word “please” because he wanted to be polite. Judy replied to the ice-cream seller “A jumbo pop” to order it for Nick. In the eighth scene, Judy wanted to buy an ice pop for Nick. The ice-cream seller did not want to sell an ice cream to Nick because Nick was a fox and this shop was for elephants only. This can be considered as discrimination based on race or racism. According to Flowers & Europarat (2009), racism refers to an awareness or unawareness of belief in the dominance of one race over another. Moreover, the seller held a social stereotype that fox is bad and tricky. The seller did not want to have a problem, so he declined to sell an ice pop to Nick.

Command Speech Act

#### **Excerpt 11**

Judy Hopps: Speed up, Nick, speed up!

Nick Wilde: There's another train coming!

Judy Hopps: Trust me. Speed up!

In the thirty-sixth scene, Judy commanded Nick to speed up the train because they were being chased. Judy had some important evidence for her case on the train and did not want to lose it. Nick followed her command by increasing the speed of the train. In this type of speech act, the speaker attempted to cause the hearer to do something. Nick listened to and followed Judy's command in this scene because they had become close friends. This demonstrated that Nick was no longer condescending toward Judy and trusted her regardless of her race, ethnicity and gender.

## **Asking Speech Act**

### **Excerpt 12**

Judy Hopps: What did you do that made Mr. Big so mad at you?

Nick Wilde: I, um... I may have sold him a very expensive wool rug that was made from the fur of a skunk... 's butt.

In the twentieth scene, Mr. Big was known as the most feared crime boss in Tundratown. Nick became scared of him, so Judy asked Nick “what did you do that made Mr. Big so mad at you?” Nick replied, “I may have sold him a very expensive wool rug that was made from the fur of a skunk's butt”, which showed that he was a tricky fox. The stereotype of a fox, a tricky and untrustworthy species, were accurate features characterizing Nick. In addition, Mr. Big was a self-made millionaire shrew. He was very powerful in Tundratown. Many animals were afraid of him because he had killed other animals that obstructed his business. The filmmaker portrayed Mr. Big as a mafia-type found in reality reflecting the social stereotype concerning rich and powerful people in the society.

## **Commissives**

### **Promise Speech Act**

### **Excerpt 14**

Nick Wilde: I'm not gonna leave you behind; that's not happening.

Judy Hopps: I can't walk!

In the thirty-sixth scene, Judy told Nick to go and give evidence at the police station, but he did not want to do it. Nick promised to Judy, “I'm not gonna leave you behind”. The speaker committed himself to some future sequences of actions. Judy replied that she cannot walk which indicated that she choose her job before herself.

## **Expressives**

### **Thanking Speech Act**

### **Excerpt 15**

Nick Wilde: Officer, I can't thank you enough. So kind, really. Can I pay you back?

Judy Hopps: Oh no, my treat. It's just - you know, it burns me up to see folks with such backward attitudes toward foxes.

In the eighth scene, Nick wanted to thank Judy for buying him an ice pop. He replied to Judy with a question “Can I pay you back?” because he wanted to look good or save his face in front of Judy. Judy replied “Oh no, my treat” because she really wanted to buy it for him. She further explained that “It's just - you know, it burns me up to see folks with

such backward attitudes toward foxes.” Judy’s answer indicated that she was a person who disagreed with discrimination and wanted to stand up for Nick’s rights.

### **Compliment Speech Act**

#### **Excerpt 16**

Judy Hopps: Come on!

Nick Wilde: You are a clever bunny.

In the twenty-fifth scene, Judy and Nick wanted to enter the asylum because they suspected there were missing animals inside. The asylum had a large number of wolf guards. Therefore, Judy howled. One wolf guard howled and another guard howled. Judy did this because she wanted to distract all the guards. While the guards were howling, Nick and Judy sneaked inside the building. As a consequence, Nick complimented Judy, saying she was “a clever bunny”.

### **Complaint speech act**

#### **Excerpt 17**

Nick Wilde: “Clearly there's a biological component”? “These predators may be reverting back to their primitive, savage ways”? Are you serious?

Judy Hopps: I just stated the facts of the case. I mean, it's not like a bunny could go savage.

In the twenty-eighth scene, Nick complained about Judy’s report because Nick was one of the predators and the society may look at him in a different way after her report. From Nick’s utterance, he did not want answers to his questions but simply wanted to complain about Judy’s utterance. Moreover, the speaker or Judy was not aware of the consequence of her speech. She used the word “predator” which covered many types of animals. In fact, she did not know what really happened with the missing animals. Even though she used the qualifier “may be”, other animals in the society agreed with her. The filmmaker attempted to reflect the stereotype in reality that people usually trust news without questioning the facts or truth behind it.

### **Declarations**

Declarations are used by speakers who intended to change something with an institutional requirement. For example, a priest may do the sacrament of Baptism for individuals changing a person to be Catholic. Another example, declaring war or being expelled from school (Searl, 1976). No declarations utterance were found by researchers in “Zootopia”.

## **Part 2: Summarized Answers for Research Objectives One and Two**

**Research objective 1:** To examine how illocutionary acts were performed in the film “Zootopia”.

There were four out of the five types of illocutionary acts that the central characters represented in the film: (1) representatives, (2) directives, (3) commissives and (4) expressives

(Searle, 1969). The most frequently used acts of the central characters was representatives which accounted for 47.06% of all types of illocutionary acts including sarcasm, hypothesizing, criticism, describing, informing and suggestion. Next, the directives act was in the second most frequent with 29.41%, including requesting, command and asking. The expressives act was found in the film script at 17.65%, including thanking, compliment and complaint. Lastly, the least frequent acts was commissives with 5.88%, including promise.

Table 1.

*The List of All Illocutionary Acts.*

No.	Searl's Category	Indications	Total
1.	Representatives	Sarcasm (2), Hypothesizing (2), Criticism (1), Describing (1), Informing (1), Suggestion (1)	8 or 47.06%
2.	Directives	Requesting (1), Command (2), Asking (2)	5 or 29.41%
3.	Commissives	Promise (1)	1 or 5.88%
4.	Expressives	Thanking (1), Compliment (1), Complaint (1)	3 or 17.65%

**Research objective 2:** To examine how illocutionary acts reflected the stereotypes and discrimination found in the film.

In each expression one created, one additionally performs force inside the utterance (Searl, 1969). For example, Nick said to Judy that “you can only be what you are. Sly fox, dumb bunny.” From Nick’s utterance, he may have some intention behind this utterance such as an act of criticizing, which is considered as representatives, according to Searl (1969). Furthermore, it tended to reflect the stereotype of bunnies in his mind that all bunnies are dumb. To sum up, stereotypes were classified into two groups: (1) stereotypes of a group such as foxes, rabbits, government officers, sloths, predators and prey; and (2) stereotypes of individuals such as Nick and Judy. The discrimination was associated with racial and gender issues. The summary of stereotypes and discrimination found in the film are shown in Table 2 and Table 3.

Table 2.

*Stereotype Found in “Zootopia”.*

No.	Indication	Data
1.	Stereotype of Fox	-Fox is seen as shifty, untrustworthy, and tricky.
2.	Stereotype of Nick	-Nick has a sad and miserable life.
3.	Stereotype of Rabbit	-Rabbit is seen as cute, weak and stupid. -Rabbit only eats carrots. -Rabbit cannot work in the police.
4.	Stereotype of Judy	-Judy is small, weak and emotional.
5.	Stereotype of Government officer	-Government officers are slow workers such as sloths.
6.	Stereotype of Sloth	-Sloths are slow workers.
7.	Stereotype of Mr. Big	-Mr. Big was known as the most feared crime boss in Tundratown. -Many animals were afraid of him because he killed other animals that obstructed his business.
8.	Stereotype of Predator	-All predators have savage ways to kill prey. -Predators hold many positions of power, often considered highly aggressive compared to prey.
9.	Stereotype of Prey	-Prey are often overlooked for powerful jobs (e.g., police, prime minister)

Table 3:

*Discrimination found in “Zootopia”.*

No.	Indication	Data
1.	Racial Discrimination	-The ice-cream seller (elephant) did not want to sell an ice cream to Nick simply because Nick is a fox and this ice-cream shop is for an elephants only.
2.	Racial Discrimination	-Nick (fox) used to be ignored by his friends because other types of animals usually see foxes as un-trustworthy.
3.	Racial and Gender Discrimination	-Judy was the only female police in the department and she was the first rabbit to become a police officer. However, she was assigned to a lower position, a meter maid, regardless of her high performance and score at the police academy.

## **DISCUSSION**

The objectives of this research paper were to (1) examine how illocutionary acts were performed in the “Zootopia” film using a transcript of the dialogue as data, and (2) examine how illocutionary acts reflected the stereotype and discrimination found in the film. Researchers conducted the study using speech act analysis. Regarding the first research objective, four types of illocutionary acts uttered by the central characters were found: (1) representatives, (2) directives, (3) commissives and (4) expressives. This is consistent with the study of Nugroho (2011), which showed that five types of illocutionary acts were demonstrated in the “Sherlock Holmes” film: (1) assertives, (2) directives, (3) commissives, (4) expressives and (5) declaratives. Nugroho (2011) recommended further research into illocutionary act analysis to focus on hidden meaning and contextual supposition behind sentences. In this research paper, researchers also focused on meaning in regards to stereotypes and discrimination motivating utterances.

In addition, the most frequently used acts in “Zootopia” was representatives while the most commonly used act in the “Sherlock Holmes” film was directives. The current research indicates that the majority of representative acts in the “Zootopia” transcript came about because of what the central characters believed to be true (Sear, 1969), which revealed stereotypes and discrimination such as the act of sarcasm, hypothesizing and criticism. In contrast, the majority of directives act in the “Sherlock Holmes” transcript came from speakers who engineered the listeners doing things or directed them to meet the speaker’s wants or needs (Searl, 1969), which revealed the power and dominant position of Holmes, such as the act of commanding, ordering and insisting. Moreover, the findings suggested that genre of film might indicate the type of illocutionary acts employed by the central characters. For example, Sherlock Holmes is a crime film which is mostly associated with directives act while “Zootopia” is a comedy film concerning stereotype which commonly related to representatives act.

Regarding the second research objective, the findings indicated that stereotypes in “Zootopia” were classified into two groups: (1) stereotype of a group such as foxes, rabbits, government officers, sloths, predators and prey; and (2) stereotypes of individuals such as Nick and Judy. The discrimination was associated with racial and gender issues. This confirmed with the literature review of stereotypes which explained that stereotypes could be socially shared or occur in the awareness of an individual (Fiske, 2000). Nevertheless, the finding concerning racial discrimination was not concordant with the literature review. Flowers & Europarat (2009) stated that racism refers to a conscious or unconscious belief in the predominance of one race over the other. However, in “Zootopia,” predators were often more predominant than prey in general, but they were also stereotyped. For example, Nick who was born as a fox, but was stereotyped negatively throughout the story such as being untrustworthy, regardless of his role of predator.

## **CONCLUSION AND IMPLICATIONS**

This research aims to examine the illocutionary acts performed “Zootopia” by using a film’s transcript as data and study how illocutionary acts reflected the stereotypes and discrimination found in the film. Researchers’ particular focus is on the two main characters, namely Judy Hopps, a rabbit, and Nick Wilde, a fox. The data were analyzed by using speech act analysis (Searle, 1969). Four out of the five types of illocutionary acts uttered by the central characters were found in the film: (1) representatives, (2) directives, (3) commissives and (4) expressives. Moreover, stereotypes were classified into two groups:

(1) stereotypes of a group such as foxes, rabbits, government officers, sloths, predators and prey; and (2) stereotypes of individuals such as Nick and Judy. The discrimination was associated with racial and gender issues.

Researchers analyzed the data from some scholars and researchers' point of view. Hence, the findings in this study are subjective and researchers' interpretation and understanding may not be as similar as other researchers who may have a different perspective respect to this film or research questions. The different situations or timings in society may reveal different opinions and perspectives of people. Also, researchers chose only conversations, which involved two main characters. Thus, the findings showed stereotypes just limited types of characters, such as rabbits, foxes and sloths.

The findings of this study should contribute to the literature on speech act analysis in animation films. In terms of practical contributions, speech act theories may enable individuals to examine utterance or distinguish sub-textual meaning and recognize the speaker's intentions. Furthermore, this study may increase the understanding of how individuals who speak in dissimilar ways based on the view of their race, ethnicity, culture and sexual orientation, can cooperate or work with each other. Further studies may analyze other characters in this film to gain more perspective of stereotypes encountered in the "Zootopia" society. Other characters influenced the plot and had contrasting qualities with their stereotypes, such as a lion as the weak president of the town and the sheep as the wicked assistant of the president.

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**DEVELOPING THIRD-YEAR STUDENTS' ENGLISH PRONUNCIATION SKILL  
THROUGH AUDIO-MEDIATED SHORT STORIES**

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**ABSTRACT**

Studies related to the acquisition of English consonant clusters both at initial and final positions have been done for decades with the findings that support the Markedness Differential Hypothesis (MDH). However, very few studies have been conducted to find ways in the development of non-native English learners' consonant cluster pronunciation production. Consequently, based on Jenkins' Lingua Franca Core (2000), this study is done to reveal if online audio-mediated stories help to develop initial and medial consonant cluster pronunciation of Thai English learners. To address the objective of the study, a reading passage was used to elicit the pre- and post-test scores of 14 Thai-native juniors studying English for International Communication program. The passage consisted of 13 sets of two-member consonant clusters, namely nine initial clusters and four medial clusters, and five sets of three-member consonant clusters, namely two initial clusters and three medial clusters. The results positively showed that after the application of eight online audio-mediated stories for eight weeks, the participants performed better pronunciation of two-

member consonant clusters than that of three-member consonant clusters both at initial and medial positions. The significantly developed two-member consonant cluster at word initial was /kr-/ as in *create* (53.18%). However, the participants performed slightly better pronunciation of three-member initial consonant cluster /str-/ as in *street* (7.14%). For medial consonant clusters, the most developed two- and three-member consonant clusters were /-sp-/ as in *expected* (42.86%), and /-skr-/ as in *describe* (21.43%), respectively. Finally, the participants seemed to have problems with the pronunciation of both two- and three-member initial consonant clusters which have the /j/ at the post-initial position as in *few* /fju/ and *student* /stju:dənt/.

**KEY WORDS:** Consonant cluster pronunciation, audio-mediated short stories, Lingua Franca Core (LFC)

## INTRODUCTION

Over the years, a number of studies dealing with English phonological acquisition have emphasized on investigating non-native speakers' (NNSs) perception and production of segmental phonemes as well as how NNSs dealt with certain problematic sounds (Kanokpermpoon, 2007; Sperbeck & Strange, 2010; Rungruang, 2014; Chakma, 2014; Wei & Yalun, 2002). The results of these studies appear to have supported the Markedness Differential Hypothesis (MDH) proposed by Eckman (1977, as cited in Eckman, 2008) as MDH anticipated that marked structures in a target language which do not exist in the native language systems of a second language learner (L2) is more difficult to acquire than unmarked ones which exist or are similar to those in the native language systems. This hypothesis is applicable to English consonant cluster structures both at initial and final positions as they are ones of such phonologically marked structures to learners of English as a second/foreign language (ESL/EF) especially the three-member initial consonant clusters and most two- to four-member final consonant clusters (Jenkins, 2002).

Since they are marked structures, in most cases ESL/EFL learners deal with such problematic English consonant cluster structures by employing two main repair strategies which are a consonant deletion and a vowel insertion (Chang, 2011; Chen, 2003; Shibuya & Erickson, 2010; Jurado, 2005). This seems likely to be true when L2 Thai learners of English come to cope with the pronunciation of English consonant clusters which are more complex than those in Thai phonological system. By employing the consonant deletion strategy, the pronunciation of the words 'street' and 'spline' seems to be /stit/ and /span/ instead of /strit/ and /splain/, respectively. In addition, the final sound /-s/ is always dropped out; hence, the words 'kicks' and 'mix' are heard as /kɪk/ and /mɪk/ instead of /kɪks/ and /mɪks/, respectively. Another repair strategy that is always used by L2 Thai learners is sound substitution (Kanokpermpoon, 2007; Chakma, 2014). For example, the pronunciation of the phonemes /θ/ and /ð/ seem to be substituted with the phonemes /t<sup>h</sup>/, /t/ or /d/ at the initial position and the phoneme /t<sup>h</sup>/ at the final position. Hence, most Thais as EFL learners likely pronounce the words 'thin /θɪn/', 'think /θɪŋk/', 'then /ðen/', and 'with /wɪð/' as /t<sup>h</sup>ɪn/, /tɪŋk/, /den/, and /wɪt<sup>h</sup>/, respectively.

Even though problems and difficulties in pronunciation of English consonants and consonant clusters have been detected and reported, very little effort has been pushed to help improve ESL/EFL learners' pronunciation of such phonological features. Moreover, in the era of World Englishes (WE), more and more attention has been paid on studying perception and attitudes of NNSs toward native and non-native accents and their intelligibility

(Grim & Sturm, 2016; Jindapitak, 2014 & 2015; Natiladdanon & Thanavisuth, 2014; Gilakjani, 2012), and it is presumable that, for English pronunciation, native norms especially Received Pronunciation (RP) and General American (GA) are the most, if not overstated, preferable pronunciation norms among NNSs. However, as Jenkins (1998) observed earlier, English is spoken by a huge number of NNSs around the world, so the language is also known as English as Lingua Franca (ELF) as it is used as a contact language spoken among people who do not share the same mother-tongue or backgrounds (Firth, 1996; Kirkpatrick, 2007 & 2011). Considering the issue of ELF and the pronunciation of English segmental and suprasegmental phonemes, Jenkins (2000) introduced the Lingua Franca Core (LFC) which includes phonological features that are essential for intelligible pronunciation, which in turn leads to classroom success and effective communication. Table 1 shows the comparison of native speaker (NS) phonological core and the LFC features.

Table 1.

*The Comparison of NS Phonological Core Features and the LFC (Jenkins, 2000: 158-159 & 2002: 99).*

Phonological features	NS core features	LFC features
1 The consonantal inventory	- all sounds - RP non-rhotic /r/ GA rhotic /r/ - RP intervocalic [t] GA intervocalic [r]	- all sounds, except /θ/ and /ð/ - rhotic /r/ only  - intervocalic /t/ only
2 Phonetic requirements	- rarely specified	- aspiration after /p/, /t/, /k/ - appropriate vowel length before fortis/lenis consonants
3 Consonant clusters	- all word positions	- word initial - simplification of word medial and final according to L1 rules of deletion
4 Vowel quantity	- long-short contrast	- long-short contrast
5 Vowel quality	- close to RP or GA	- L2 (consistent) regional qualities
6 Weak forms	- essential	- unhelpful to intelligibility
7 Features of connected speech	- all	- inconsequential or unhelpful
8 Stress-timed rhythm	- important	- does not exist
9 Word stress	- critical	- unteachable/can reduce flexibility
10 Pitch movement	- essential for indicating attitudes and grammar	- unteachable/incorrectly linked to NS attitudes/grammar
11 Nuclear (tonic) stress	- important	- critical

For intelligible pronunciation, all LFC phonological features should be taught or trained with particular emphases, and those beside these stated features should be considered as phonological variation of speakers of English who possess different backgrounds and geographical features.

Taking a closer look at the LFC, one of its interesting features is the core features of consonant clusters. In English, consonant clusters can appear at word initial, medial, and final positions; however, in the LFC, focus is put on the pronunciation of consonant clusters at word initial and medial, but not in the final position. The reason is that simplification cannot be applicable to pronunciation of the initial consonant clusters. However, the process can be employed to the pronunciation of medial and final consonant clusters in collaboration with the speakers' first language (L1) phonological rules of deletion (Jenkins, 2000). This can be assumed that how consonant clusters at word initial position are pronounced affects speakers' levels of intelligibility more than how they are pronounced when occurring at word medial and final positions. Consequently, training intelligible pronunciations of consonant clusters at word initial position to EFL learners is necessary for successful communication.

Therefore, this paper tries to find out if online audio-mediated short stories can help to develop the pronunciation of initial and medial consonant clusters of Thai EFL learners. Even though the pronunciation of consonant clusters at the medial position is not focused according to the LFC, the study has included it as one focus because the medial consonant clusters actually act as initial consonant clusters of a middle syllable in a polysyllabic word. Furthermore, by using online audio-mediated short stories with NSs' pronunciation model, the study does not mean to instill neither RP nor GA into Thai EFL learners, whereas the main aim is to help them acquire a better and more intelligible pronunciation as Jenkins (2000) stated that the target of pronunciation training in ELF is to maintain minimum standards of mutual intelligibility without recourse to L1 model. In addition, beside its too-much reliability on internet access, online media is one of user-friendly sources as some of them are free access and learners can do self-study anywhere and anytime they want.

## **OBJECTIVES**

This study aimed to address the following research questions:

1. To what extent can online audio-mediated short stories help to develop Thai EFL learners' pronunciation of consonant clusters at word initial and medial positions?
2. At which position of consonant clusters can the learners improve their pronunciation better?

## **METHODOLOGY**

To answer the research questions, eight online audio-mediated short stories with NSs' voice model were employed. All of the eight stories were retrieved from a non-profitable website [www.manythings.org](http://www.manythings.org) which is developed by Charles Kelly and Laurence Kelly (Kelly & Kelly, 1997-2016), and they were categorized under the theme 'Words and Their Stories' as illustrated in Figure 1.

Figure 1. Example of Online Audio-Mediated Short Stories

www.manythings.org/voa/words/

ManyThings.org Reading Sentences Listening Vocabulary Flash More

## Words and Their Stories

Text & MP3 Files

There are 105 five-minute audio files. That is about 9 hours of listening and reading.  
*Idioms, Proverbs, Expressions and Interesting Words*

### Adjectives

- Expressions with the Word "Cold"  
cold, cold-blooded, cold-blooded killer, get cold feet, cold shoulder, cold fish, cold-hearted, out in the cold
- Expressions with the Word "Hot"  
hot potato, not so hot, hot shot, hothead, hot under the collar, hot line
- Expressions with the Word "Easy"  
as easy as falling off a log, a piece of cake, as easy as shooting fish in a barrel, easy come, easy go, Easy Street, go easy on a person, an easy touch, a soft touch, take it easy

### Animals

- "Bird" Expressions  
for the birds, eats like a bird, a birds-eye-view, birds and the bees, birds of a feather flock together
- "Cat" Expressions  
looks like the cat that ate the canary, play cat and mouse with someone, that looks like something the cat dragged in, the cat's meow and the cat's pajamas.
- "Dog" Expressions  
lead a dog's life, live in a dog-eat-dog world, work like a dog, dog-tired, sick as a dog, every dog has its day, you can never teach an old dog new tricks, meaner than a junkyard dog, his bark is worse than his bite, he is in the doghouse, let sleeping dogs lie, the dog days of summer, rain cats and dogs

www.manythings.org/voa/words

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## Expressions with the Word "Easy"

0:00 / 4:55

Speed: 75% | 100% | 125% | 150% | 175% | 200%

Download MP3 (Right-click or option-click the link.)

Now, the VOA Special English program **WORDS AND THEIR STORIES**.

Every people has its own way of saying things, its own special expressions. Some of these expressions are easy to understand. The words create a picture in your mind.

"As easy as falling off a log" is one such expression. It describes a job that does not take much effort. If you ever tried to walk on a fallen tree log, you understand what the expression means. It is easier to fall off the log than to stay on it.

The expression is often used today. For example, you might hear a student say to her friend that her spelling test was "as easy as falling off a log."

There are several other expressions that mean the same thing. And their meaning is as easy to understand as "falling off a log." One is, "easy as pie". Nothing is easier than eating a piece of sweet, juicy pie. Unless it is a "piece of cake."

"Piece of cake" is another expression that means something is extremely easy to do. A friend might tell you that his new job was a "piece of cake."

Pop-Msyo  
Japanese  
Korean  
Spanish  
Webster's 1913

Share  
f t g+  
Gmail This

The pronunciation data before the participants took part in the study were elicited by using a reading passage containing 13 sets of two-member consonant clusters, namely nine initial clusters and four medial clusters, and five sets of three-member consonant clusters, namely two initial clusters and three medial clusters. The same reading passage was used at the end of the study to elicit the pronunciation data after the participants had taken all eight-week pronunciation practice.

The participants at the time of the study were 14 juniors studying English for International Communication (EIC) program at Rajamangala University of Technology Lanna Phitsanulok, also known as RMUTL Phitsanulok. All of the participants were randomly assigned with the code P1 to P14 to keep their personal information confidential. Besides doing self-pronunciation practice, the participants had to spend at least 30 minutes a week in the innovation room where laptops with internet access were provided to make sure that they really spent time practicing assigned activities.

Inferential statistics was used to analyze the gathered data to find out percentiles, and content analysis was used to describe how the participants' development of consonant cluster pronunciation was and which position of consonant clusters they could develop better.

## **RESULTS**

In this part, the analyzed data were presented in a form of tables comparing the pre- and post-test percentiles of the participants' pronunciation production. The presentation of the data analysis was ordered by numbers of the consonant cluster members and their positions starting from two- and three-member consonant clusters at word initial position followed with two- and three-member consonant clusters at word medial position. The description of how the online audio-mediated short stories helped the participants develop their pronunciation of consonant clusters and at which position they could develop better subsequently presented.

Table 2.

*The Participants' Pronunciation Production of Two-Member Consonant Clusters (N = 14).*

Clusters	Variant pronunciation production	Pre-test		Post-test	
		N	%	N	%
<b>Beginning with stop sounds</b>					
/kɪ-/	/kr-/	4	28.57	7	50.00
clearly	/k-/	10	71.43	7	50.00
/kɪə.li/					
/kr-/	/kr-/	5	35.71	13	92.86
create	/k-/	9	64.29	1	7.14
/kri.eɪt/					
/pr-/	/pr-/	6	42.86	8	57.14
problem	/p-/	8	57.14	6	42.86
/prɑ.bləm/					
/tr-/	/tr-/	8	57.14	11	78.57
tree	/t-/	6	42.86	3	21.43
/tri/					
<b>Beginning with fricative sounds</b>					
/fj-/	/fj-/	0	0.00	0	0.00
few	/f-/	14	100	14	100
/fju/					
/fr-/	/fr-/	9	64.29	11	78.57
friend	/f-/	5	35.71	3	21.43
/frɛnd/					
/sp-/	/sp-/	6	42.86	8	57.14
spend	/sɑ.p-/	8	57.14	6	42.86
/spɛnd/					
/st-/	/st-/	6	42.86	7	50.00
stay	/sɑ.t-/	4	28.57	5	35.71
/steɪ/					
/sw-/	/sw-/	4	28.57	5	35.71
swim	/sɑ.w-/	10	71.43	9	64.29
/swɪm/					

Table 2 shows the participants' variant pronunciation production of two-member consonant clusters appearing at word initial position before and after they participated in the study. There were 9 sets of two-member initial consonant clusters found in the reading passage. They were /kl-/ in 'clearly' /klɪə.li/, /kr-/ in 'create' /kri.eɪt/, /pr-/ in 'problem' /prɑ.bləm/, /tr-/ in 'tree' /tri/, /fj-/ in 'few' /fju/, /fr-/ in 'friend' /frɛnd/, /sp-/ in 'spend' /spɛnd/, /st-/ in 'stay' /steɪ/ and /sw-/ in 'swim' /swɪm/. All of them are presented according to their initial phonemes' manner of articulation. In the first group, all consonant clusters begin with stop sounds, whereas all consonant clusters in the second group start with fricative sounds. Before and after participating in the study, most participants seemed to apply the consonant deletion strategy to deal with the pronunciation of the clusters that started with the stops as well as the fricative /f/. Moreover, the vowel insertion strategy was used the most when the clusters started with the fricative /s/. Notably, there was an interesting finding that a few students applied the consonant deletion strategy to the pronunciation of the cluster beginning with the fricative /s/, so the word 'stay' /steɪ/ was pronounced similarly to the word 'say' /seɪ/ by four participants before taking part in the study and by two of them after taking part in the study.

According to the presented statistical analysis, the participants' pronunciation production after participating in the study has been developed in almost all clusters, except the cluster /fj-/ as in the word 'few' in which the participants showed no pronunciation development. They always omitted the consonant /j/. The significantly developed two-member consonant cluster at word initial position was /kr-/ (53.18%), followed with the clusters /kl-/ and /tr-/ (21.43%) and /fr-/ , /pr-/ and /sp-/ (14.28%). In contrast, the participants performed the least development in the pronunciation production of the clusters /st-/ and /sw-/ (7.14%). Considering the pronunciation production of the participants, as stated earlier, some of them dealt with the two-member consonant clusters by applying, with or without awareness, the consonant deletion strategy. The second phoneme in two-member consonant clusters were omitted. Then, some participants' pronunciations of the words 'few' /fju/, 'friend' /frɛnd/, 'clearly' /klɪə.li/, 'create' /kri.eɪt/, 'problem' /prɑ.bləm/ and 'tree' /tri/ were /fu/, /fɛnd/, /kɪə.li/, /ki.eɪt/, /pɑ.bləm/ and /ti/, respectively. Furthermore, by applying the vowel insertion strategy, some participants inserted the vowel /ɑ/ when the two-member consonant clusters started with the voiceless alveolar fricative /s/. Hence, the monosyllabic words 'spend' /spɛnd/, 'stay' /steɪ/ and 'swim' /swɪm/ appeared to be disyllabic words being pronounced as /sɑ.pɛnd/, /sɑ.teɪ/ and /sɑ.wɪm/, respectively.

Table 3.

*The Participants' Pronunciation Production of Three-Member Consonant Clusters at Word Initial Position (N = 14).*

Clusters	Variant pronunciation production	Pre-test		Post-test	
		N	%	N	%
/str-/	/str-/	9	64.29	10	71.43
stream	/st-/	4	28.57	2	14.29
/strim/	/sɑ.tr-/	0	0.00	2	14.29
	/sɑ.t-/	1	7.14	0	0
/stj-/	/stj-/	0	0	0	0
student	/st-/	8	57.14	10	71.43
/stju.dənt/	/sɑ.t-/	6	42.86	4	28.57

Table 3 presents the participants' variant pronunciation production of three-member consonant clusters at word initial position before and after participating in the study. There were only two types of three-member consonant clusters found in the reading passage. They are /str-/ as in the words 'stream' /strim/ and 'street' /strit/, and /stj-/ as in the word 'student' /stju.dənt/. Before taking part in the study, the participants variedly pronounced the three-member consonant clusters /str-/ in 'stream' /strim/ as /strim/, /stim/, /sɑ.tim/ and the clusters /stj-/ in 'student' /stju.dənt/ as /stu.dənt/ and /sɑ.tu.dənt/. After finishing the eight-week practice, the variant pronunciations of the clusters /str-/ were /str-/, /st-/ and /sɑ.tr-/, and the variant pronunciation of the clusters /stj-/ remained the same as when it was pronounced before the participants took part in the study.

Considering the statistic account for the pronunciation production development, it was found that the participants performed a slightly better pronunciation (7.14%) of the three-member consonant cluster /str-/ after taking part in the study. This means that most of them, 10 out of 14, could pronounce all the three phonemes without applying the vowel insertion or the consonant deletion strategy. By applying the consonant deletion strategy, a few of them pronounced the cluster with the disappearing of the phoneme /r/, so the words 'stream' and 'street' were pronounced as /stim/ and /stit/, respectively. In addition, with help of the vowel insertion strategy, the cluster was pronounced as /sɑ.trim/ and /sɑ.trit/. For the pronunciation production of the cluster /stj-/, all the participants did not show any development. Most of them applied the consonant deletion strategy to deal with the pronunciation of the cluster, so the word 'student' /stju.dənt/ was pronounced as /stu.dənt/. A few of them also used both the vowel insertion strategy and the consonant deletion, and the word was pronounced as /sɑ.tu.dənt/.

Table 4.

*The Participants' Pronunciation Production of Two-Member Consonant Clusters at Word Medial Position (N = 14).*

Clusters	Variant pronunciation production	Pre-test		Post-test	
		N	%	N	%
/-bl-/ problem	/-bl-/ /-b-/ /pra.bləm/ <sup>14</sup>	8 6	57.14 42.86	13 1	92.86 7.14
/-gr-/ agree	/-gr-/ /-kr-/ /ə.gri/	0 9 5	0.00 64.29 35.71	0 11 3	0.00 78.57 21.43
/-sp-/ expect	/-sp-/ /sa.p-/ /ɪk.spɛkt/	3 1 10	21.43 7.14 71.43	9 0 5	64.29 0.00 35.71
/-st-/ understand	/-st-/ /sa.t-/ /ʌn.də.stænd/	10 4	71.43 28.57	12 2	85.71 14.29

<sup>14</sup> In this study, how polysyllabic words are divided into syllables bases on the Maximal Onset Principles. According to the principles, any consonants within polysyllabic words should be attached to the right side acting as the onset of the next syllable, as far as possible (Roach, 2009).

Table 4 demonstrates the participants' variant pronunciation production of two-member consonant clusters at word medial position before and after they participated in the study. Two-member consonant clusters at the medial position only appear in polysyllabic words. There were four sets of this kind of clusters found in the reading passage. Similar to the pronunciation production of the two-member consonant clusters at word initial position, some participants applied the consonant deletion strategy when the cluster began with stop phonemes, and the vowel insertion strategy when the cluster started with the fricative phoneme /s/. The two strategies were used both before and after the participants took part in the study.

Taking a look at the development of the participants' pronunciation production, it was found that most of them had better pronunciation production although a few participants still, with or without awareness, applied the two most favorable pronunciation repairing strategies in mastering the pronunciation of the two-member consonant clusters at the word medial position. The most developed consonant cluster was /-sp-/ (42.86%) as found in 'expect' /ɪk.spɛkt/, followed with the clusters /-bl-/ (35.72%) in 'problem' /prɑ.bləm/ and /-st-/ (14.28%) in 'understand' /ʌn.də.stænd/.

When taking a closer look at the pronunciation of the cluster /-gr-/ in 'agree' /ə.gri/, it was found that all the participants did not achieve the target pronunciation in term of pronouncing the voiced velar stop /g/. Since the sound does not exist in the Thai phonological system, in order to cope with this problem, the participants substituted the phoneme /g/ with the Thai phoneme /k/ as appearing in /ka:/ which means a crow. The participants' pronunciation production of the cluster /-gr-/ by replacing the English phoneme /g/ with the Thai phoneme /k/ supported the observation of Kanokpermpoon (2007). In his observation, Kanokpermpoon stated that English phonemes that do not exist in the Thai phonological system seem to draw more pronunciation difficulties to Thai ESL learners than those exist or are similar to Thai phonemes, and the phoneme /g/ was included in the problematic group. However, taking a look at the pronunciation of the cluster from the side of the LFC, most of the participants, 11 out of 14, seemed to achieve the intelligible pronunciation as they pronounced all the members of the cluster.

Table 5.

*The Participants' Pronunciation Production of Three-Member Consonant Clusters at Word Medial Position (N = 14).*

Clusters	Variant pronunciation production	Pre-test		Post-test	
		N	%	N	%
describe /di.skraɪb/	/-skr-/	5	35.71	8	57.14
	/-sa.kr-/	2	14.29	1	7.14
	/-kr-/	6	42.83	5	35.71
	/-k-/	1	7.14	0	0.00
expression /ɪk.sprɛʃ.ən/	/-spr-/	2	14.29	5	35.71
	/-pr-/	10	71.43	7	50.00
	/-sp-/	0	0.00	2	14.29
	/-p-/	2	14.29	0	0.00
extremely /ɪk.striːm.li/	/-str-/	2	14.29	3	21.43
	/-st-/	2	14.29	1	7.14
	/-tr-/	5	35.71	7	50.00
	/-t-/	5	35.71	3	21.43

Table 5 demonstrates the participants' variant pronunciation production of the three-member consonant clusters at the word medial position before and after taking part in the study. The three sets of such the clusters, namely /-skr-/ in 'describe' /dɪ.skraɪb/, /-spr-/ in 'expression' /ɪk.spɹɛʃ.ən/ and /-str-/ in 'extremely' /ɪk.stɹɪm.li/ were found in the reading passage. Like the production of the previously stated sets of clusters, some participants used the same pronunciation repairing strategies to deal with this type of clusters.

Before taking part in the study, the cluster /-skr-/ seemed to draw less difficulty to the participants as almost half of the participants (5 out of 14 or 35.71%) could pronounced all the three sounds together, and a few more participants (6 out of 14 or 42.83%) pronounced the word 'describe' as /dɪ.kraɪb/ with the phoneme /s/ being dropped out. Only a few participants (2 out of 14 or 14.29%) pronounced the word as /dɪ.sa.kraɪb/ inserting the vowel /ɑ/ and only one (7.14%) participant pronounced the word as /dɪ.kaɪb/ where both the phonemes /s/ and /r/ were dropped out. On the contrary, the participants seemed to have more difficulty in the pronunciation of the clusters /-spr-/ and /-str-/. By the same number of the participants (2 out of 14 or 14.29%), the words 'expression' and 'extremely' were pronounced correctly with all the three sounds together. Most participants (10 out of 14 or 71.43%) pronounced the word 'expression' as /ɪk.pɹɛʃ.ən/ where the phoneme /s/ was deleted, and two of the participants (14.29%) dropped out the phonemes /s/ and /r/ and pronounced the word as /ɪk.pɹɛʃ.ən/. For the cluster /-str-/, the same number of the participants (5 out of 14 or 35.71%) pronounced the word 'extremely' as /ɪk.tɹɪm.li/ where the phoneme /s/ was dropped out and /ɪk.tɪm.li/ where the phonemes /s/ and /r/ were deleted.

After taking part in the study, the participants seemed to show better pronunciation production, of the three-member consonant clusters at the word medial position. The highly developed cluster (21.43%) which was slightly higher than the cluster /-spr-/ (21.42%) was the cluster /-skr-/. The participants demonstrated the least development in the pronunciation of the cluster /-str-/ (7.14%). The participants still used the previously stated pronunciation repairing strategies, but the number of participants in each category was fewer than that before they took part in the study, except for the pronunciation of the cluster /-str-/. It was found that the number of participants that used consonant deletion strategy was larger when they dealt with such the cluster.

## **DISCUSSION**

The objectives of this study were to investigate to what extent the online audio-mediated short stories could help develop the consonant cluster pronunciation ability of fourteen juniors studying English for International Communication at RMUTL Phitsanulok and at which position the participants could develop their pronunciation ability better. In term of consonant clusters, this study focused on the two- and three-member consonant clusters appearing at the word initial and medial positions. After examining the statistical data analysis, the research questions were addressed as the followings.

1. To what extent can online audio-mediated short stories help to develop Thai EFL learners' pronunciation of consonant clusters at word initial and medial positions?

Examining the overall pronunciation performance of all the participants, it could be said that after participating in the study the participants showed satisfying and better pronunciation production even though some of them still applied the consonant deletion and the vowel insertion strategies when they dealt with some consonant cluster sets, especially the

three-member ones that appeared in the middle of polysyllabic words. Though, the number of participants applying the stated strategies decreased after they took part in the study. Therefore, the application of online audio-mediated short stories could positively and fairly help to develop the participants' consonant cluster pronunciation.

However, according to the LFC, the consonant clusters at the middle of polysyllabic words can be simplified in relation to EFL/ESL learners' L1 phonological rules (Jenkins, 2000). In Thai, there is one feature where two consonants are put together without any explicit vowel written in between, but a vowel sound is implicit there. This feature is known as inherent vowels. So, the word 'สองสตางค์' /สอง.sa.taŋ/, meaning two cents, where the orthography 'ต' is written right after 'ส', is pronounced with three syllables although there are only two vowels visually detected. With this regard, it can be said that the participants' consonant cluster pronunciation production with a vowel insertion is acceptable as long as such an insertion does not affect the speaker's intelligibility.

2. At which position of consonant clusters can the learners improve their pronunciation better?

After the eight-week application of eight online audio-mediated short stories, it revealed that the participants showed the significant development in the pronunciation of two-member consonant clusters at the word-initial position, followed with the two-member consonant cluster at the word-medial position and three-member consonant cluster at the word-medial position. They showed the least pronunciation development in the three-member consonant clusters at the word-initial. Interestingly, all the participants showed no development in the pronunciation of the three-member consonant cluster where the phoneme /j/ appears at the post-initial position. Hence, it can be said that online audio-mediated short stories help to develop the pronunciation of two-member consonant clusters best, while other sets of consonant clusters may need other teaching strategies and materials for a better development.

## CONCLUSION

A fair development of the participants in the pronunciation of English consonant clusters, especially at the initial and medial positions has suggested that online audio-mediated short stories can be one of good learning and teaching sources for ESL/EFL learners and lecturers. It can be seen that after their participation in the study a fewer number of participants applied either the consonant deletion or the vowel insertion strategies to deal with consonant cluster sets that do not exist in the Thai phonological system. Since the LFC suggests that erroneous pronunciations of English initial consonant clusters affect the speakers' intelligibility, special pedagogical strategies should be applied in order to help learners acquire more intelligible pronunciation production. On the one hand, the LFC allows medial consonant clusters to be simplified according to learners' L1 phonological system, so acquiring correct pronunciation of such clusters is profitable. Learners' pronunciation with medial consonant cluster simplification should be acceptable as long as the simplification does not affect their intelligibility. Hence, variant pronunciations of the word 'describe' as /di.skraɪb/, /dɪ.krab/ or /dɪ.sa.kraɪb/ should be allowable because in the twelve initial Thai consonant clusters, none of them begin with the phoneme /s/ and according to an inherent vowel /a/, such the vowel is inserted when two Thai consonants are placed together without an explicit vowel written between them.

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**INVOLVEMENT IN COMMUNITY DEVELOPMENT OF  
HOTELS IN THAILAND**

by

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**ABSTRACT**

This research aims to study the involvement in community development of hotels in Thailand. The sample consisted of 221 members of the Thai Hotels Association. Data from the questionnaires were analyzed by statistical techniques such as t-tests, ANOVA and regression to determine levels of internal and external involvements in social, environmental and economic community development, including problems and benefits. The major research question is whether the hotel profile and level of internal participation correlate with the level of community involvement. The results show that (1) higher levels of internal involvement associate with higher star rating or larger hotels or operating in a chain or having more employees, (2) internal involvement has positive links to the involvements in community development, (3) hotels with 4-5 stars or bigger hotels or hotels in a network encounter less problems in participating in community development, (4) hotel locations in different regions have no influence on the level of hotel involvement in community development, and (5) hotels gain benefits from involvement in community development.

**KEY WORDS:** Hotel involvement, community development, benefits, problems, Thailand

**INTRODUCTION**

Involvement in community development reflects corporate social responsibility (CSR) of a business. The Stakeholder theory developed from the concept proposed by Barnard (1968). Freeman (1984) advocated that corporations must satisfy their stakeholders which were customers, employees, shareholders, partners, competitors, government and the community. The Create Shared Value (CSV) theory proposed by Porter and Kramer (2012) is a concept that creates a competitive advantage by increasing the economic value to the society in which the organization operates. Meanwhile, sustainable development characteristics incorporate the concept of sustainability as suggested by the triple bottom line reporting of the World Commission on Environment and Development (1987), that is,

social, environmental and economic sustainability. Accordingly, hotel actions in community development should include the cooperation with the surrounding community in these three aspects. This research aims to study the behavior of hotels in Thailand in participating in community development. It also covers the obstacles and benefits of involvement in community development. The factors which are expected to influence the level of involvement will be investigated such as star rating, number of employee, size, type of operations, ownership and number of years in service.

## **LITERATURE REVIEW**

### **Involvement in Internal Hotel Operations**

Corporate Social Responsibility takes into account the social-cultural dimension of sustainable supply chain management by focusing on enhancing employee welfare, community relations, suppliers and government and establishing long-term relationships with customers (Xu & Gursoy, 2015). As found in the survey of hotels in Sweden and Poland by Bohdanowicz (2006), hotel operators generally recognized the need for environmental protection and were involved in several activities. Bohdanowicz asserted that “the economic situation and pro-environmental efforts initiated by the government were found to have an impact on certain aspects of hoteliers’ attitudes and actions. The survey further indicated the two major directions that needed to be followed when introducing environmental sustainability into the hotel industry. These were: (1) incorporating responsible technical and behavioral practices in the hotel sector, (2) highlighting the necessity of initiating greater demand for “green” practices from the customers. The internal policies and action plans of hotels complied with the requirements stated in the standards or certificates of participation in effective environmental responsibility. This helped build and maintain a good image of the hotel. For example hotels gave importance to and planned for social responsibility, engaging their employees, customers, and partners in creating good social projects, or linking business processes with social and environmental responsibility.” Hsieh (2012) employed content analysis to review the web sites of the world top 50 hotel companies and found that many top hotels disclosed their environmental commitment and engagement on the company websites. They also attracted and promoted loyal employees to participate in environmental projects.

### **Involvement in Community Social and Cultural Development**

The study of Skokic, Lynch, and Morrison, (2016) by in-depth interviews with hotel operators in the Croatian Splitsko-Dalmatinska region verified the importance of specific social context. Therefore, hotel operators needed to consider transitional social setting and a broad range of social-cultural factors. For examples, hotels participated with the community to conserve folk culture and local wisdom. The management of the hotel did not conflict with the traditions and culture of the community such as integrating local culture into the design of facilities and service processes with cultural heritage of the community in mind (Xu & Gursoy, 2015). Hotel buildings are adjusted to match with the environment or combining unique architecture with local culture. In line with Mensah's research (2006) which found that hotels in the Ghana's Greater Accra region also supported local communities in terms of infrastructure development and local festivals. Another study by Masa'deh, Nasseef, Sunna, Suliman, and Albawab (2017) suggested that hotels should encourage local communities to strengthen their cultural identity. They should also promote

cultural exchanges between tourists and local communities. Thus, hotels operations should be in harmony with natural and cultural environment.

### **Involvement in Community Environmental Development**

Participating in the environmental management means recognizing the value and importance of nature and avoiding impacts or encroachment on nature and the environment. Hotels must uphold the responsibility to improve or correct the processes to reduce the impact and restore the natural environment in order to increase nature's values and sustainability. The environmental policy provides a guideline for participating hotels to reduce waste and impacts on the natural environments. Environment actions such as hotels involving the community in energy conservation, resources, environmental management, waste reduction, or reuse of waste have been widely reported. A research by Park and Kim (2014) examined the relative importance of three influential factors (that is, stakeholder pressure, economic opportunities, and top managers' personal environmental concern) in shaping managerial attitudes toward adoption of green programs in the hotel industry. The results suggested that stakeholder pressure was the most dominant predictor of managerial attitudes toward adoption of green programs followed by economic benefits and top managers' personal environmental concern. In addition, the relationship between managerial attitudes toward adoption of environmental programs and organizational environmental commitment was found to be moderated by the ownership style. The relationship was stronger for independent hotels than for chain-affiliated hotels, indicating a more significant role of managerial discretion in implementing environmental strategies at the independent hotel setting than the chain hotel setting.

According to another study by Mensah (2006) on the environmental policies of hotels in the Ghana's Greater Accra region to relating to eco-friendly practices, it also found that larger hotels (3-5 star) were at the forefront of adoption and practice of environmental management. Also, for the hotels with environmental policies, such policies were geared towards achieving safe, clean and healthy environments. Mensah (2006) listed environmental actions that are commonly implemented internally by hotels with reduce, reuse, recycle and redesign activities. Guest related activities include encouraging guests to be eco-friendly. Externally involvement includes supporting local communities in which hotel is located, supported environmental NGOs in cash or kind, participation with the community in the conservation of natural resources, marine lives, prevention of sale of souvenirs and consumption involving the destruction of nature and wildlife.

### **Involvement in Community Economic Development**

Participation in community economic development is a process that can be developed by building long-term potential for the community and promoting economic and social integration. Roseland (2000) argued that poverty was a major source of environmental degradation, and both poverty and environmental degradation result largely from wealth. Involvement in economic activities will benefit the local area through employment, promoting small business in the community, sourcing products and services, strengthening business ownership in the community. These activities can help the community benefit economically and improve the standard of living, increase income, create jobs and financial security for the local people. Sustainable community development in the economy also includes improving energy efficiency in buildings, production and transportation systems. The application of information technology in the activities such as promoting knowledge to increase marketing value, development of production processes for local products. Examples of involvement activities benefiting the economy of the surrounding community are such as creating a capital for low income communities, providing small business coun-

seling, establishment of cooperatives, investment in community land, job creation and career support, providing areas to sell local crafts, buying produces from the community for consumption in the hotel, etc.

### **Problems and Obstacles in Community Development Participation**

The social context is specific and has important influences on how and where to engage (Reed, 2008). Stakeholder participation needs to be underpinned by a philosophy that emphasizes empowerment, equity, trust and learning. Participation by all relevant stakeholders should be developed as early as possible and throughout the process. The process needs to have clear objectives from the outset, and should not overlook the need for highly skilled facilitation and coordination. Local knowledge can be integrated to provide a more comprehensive understanding of complex and dynamic social-cultural, environmental and economic systems. In the study of barriers to community participation in the tourism development in developing countries, Tosun (2000) pointed out that it was important to involve local community in tourism development process. The barriers were classified as: (1) Operational barriers include centralization of authority, lack of co-ordination, and lack of information, (2) Structural barriers include attitudes of people, lack of expertise, elite domination, lack of appropriate legal system, lack of trained human resources, relatively high cost of community participation and lack of financial resources, and (3) Cultural limitations to community included limited capacity of poor people, apathy and low level of awareness in the local community. Aref and Ma'rof (2008) also reported barriers to community participation in the development of tourism in Shiraz area of Iran. They found that there were operational, structural and cultural barriers to community participation in the tourism development in some local communities. One significant barrier related to the inequitable share in the benefits. It was felt by the community which received less benefit from the development compared to the investor occupying a community area. Therefore, such negative attitude can be an important factor which causes distrust and dissatisfaction opposing hotel attempt to involve in community development.

In the study of destination development by Dogra and Gupta (2012), they argued that as barriers and development are inversely proportional to each other so there was an urgent need to remove or reduce these barriers so that there should be no hurdle in the process and more local people got involved in the activities. Chan (2008) conducted a study on the barriers to implementing the environmental management system (EMS) by hotels in Hong Kong SAR. Using exploratory factor analysis, six factors were identified that hindered hotels from adopting formal EMS. They were (1) lack of knowledge and skills, (2) lack of professional advice, (3) uncertainty of outcome, (4) certifiers/verifiers, (5) lack of resources, and (6) implementation and maintenance costs. From the studies, although some are not directly related to hotel involvement in community development, these barriers can also be major obstacles to hotel involvement in community development.

### **Benefits of Involvement in Community Development**

Rodríguez and Cruz (2007) investigated the importance of social and environmental responsibility and the relation between this variable and firm performance in the hotel sector. The empirical study centering on the Spanish hotel sector, pointed to a strong and positive relation between both variables. Corporate social responsibility (CSR) has become a crucial construct in the hospitality business. One of the main reasons is due to the

idea that CSR influence consumer loyalty. Martínez and del Bosque (2013) presented a model of influence of CSR on hotel customer loyalty by simultaneously including trust, customer identification with the company and satisfaction as mediators by showing the direct and indirect effects among these constructs. In the proposed model, loyalty was indirectly affected by perceived CSR, via the mediation of trust, identification and satisfaction. Wyngaard and De Lange (2013) presented an account of the effectiveness of implementing eco-initiatives to recycle water and food waste in selected Cape Town hotels. The findings showed a positive response from hotel staff towards implementing these initiatives. The benefits of eco-friendly hotels can create a competitive advantage in the market such as reducing operating costs, enhancing the image of the hotel and increased employee loyalty. Utilizing data collected from U.S. consumers who frequently stay at hotels, the study by Xu and Gursoy (2015) identified the impacts of the social, environmental and economic dimensions of sustainable hospitality supply chain management actions on customers' attitudes and behaviors including satisfaction, loyalty and willingness to pay a premium for sustainable hospitality goods and services.

Research on the benefits of hotel involvement with community also suggested that the benefits of participation in the operation are cost reduction, increase efficiency and effectiveness in company operations, create a competitive advantage, create differentiation, build reputation and good company image, establish good relationships with local communities and fair employment. To understand the motivations and the reasons for pro-environmental behavior, Bonilla-Priego, Najera, and Font (2011) analyzed environmental decision-making by the managements of Spanish EMAS certified hotels. Few hotels related high environmental standards to the possibilities of gaining market advantage while most wished to avoid legal challenges. Galpin, Whittington, and Bell (2015) argued that by incorporating sustainability into the organization's strategic management process, along with performance benefits, it also enabled firms to have a clearer direction. On the opposite side, the benefits of the community are the material benefits to members of the community, such as increased output and revenue from increased sales, increased assets and savings. The community also enjoys concrete and intangible benefits such as the availability of public utilities, schools, health centers, and better quality of life in the community. Thus, successful involvement by the hotel in community development will contribute to the economy of the community and human values of community members.

## **METHODOLOGY**

This is a quantitative research using a survey questionnaire for data collection. The questionnaire was developed from reviews of literature on concepts, theories and related research. The questionnaire consisted of two parts. The first part contained selections of the specific hotel profile. The second part contained questions about the internal involvement and participation in community development, problems and obstacles and benefits. The questionnaire used a five-level Likert's scale of response to each question, which had the lowest score of 1 to the highest score of 5. These represented the lowest to the highest levels of involvement, problems or obstacles and benefits from participating in community development. The questionnaires were mailed to managers of hotels which were members of the Thai Hotel Association and 221 completed questionnaires were received.

## RESULTS

The profiles of the respondents are displayed in Table 1 with a broad coverage of hotels, sizes, ownerships, locations, and service experiences.

Table 1.

*Profile of respondents (n=221).*

Star rating	1-star (0), 2-star (2), 3-star (58), 4-star (102), 5-star (59)
Number of rooms	Less than 60 (27), 61-150 (78), >150(116)
Location	Northern (35), southern (88), eastern (21), western (14), northeastern (8), central (55)
Type of operation	Independent (141), Member of a hotel chain (80)
Ownership	Thai (194); foreigner (14), Joint venture with foreign (13)
Number of employees	Less than 50 (26), 51-200 (117), 201-300 (38), > 300 (40)
Years in service	Less than 5 years (7), 5-10 (49), >10 (165)

*Notes.* Numbers of respondents are displayed in parentheses.

Table 2 shows that the hotels have high to very high levels (4.06 to 4.56) of various internal involvement activities. The three internal involvement items with highest mean scores were participation with educational institutions for student internship (4.56), staff participates in social activities (4.30) and having social responsibility policies (4.25). When considering hotel profiles, it is found that 4-5 star hotels or larger hotels or hotels operated in a hotel chain or hotels with more employees were associated with a higher average level of internal involvement at a statistically significant level of 0.01.

Table 2.

Comparison between the Means of Hotel's Internal Involvement.

Hotel's internal involvement (HI)	Mean	S.D.	Star rating		Number of rooms	
			1-3	4-5	≤150	>150
HI1 Place great importance on social responsibility and policies.	4.25 <sup>3</sup>	0.86	3.98	4.35**	4.11	4.38**
HI2 Engage employees, customers, and partners in creating social projects.	4.07	0.92	3.63	4.23**	3.88	4.24**
HI3 Link business processes with social and environmental responsibility	4.17	0.87	3.80	4.31**	4.04	4.29**
HI4 Promote and improve the quality of life for employees and families.	4.09	0.90	3.88	4.16**	4.06	4.11
HI5 Create morale for employees engaged in social activities.	4.07	0.92	3.85	4.15**	3.97	4.16
HI6 Participate with institutions for student internship.	4.56 <sup>1</sup>	0.88	4.42	4.61	4.52	4.59
HI7 Staff are proud of and want to participate in social activities.	4.30 <sup>2</sup>	0.90	4.03	4.40**	4.19	4.40*
HI8 Regularly promotes social and environmental activities.	4.06	0.95	3.73	4.18**	3.90	4.21**
Total average (Ave. HI)	4.20	0.75	3.92	4.30**	4.08	4.30**

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 2. (Cont.)

Hotel's internal engagement (HI)	Type of hotel		Ownership		Number of employees		Years in service	
	Independent	Hotel chain	Thai	Foreign or JV	≤300	>300	≤10	>10
HI1	4.18	4.38	4.26	4.19	4.09	4.55**	4.34	4.22
HI2	3.92	4.33**	4.05	4.19	3.94	4.31**	4.11	4.05
HI3	4.06	4.36**	4.16	4.22	4.06	4.38**	4.27	4.14
HI4	4.01	4.21	4.08	4.15	3.99	4.26**	4.21	4.04
HI5	4.01	4.18	4.06	4.15	3.95	4.28**	4.07	4.07
HI6	4.51	4.64	4.55	4.59	4.44	4.77**	4.71	4.50
HI7	4.20	4.48**	4.28	4.44	4.16	4.55**	4.34	4.28
HI8	3.94	4.26**	4.07	4.00	3.95	4.26**	4.21	4.01
Total average	4.11	4.35**	4.19	4.24	4.07	4.42**	4.28	4.17

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

The results in Table 3 show the levels of hotel involvement in community social-cultural development are slightly high to very high (3.60 to 4.56). Three items with the highest mean scores are not supporting illegal labor (4.56), avoiding conflict with the traditions and culture of the community (4.50) and supporting religion, health care and educational activities in the community (4.09). When comparing hotel profiles, only four or five star hotels or hotels with more employees were associated with a higher level of involvement in community social -cultural development of the 0.01 significant levels.

Table 3.

*Comparison between the Means of Involvement In Community Social Development.*

Involvement in community social development (SO)	Mean	S.D.	Star rating		Number of rooms	
			1-3	4-5	≤150	>150
SO1 Involve in conservation of folk culture such as arts, crafts and local wisdom.	3.60	1.09	3.40	3.67*	3.53	3.66
SO2 Management without conflict with traditions and culture of the community.	4.50 <sup>2</sup>	0.78	2.83	4.58**	4.40	4.59*
SO3 Adaptation of buildings to suit the surrounding such as blending architecture with local culture.	3.94	0.99	3.75	4.01*	3.89	3.99
SO4 Support community development such as temples, health centers and schools.	4.09 <sup>3</sup>	1.00	3.80	4.20**	4.03	4.15
SO5 Participate in strengthening and security for community to reduce and abolish wrongful activities.	3.95	1.00	3.83	3.99	3.91	3.97
SO6 Not support illegal use of labor.	4.56 <sup>1</sup>	0.87	4.33	4.64*	4.54	4.58
Total average (Ave. SO)	4.11	0.75	3.90	4.18**	4.05	4.16

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 3. (Cont.)

Involvement in community social development (SO)	Type of hotel		Ownership		Number of employees		Years in service	
	Independent	Hotel chain	Thai	Foreign or JV	≤300	>300	≤10	>10
SO1	3.63	3.54	3.62	3.44	3.48	3.82**	3.50	3.63
SO2	4.45	4.59	4.48	4.63	4.41	4.68**	4.55	4.48
SO3	3.98	3.88	3.93	4.04	3.84	4.13**	4.00	3.92
SO4	4.06	4.14	4.08	4.19	3.94	4.37**	4.13	4.08
SO5	3.98	3.89	3.95	3.89	3.87	4.09*	4.07	3.90
SO6	4.53	4.61	4.56	4.59	4.45	4.76**	4.75	4.50*
Total average	4.11	4.11	4.10	4.13	4.00	4.31**	4.17	4.09

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 4 shows a high level of involvement in community environmental development (4.00 to 4.29). The activity with the highest mean score is participation is involved in energy, resource conservation and preserving green community (4.29). Hotels also provide knowledge to manage hazardous waste / toxic waste (4.09). Hotels participate in educating and recognizing the value of water resources and water savings (4.07). When considering the hotel profile, 4-5 star hotels or hotels with more employees are associated with higher levels of involvement in community environmental development at statistically significant level of 0.01.

Table 4.

*Comparison between the Means of Involvement in Community Environmental Development.*

Involvement in community environment development (EN)	Mean	S.D.	Star rating		Number of rooms	
			1-3	4-5	≤150	>150
EN1 Involve in energy, resource conservation, such as planting and preserving trees in the community.	4.29 <sup>1</sup>	0.98	3.90	4.44**	4.20	4.39
EN2 Educate how to get rid of hazardous waste / toxic waste.	4.09 <sup>2</sup>	0.98	3.83	4.19**	3.93	4.23**
EN3. Participate in the reduction or recycle of waste.	4.04	0.97	3.73	4.15**	3.92	4.14
EN4 Involve in educating to recognize the value of water resources, such as water savings by using washing water for plants.	4.07 <sup>3</sup>	1.01	3.72	4.20**	3.95	4.17
EN5 Involve in or support the prevention of hunting wildlife for commodities or consumption.	4.04	1.21	3.73	4.16**	3.97	4.10
EN6 Involve in the prevention of souvenirs trade that destroy natural resources such as coral or wild orchid.	4.00	0.91	3.80	4.07	3.99	4.00
Total average (Ave. EN)	4.09	0.88	3.79	4.20**	3.99	4.17

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 4. (Cont.)

Involvement in community environment. development (EN)	Type of hotel		Ownership		Number of employees		Years in service	
	Independent	Hotel chain	Thai	Foreign or JV	≤300	>300	≤10	>10
EN1	4.21	4.44*	4.27	4.44	4.12	4.62**	4.45	4.24
EN2	4.04	4.18	4.11	3.96	3.97	4.31**	4.21	4.05
EN3	3.98	4.13	4.04	4.00	3.94	4.21**	4.16	3.99
EN4	4.04	4.13	4.04	4.29	3.97	4.26**	4.21	4.01
EN5	4.04	4.05	4.02	4.19	3.90	4.31**	4.17	3.94
EN6	4.01	3.98	4.00	3.96	3.87	4.23**	4.16	
Total average	4.05	4.15	4.08	4.14	3.96	4.32**	4.23	4.04

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 5 shows the medium to high levels (3.21 to 4.29) of involvement in community economic development. The highest scored item is hotel involvement in job creation, career support and hiring people in the community (4.29). Hotels participate in community support by purchasing produce from the community to use as raw materials for cooking, drinking, or decoration (3.80). Hotels also provide funds or equipment for local activities (3.65). When considering hotel profiles, it is found that 4-5 star hotels or hotels with more employees are associated with higher levels of participation in community economic development at 0.01 level of statistically significant.

Table 5.

*Comparison between the Means of Involvement in Community Economic Development.*

Involvement in community economic development (EC)	Mean	S.D.	Star rating		Number of rooms	
			1-3	4-5	≤150	>150
EC1 Involve in job creation and career support such as hiring people in the community.	4.29 <sup>1</sup>	0.91	4.00	4.40**	4.27	4.32
EC2 Involve in provide, renovate areas to sell products, handicrafts and products of the community.	3.49	1.08	3.32	3.56	3.56	3.43
EC3 Engage in providing knowledge to add values for local products, such as improving product quality, packaging design and marketing promotion.	3.31	1.06	3.15	3.37	3.35	3.28
EC4 Involve in community development in various forms such as career and skill development establishment of community workgroups or cooperatives.	3.21	1.09	3.08	3.26	3.25	3.18
EC5 Support the community in buying farm produces from the community for raw materials in cooking, drinking, or decoration.	3.80 <sup>2</sup>	1.15	3.53	3.90**	3.86	3.75
EC6 Provide funding or equipment to carry out community activities.	3.65 <sup>3</sup>	1.08	3.48	3.71	3.70	3.59
Total average (Ave. EC)	3.63	0.87	3.43	3.70**	3.67	3.59

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 5. (Cont.)

Involvement in community economic development (EC)	Type of hotel		Ownership		Number of employees		Years in service	
	Independent	Hotel chain	Thai	Foreign or JV	≤300	>300	≤10	>10
EC1	4.30	4.29	4.27	4.48	4.12	4.62**	4.36	4.27
EC2	3.52	3.44	3.49	3.48	3.36	3.73**	3.45	3.51
EC3	3.32	3.30	3.30	3.41	3.17	3.56**	3.34	3.30
EC4	3.22	3.20	3.22	3.15	3.07	3.47**	3.27	3.19
EC5	3.77	3.86	3.81	3.70	3.71	3.97*	3.93	3.76
EC6	3.64	3.66	3.65	3.59	3.48	3.95**	3.66	3.64
Total average	3.63	3.63	3.63	3.64	3.49	3.88**	3.67	3.61

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 6 shows the levels of problems or obstacles in participating in community development with mean scores between 2.72 and 3.37 which are not low or high. Three items with highest mean scores are low awareness of the importance to preserve culture (3.37), apathy towards improvement (3.19) and not seeing the need to engage with business in the community (3.15). Considering the hotel profiles, it was found that 4-5 star hotels or larger hotels or hotel operated in a hotel chain encounter less problems or obstacles in participating in community development with the statistical significant levels of 0.01, 0.05 and 0.01 respectively.

Table 6.

*Comparison between the Means of Problems or Obstacles in Participating in Community Development.*

Problems or obstacles (PR)	Mean	S.D.	Star rating		Number of rooms	
			1-3	4-5	≤150	>150
PR1 The way of life and social changes of the community create lower awareness of the importance to preserve culture and traditions.	3.37 <sup>1</sup>	1.00	3.53	3.30	3.42	3.32
PR2 Community keeps the attitude and old values that need no improvement or leave it as the government's duty.	3.19 <sup>2</sup>	1.06	3.32	3.14	3.35	3.03**
PR3 Community lacks knowledge and understanding and do not see the need to engage with business.	3.15 <sup>3</sup>	1.09	3.33	3.09	3.23	3.09
PR4 Lack of encouragement, support and promoting cooperation from the hotel management.	2.82	1.09	3.13	2.70**	2.96	2.69*
PR5 Lack of thorough distribution of information and coordination.	2.94	1.07	3.15	2.86*	3.07	2.82*
PR6 Lack of ongoing programs with tangible objectives.	2.98	1.04	3.18	2.90*	3.11	2.85*
PR7 There are conflicts of interest and also feeling unconcerned.	2.72	1.19	3.02	2.61**	2.80	2.65**
Total average (Ave. PR)	3.02	0.90	3.24	2.94**	3.13	2.92*

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 6. (Cont.)

Problems or obstacles (PR)	Type of hotel		Ownership		Number of employees		Years in service	
	Independent	Hotel chain	Thai	Foreign or JV	≤300	>300	≤10	>10
PR1	3.48	3.18**	3.40	3.15	3.31	3.46	3.45	3.34
PR2	3.28	3.01*	3.22	2.96	3.10	3.33	3.36	3.13
PR3	3.30	2.90**	3.20	2.85	3.09	3.27	3.38	3.08*
PR4	2.97	2.55**	2.84	2.70	2.84	2.78	2.86	2.81
PR5	3.06	2.73**	2.94	2.93	2.93	2.94	3.00	2.92
PR6	3.14	2.69**	3.00	2.81	2.99	2.96	3.04	2.96
PR7	2.85	2.49**	2.77	2.37*	2.71	2.74	2.88	2.67
Total average	3.15	2.79**	3.05	2.83	3.00	3.07	3.14	2.98

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two group

Table 7 shows high levels (4.11 to 4.47) of benefits to hotels from involvement in community development. The three highest mean values of benefits are having good image (4.47), compliance with laws and regulations (4.44) and being trusted by the community and the customers (4.34). When considering the hotel profiles, 4-5 star hotels or hotels with more than 300 employees gain higher benefits from participating in community development at a statistically significant level of 0.05 and 0.01 respectively.

Table 7.

Table 7.

*Comparison between the Means of Benefits from Participating in Community Development.*

Benefits (BE)	Mean	S.D.	Star rating		Number of rooms	
			1-3	4-5	≤150	>150
BE1 Good relationship with the surrounding community.	4.32	0.84	4.15	4.39*	4.30	4.34
BE2 Trust of community and customers.	4.34 <sup>3</sup>	0.84	4.22	4.39	4.33	4.34
BE3 Good image of the hotel.	4.47 <sup>1</sup>	0.80	4.35	4.52	4.41	4.53
BE4 Efficiency in the management of a good hotel.	4.29	0.86	4.13	4.35	4.18	4.39*
BE5 Reputation, award or certification.	4.22	0.94	4.03	4.29*	4.08	4.34**
BE6 Being proud, morale of personnel and business owners.	4.30	0.86	4.12	4.37*	4.24	4.36
BE7 Customer appreciation, trust and support for hotel activities.	4.22	0.90	4.03	4.29*	4.15	4.28
BE8 Compliance to laws and regulations.	4.44 <sup>2</sup>	0.83	4.15	4.55**	4.33	4.53*
BE9 Support the reduction of hotel operating costs and expenditures.	4.22	0.91	4.18	4.23	4.14	4.28
BE10 Hotel and community participate in generating income for sustainable self-reliance.	4.11	0.95	4.08	4.12	4.07	4.16
Total average (Ave. BE)	4.29	0.75	4.15	4.35*	4.22	4.36

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 7. (Cont.)

Benefits (F)	Type of hotel		Ownership		Number of employees		Years in Service	
	Independent	Hotel chain	Thai	Foreign or JV	≤300	>300	≤10	>10
BE1	4.28	4.40	4.30	4.44	4.18	4.58**	4.45	4.28
BE2	4.30	4.41	4.32	4.44	4.23	4.54**	4.39	4.32
BE3	4.41	4.58	4.46	4.56	4.36	4.68**	4.61	4.42
BE4	4.22	4.41	4.28	4.33	4.20	4.45**	4.39	4.25
BE5	4.10	4.43**	4.22	4.19	4.06	4.51**	4.34	4.18
BE6	4.25	4.40	4.30	4.30	4.19	4.51**	4.45	4.25
BE7	4.16	4.33	4.20	4.37	4.08	4.49**	4.29	4.20
BE8	4.39	4.53	4.42	4.59	4.31	4.68**	4.63	4.38*
BE9	4.16	4.33	4.22	4.19	4.12	4.40**	4.36	4.17
BE10	4.05	4.23	4.11	4.11	4.01	4.31**	4.18	4.09
Total average	4.23	4.40	4.29	4.35	4.17	4.51**	4.41	4.25

\*\*Significant at 0.01 level, \*significant at 0.05 level- difference between two groups

Table 8 shows the average scores of hotel internal involvement and participations in community development, problems and benefits by grouping the hotels based on the locations of the hotels in 6 regions, namely, North, South, East, West, Northeast and Central. The results indicate that the location variable does not influence the levels of hotel internal involvement, participations in community development, including the levels of problems and benefits related to community development.

Table 8.

*Comparing the Average Levels of Internal Involvement, Participations in Community Development, Obstacles and Benefits by Locations.*

Regional Location	Number of hotels	Ave. HI	Ave. SO	Ave. EN	Ave. EC	Ave. PR	Ave. BE
Northern	35	4.13	4.10	3.95	3.78	3.07	4.35
Southern	88	4.18	4.12	4.18	3.67	3.07	4.24
Eastern	21	4.13	4.26	4.07	3.65	3.09	4.39
Western	14	4.22	4.07	4.13	3.79	2.72	4.36
Northeastern	8	4.19	4.35	4.19	3.88	2.96	4.24
Central	55	4.28	4.00	4.01	3.37	2.97	4.30
Overall	221	4.20	4.11	4.09	3.63	3.02	4.29

In order to determine the influence of internal involvement of hotels (represented by Ave. HI) on hotel participations in the community social, environmental and economic developments (represented by Ave. SO, Ave. EN and Ave. EC), the linear regression analysis was performed and yielded the following results:

$$\text{Ave. SO} = 0.819 (\text{Ave. HI}) \text{ with } R^2=0.671$$

$$\text{Ave. EN} = 0.795 (\text{Ave. HI}) \text{ with } R^2=0.632$$

$$\text{Ave. EC} = 0.635 (\text{Ave. HI}) \text{ with } R^2=0.403$$

All the standardized regression coefficients in the above relationships are statistically significant at 0.01 level. The investigation was continued to find the influences of involvements in community development (Ave. SO, Ave. EN and Ave. EC) and encountered problems (Ave. PR) on the perceived benefits (Ave. BE). A regression equation showing the standardized regression coefficients was obtained as follows:

$$\text{Ave. BE} = 0.526 (\text{Ave. SO}) + 0.274 (\text{Ave. EN}) + 0.095 (\text{Ave. EC}) - 0.098 (\text{Ave. PR})$$

with  $R^2 = 0.682$  and levels of significant for the standardized regression coefficients are 0.000, 0.000, 0.112 and 0.015 respectively.

The derived regression equations indicates that the hotel internally has a positive influence on its involvement in community development in all the three dimensions, i.e. social, environmental and economic activities. The level of benefits from involvement in community development has the highest impact of social involvement and the lowest impact of economic involvement. A plausible explanation is that involvement in community economic development is more difficult and requires more efforts and financial resources to make it successful. Results shown in Tables 3, 4 and 5 also confirm that hotels focus on social and environmental activities more than economic activities. The benefits from participation in community development also receives negative influence from the problems experienced by the involvement efforts.

## **DISCUSSION AND CONCLUSION**

Although this research only reports the study results of a representative sample of members of the Thai Hotel Association, it is hopeful that the patterns of hotel involvement in community development and the information will be useful for further detailed studies. It should also provide the recommendations to improve policies, plans and actions promote community development and the operations of hotels for the benefits of all stakeholders. The significant results from this study are as follows:

1. Hotels with a higher star rating (4-5 stars) had higher levels of internal involvement and participation in community development. They also received higher benefits and encountered lower obstacles in participating in community development.
2. Hotels with a larger number of employees (>300) also had higher levels of internal involvement and participation in community development as well as higher benefits.
3. Larger hotels represented in this study by more rooms (>150) had higher levels of internal involvement while lower encountered with problems in participating in community development.

4. Hotels operate in a chain network also had higher levels of internal involvement and encountered lower problems in participating in community development.
5. The levels of hotel participation in community development were found to be significantly higher in social and environmental activities than in economic activities.
6. Type of ownerships or the number of years in service the hotels had no statistically significant differences among the levels of involvements, problems and benefits.
7. The locations of hotels in different regions of Thailand had no significant differences among the levels of involvements, problems and benefits.
8. High level of internal involvement of hotels led to higher levels of their involvement in community social-cultural, environmental and economic development.
9. Higher benefits gained by hotels were statistically linked to higher involvement in community social and environmental development. However, the impact on benefits from hotel involvement in community economic development was positive but not supported at 0.05 levels of significance. As could be expected, the benefits were reduced with barriers to hotel involvement.

Finally, it can be concluded that hotels gained benefits from involvement with their surrounding communities in social, environmental and economic development. By adopting the CSR and CSV concepts in the policy and objectives, both the hotel and the community can achieve positive and sustainable results together.

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**IMPACT OF LIVING ARRANGEMENT ON  
WELL-BEING OF THAI RURAL ELDERS**

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**ABSTRACT**

Thailand is facing aging society under the circumstances where the perspective of caring for older persons by the family is different from the past. The mobility of socio-economic condition has put profound impact on the well-being of older persons when their adult children are not the main caregivers for the older parents. The research attempts to answer the question “What is the pattern of living arrangement of Thai rural elders?” The research also hypothesizes that pattern of living arrangement has significant impact on their well-being. The research was based on semi-structured interviews with Thai citizens 60 years and older in Bangkotee district, Samut Songkram province. The findings indicated that living arrangement had significant impact on the health and financial condition of the rural elders. Older persons residing in a household without family members had less satisfaction for their health status and financial security. Policy recommendations include supporting local government to establish social networking activities for the elderly regularly and promoting elderly values within the family institutions.

**KEY WORDS:** Living arrangement, well-being, older persons, rural Thailand

**INTRODUCTION**

Thailand is now an aging society due to increase in life longevity of baby boomers and decline in fertility rate. According to World Population Ageing report, total fertility rate from 2010-2015 has declined to 1.5 children per woman while life expectancy at birth has increased to 70.8 years for male and 77.6 years for female (United Nations, 2015). As a result, potential support ratio is expected to decline from 6.2 persons aged 20-64 per aged 65 or over in 2015 to 3.1 in 2030. Thailand has entered the aging population as the proportion of older persons to total population has increased from 12 percent in 2010 to 15.8 percent in 2015.

Family values in Thailand emphasize the importance of supporting old age through inter-generational living arrangement within the household. Similar to other Asian countries, social norms expect family to be the main supporter in providing goods and care for the old members in the household (Mehta, 2006). A strong sense of moral obligation that children should support and care for older parents has been prominent aspect of Thai cultural values (Tsuno & Homma, 2009). Some countries, such as Singapore and Hong Kong, enforce laws that family is the crucial system for providing care for elders instead of relying on expensive government welfare (Sodei, 2004). Thailand has similar moral obligation where the kin is responsible for providing care for their parents.

Despite the filial code of conduct, the changes in the living arrangement and family structure have discouraged the family support for older members. The transformation from agricultural to industrial economy had changed the pattern of living condition that complicates the care for older persons within the family. Previous perception of extended family where grandparents, parents, and children reside in the same family has been replaced by the smaller family size living separately from the previous generation. The economic transformation from agriculture to industry pulled out young adults in the rural area to search for employment in the urban area. Such trend exposes older persons to live in vulnerable condition by being left behind with young grandchildren. In addition, some older parents had to delay their retirement decision in order to continue making earnings to support young dependents left behind by working adults who migrate to find work in urban area.

Given the changes in socio-economic condition and the household living arrangement surrounding older persons, this research aims to explore the pattern and quality of living arrangement and its impact on the overall well-being of rural elders. Previous researches related to this topic are available but still limited. Various researches focused on examining the pattern of household structure using secondary data at the national level (Thanakwang & Soonthorndhada, 2006). Given the diversified characteristics of social and economic conditions in different regions, previous studies did not take into account the impact of the varying socio-economic condition that exist in different regions of Thailand. Moreover, previous research based their studies on the quantitative data in order to explore the demographic characteristics of the family living arrangement (Knodel & Chayovan, 2008). Qualitative research which analyzes in depth relationship between the family members and older generations is still limited.

This research assesses the quality of living arrangement and the possible effects on the well-being of older persons in rural area. The objectives of the research aim to identify the quality of living arrangement of rural elders and analyze the impact of living arrangement on overall well-being of older persons in local area. The outline of this research paper is as followed. The first section reviews related theories and literature utilized in this study. The second section explains research question, hypothesis statement, research methodology and conceptual framework. Third section describes findings from field study followed by discussion. The article concludes with policy recommendations for enhancing quality of living arrangement for older persons in rural area.

## **LITERATURE REVIEW**

Families play a vital role in maintaining sufficient continuity of intergenerational relationships over time in the face of constant changes in their household members as a result of aging. In addition, each individual in the family has to adapt to changing circumstances involving economic, social, and environmental development. The issues regarding family today are concerned with finding mechanism that solves conflicts that arise between generations and negotiate their resolutions to the benefit of individuals, families, and social orders (Vincent, Phillipson, & Downs, 2006)

New problems between generations seem to have arisen at both macro and micro social level. At the macro level, population aging and globalization appear to be exacerbating existing socio-economic inequalities between age groups (Arber & Attias-Donfut, 2000).

The current concern is focused on the sharing social security resources between older and younger generation. In addition, there are increasing differences in the political value and structure of power between the parents and youth generations (Vincent, et al., 2006). At the micro level, the new issue is related with the weakening of generational bonds which result in less concern and obligations in vitality of kinship.

Previous empirical research examined the contemporary families and had shown that family functioning had not declined in the past several decades. Family intergenerational obligations have remained relatively stable over time (Bengtson & Putney, 2006). The predominant pattern found between family generations is emotional closeness and mutual support. Intergenerational bonds of affection, frequency of association, and norms of filial obligation to provide financial and functional support remain strong across generations at the start of the twenty-first century, despite the dramatic social and economic changes of the past four decades (Bengtson & Putney, 2006). Parents continue to exert positive influence on their youths' socio-economic and psychological well-being and intergenerational value have not weakened.

Quality of living arrangement stems from scrutinizing relationships between older persons and their family members. The investigation on such matter is still lacking in Thailand especially in the rural area. Cherlin has classified the quality of relationships between family members into three categories with respect to older persons. These are contact, affinity and assistance (Cherlin, 1999). The first characteristic is contact which is related to how often had the elderly seen their children in the last week. Questions are given to grandchildren to define the degree of contact between the older persons and their kin. One dominant factor that affects the amount of contact is distance. Inevitably, older persons living nearby their family members get to see the family regularly, no matter what social class the older persons are in. According to research by Cherlin, if the grandparents living within two kilometers distance from their family members, they are typically being visited about twice a week. If they live within two kilometers to twenty kilometers in rural area, they would get less visits. At further distances, the number of visit falls off rapidly.

The second characteristic of living arrangement is affinity. Affinity living arrangement measures the level of sentiment, love, affection, and companionship. There existed evidence in the western society that it is easier for today's older persons to have pleasurable emotion relationship with the young children (Arber & Attias-Donfut, 2000). That is because they are more likely to live long enough to develop relationship due to increase in leisure time. Moreover, technology lessens the obstacle of communication with their members for the elderly. Affinity depends on the agreement between the generations about values, attitudes and beliefs. Most studies show substantial agreement between older parents and their children since parents often share the same social values with children while raising them. Nevertheless, the degree of affinity or emotional closeness between older persons and younger generations varies over life cycle. For example, closeness declines as children move into adolescence due to its stage for establishing autonomy. As children reach adulthood, closeness improves again as their parents enter old age and the sense of filial obligation began to take over the need for individual independence.

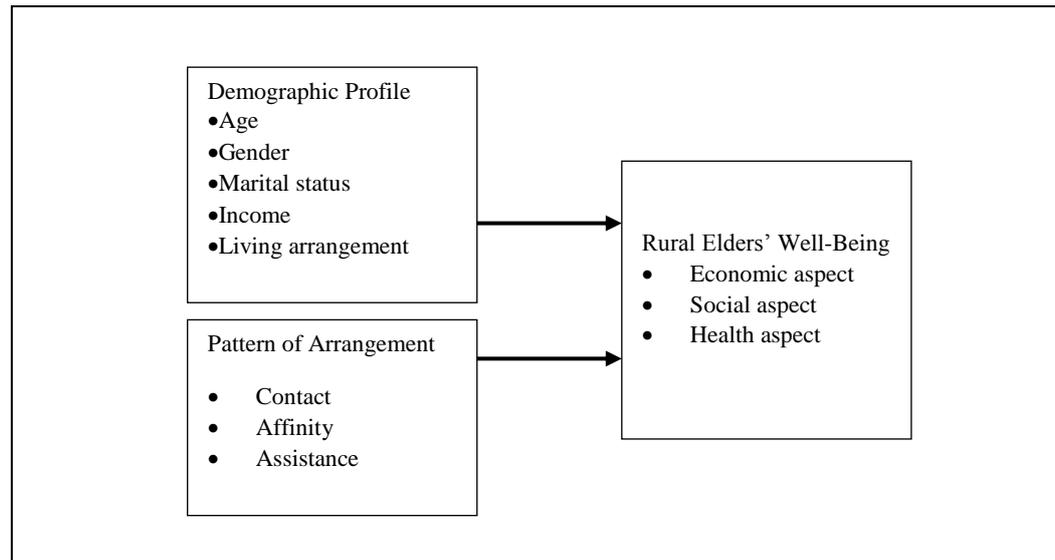
The third characteristic of living arrangement is assistance. Assistance is referred to the amount of time, goods, or money that family members provide for older persons in the family (White, 2015). Due to lengthening life expectancy, the stage of assistance lasts

longer than before. Types of assistance include providing personal support such as comfort care during illness and financial aid. In terms of gender differences, women tend to be the kin keepers providing most of the care for elderly and parents (Arber & Attias-Donfut, 2000). An adult daughter is usually the primary caregiver of the older persons in the household. Overall, it is necessary to understand the type of living arrangement within the household with older persons in order to understand whether living arrangement has any impact on the well-being of the elderly members.

Well-being provides holistic outlook of people lives according to areas or divisional sectors. Well-being concept for this study is based on the well-being concept developed by the Economic and Social Research Council at the University of Bath. The framework is developed to study the well-being in developing countries by relying on the individual's perspective of their quality of life (White, 2015). The conceptual framework identifies three dimensions of well-being into material, social, and human. The material aspect comprises assets and materials necessary for living sufficiently. The subjective aspect of material well-being is measured by the satisfaction with income, standard of living in comparison with others. The social part of well-being composes of the various kinds of social relations of the individuals with the family members and the communities. The subject aspect of social well-being is identified by the satisfaction with social access and level of affinities with each person's family and community ties. Human well-being dimension comprises of capability in carrying out daily activities, and health status. The subjective measurement of human well-being is the satisfaction with the health condition, sense of competence, skills and the ability to live independently without assistance. Overall, in order to understand the well-being of older persons, satisfaction assessment of their health, material, and social well-being is necessary in order to recommend appropriate policy related to aging when analyzing from the people center approach.

According to the literature review, outline of conceptual framework for this research and analysis is illustrated in figure 1. The variables include demographic profile of the respondents and the pattern of living arrangement that reflect the in depth understanding between the level of contact, affinity and assistance.

**Figure 1.** Conceptual Framework



## METHODOLOGY

Based on the conceptual framework, the research question is to understand the pattern of living arrangement of the elders residing in rural area. In order to address the hypothesis whether the living arrangement has any significant impact on the well-being of the rural elders, the detailed explanation of the methodology is as followed. The analysis is based on semi-structured open ended interviews collecting primary data relating the quality of living arrangement and well-being satisfaction of Thai citizens aged 60 years or over living in a province in Bangkontee sub-district, Samut Songkram province. This province is located approximately 80 kilometers from Bangkok with majority of the population working in agricultural sector producing local fruits. This sub-district is selected due to its proportion of older persons to total population is more than 10 percent. The data were collected for two months by randomly select households with Thai citizens aged 60 years or over. Population of Thai citizens aged 60 years or over in the sub-district is 540 persons. Sample size for this research according to Yamane formula with 12.5 percent margin of error is 57.

Semi-structured interview is designed to assess the living arrangement and well-being of older persons. Interview is used as the tool for collecting data due to the limited ability of the older persons in answering the questions in the form of writing. Hence the researcher has to ask the questions for the respondents in order to obtain the necessary assessment. Questions in the interview are related with the frequency of contacts, emotional support, and quality of assistance received by the older persons from the primary caretaker within the household. The interview includes questions concerning the demographic profile, living arrangement structure, and satisfaction ranking of their well-being with regards to health, social, and financial condition. By measuring life satisfaction with subjective well-being reduces the problem of endogeneity. Subjective well-being is more plausible consequence of living arrangement rather than a cause (Chen & Short, 2008). The interview includes a series of questions on the older person's life evaluation relating to health, daily activities, and financial satisfaction.

Data analysis is in the form of social scaling techniques, simple descriptive statistics, and correlation analysis for identifying factors varying older persons' well-being satisfaction. The response ranged from 1 (dissatisfaction) to 3 (satisfaction). Tabulations and analyzing mean differences are used to study the causal relationship between the demographic profile and quality of living arrangement on the well-being of rural elders. Assumptions for unbiased and robustness of coefficients were tested in order to verified the significance of influence of the independent variables on the dependent variables reflecting quality of life of rural elders exposing to the different condition of living arrangement. Content analysis is used to analyze the qualitative data retrieved from structured interview with the selected sampled population based on the variation in living arrangement.

### FINDINGS AND RESULTS

This section illustrates the holistic view of the respondents' characteristics profile in relation to their living condition. The data provides background information regarding common socio-economic condition of the older persons in the rural area.

Table 1.

*Demographic Profile of the Respondents Classified by Living Condition.*

Respondents' Characteristics	Living Condition			
	Live Alone		Live with Others	
	Frequency	%	Frequency	%
Gender				
Male	0	0.0	14	100.0
Female	8	18.6	35	81.4
Marital status				
Single	2	22.2	7	77.8
Married	1	2.9	33	97.1
Divorce	0	0.0	3	100.0
Widowed	5	45.5	6	54.5
Education				
Less than 12 years of education	7	14.3	42	85.7
More than 12 years of education	1	12.5	7	87.5
Main financial source for household				
Not main provider of income for family	3	15.0	17	85.0
Main provider of income for family	5	13.5	32	86.5

*Source.* Field survey, 2017.

The distribution of the respondents' demographic profile illustrates that majority of older persons in rural area do not live in isolation. However, there are variations of the characteristics between older persons living alone and those co-reside with others. In terms of gender, more female are likely to live alone than male. According to Table 1, 18.6 percent of female live alone in the household. Similarly, widowed rural elders also have the highest proportion of residing area in comparison with other types of marital status. There are however no significant differences in various level of education and whether they are actively working or not earning income.

**Determinants of Demographic Profile on Well-Being Outcome**

Table 2 summarizes the variations in the evaluation of older persons' well-being with respect to the differences in their demographic profile and living arrangement. Well-being is composed of their evaluation for their health, their ability to conduct their daily activities, and their financial security in order to reflect material well-being satisfaction. Average value and standard deviation of satisfaction regarding to each types of well-being outcome are presented for well-being evaluations.

Table 2.

*Variations in Well-Being Outcome in Relations to Demographic Profile.*

Demographic Variables	Health Well-Being Satisfaction		Ability to Conduct Daily Activities Well-Being Satisfaction		Financial Well-Being Satisfaction	
	Mean	SD	Mean	SD	Mean	SD
Gender						
Male	2.50	0.76	2.71	0.73	2.21	0.89
Female	2.35	0.53	2.88	0.32	2.12	0.70
Education						
< 12 years	2.39	0.57	2.82	0.49	2.06	0.75
> 12 years	2.38	0.74	3.00	0.00	2.63	0.52
Marital Status						
Single	2.11	0.60	2.89	0.33	1.89	0.79
Married	2.47	0.62	2.82	0.52	2.24	0.74
Divorced	2.33	0.58	2.67	0.57	2.33	1.16
Widowed	2.36	0.50	2.91	0.30	2.00	0.63

*Source.* Field survey, 2017.

According to Table 2, female older persons with single status receive the least satisfaction for their health well-being in comparison with male and other marital status. The average satisfaction ranking is 2.35 and 2.11 for female and single older persons respectively. On the other hand, male older persons evaluate their health with the highest satisfaction (average = 2.50) follow by older persons still living with their spouse (average = 2.47). In terms of education, there are no significant differences in the satisfaction for health well-being with the differences in the mean of less than 0.01 scaling point.

In terms of satisfaction rating for the ability to conduct daily activities, female, single, and widowed older persons rated themselves more independence than other types of characters. Given that they are likely to live by themselves more than other groups, these respondents have to be able to perform daily activities independently without assistance from others. However, by overall evaluation, the levels of satisfaction on conducting daily routines are still high and above average for most of the respondents.

The satisfaction for financial well-being indicates current happiness for their financial status at the time of the survey. According to the data, female, single, and those with less than 12 years of schooling are the types of older persons with the least satisfaction for their financial security. The data indicates that female and those with tendency to live alone and have to depend mainly on their effort to earn income are less likely to be secured financially.

### **Determinants of Economic Status on Well-Being Outcome**

Table 3 describes factors that determine the variations in the financial well-being by the rural elderly respondents. The table illustrates the average and standard deviation of the well-being in regards to homeownership, employment, and living condition status.

Table 3.

*Variations in Well-Being Outcome in Relations to Socio-Economic Conditions.*

Demographic Variables	Health Well-Being Satisfaction		Ability to Conduct Daily Activities Well-Being Satisfaction		Financial Well-Being Satisfaction	
	Mean	SD	Mean	SD	Mean	SD
<b>Home owner</b>						
No	2.32	0.63	2.76	0.60	2.00	0.76
Yes	2.44	0.56	2.91	0.30	2.25	0.71
<b>Actively Working</b>						
No	2.40	0.60	2.80	0.52	2.25	0.79
Yes	2.38	0.59	2.86	0.42	2.08	0.72
<b>Living Condition</b>						
Live Alone	2.00	0.54	2.88	0.35	2.00	0.76
Live with Others	2.45	0.58	2.84	0.47	2.16	0.75

Source. Field survey, 2017.

In relation to home ownership, those that own home have higher assessment for health satisfaction than those currently renting. On the other hand, older persons who are actively working have less satisfaction for health condition than rural elders who do not have to work to earn the livings. Older persons that live with other family members receive higher satisfaction for their health well-being. Statistical testing in the differences in the mean of health well-being regarding the variation in living arrangement has shown that those that live with at least one family member described themselves to have higher health well-being than those living alone significantly. According to the interview, family members are main access to hospital and health care. Being located in rural area, lack of public transportation and long distance from district hospital restricts older persons from access to health facility.

According to the findings, the type of older persons with higher satisfaction for the ability to conduct daily activities are those that own home, still actively working to earn income, and those that live alone without family members. As shown in Table 3, average satisfaction for those that own home is 2.91 in comparison with 2.76 for those that live on rented home. Older persons that still actively working in which their employment is mainly cultivating fruits orchards, rate their satisfaction on average at 2.86 in comparison with 2.80 for those not actively working. Lastly, the older persons that lived alone rated themselves to be strong and can live independently with average of 2.88 instead of 2.84 ranking scale for the satisfaction for conducting daily activities.

According to the collected data, older persons who own home, not actively working, and live with others have higher satisfaction for their financial wealth than those that are living alone and still actively working. From the data, those that own home have average satisfaction for financial well-being at 2.25 in contrast to those without homeownership at 2.00 Likert scale. Similarly, those that are not actively working gain higher satisfaction for finance than those that still have to keep employment. That is because they need to earn livings and paid for necessary expenses. Lastly those that live alone is likely to be dependent on their ability to earn a living and hence evaluated less than those living with at least one family member with the average of 2.16 in comparison with 2.00.

According to Table 4, older persons with pension have the highest satisfaction for health well-being while those that depends only government welfare (monthly allowance equivalents to 20 US dollars) evaluate themselves with the least satisfaction. The average of satisfaction is 2.50 for those living on pension and only 2.37 for government welfare. The reason is mainly because those with pension also received government subsidy on medical care fully. On the other hand, those that rely on government welfare are older persons previously working in the informal sector. The government has not formulate secured health care for those not in the formal sector employment, which is mostly made up of agriculture.

Table 4.

*Variations in Well-Being Outcome in Relations to Source of Income.*

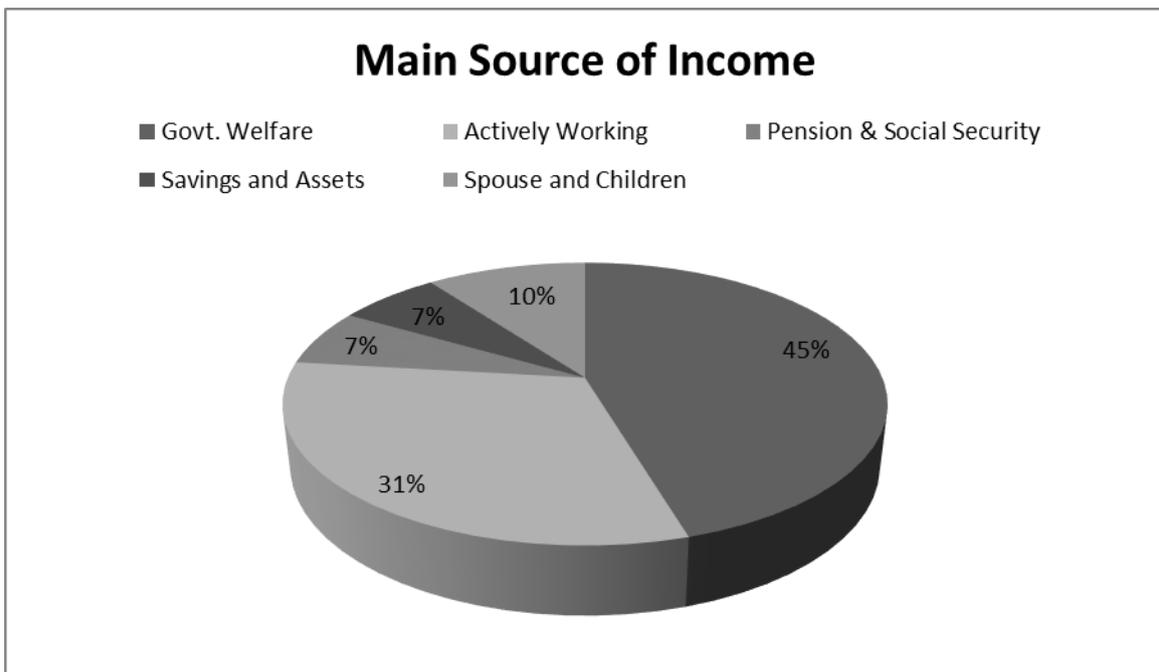
Source of Income	Health Well-Being Satisfaction		Ability to Conduct Daily Activities Well-Being Satisfaction		Financial Well-Being Satisfaction	
	Mean	SD	Mean	SD	Mean	SD
Government Welfare	2.37	0.60	2.80	0.49	2.10	0.74
Self-employed	2.44	0.61	2.79	0.54	2.12	0.12
Pension	2.50	0.58	3.00	0.00	2.75	0.50
Support by their Adult Children	2.40	0.70	2.70	0.68	2.00	0.82

Source. Field survey, 2017.

Similarly, those that live on pensions and still actively working are those that rate themselves with higher satisfaction for the ability to conduct their daily activities. Those that rely on government welfare are also that that are actively working even after their retirement age. According to the interview, the government welfare is not sufficient to support their monthly expense. However, at the average age of 72 by the sample size, they are still able to continue working after their retirement age. On the other hand, those that are dependent on their children for income rate themselves with the least ability to conduct their daily activities. The reason is because those that relied on their children on average aged over 75 and cannot be actively working to gain earnings.

Older persons with pension rate themselves with highest satisfaction for their financial security. The average satisfaction is 2.75 in comparison with older persons that rely mainly on their children for their financial support at 2.00. Similarly those that are still actively working rate higher satisfaction for income at 2.12 in compared with those that relied only on welfare at 2.10.

**Figure 2.** Distribution of the Main Source of Income of the Older Persons



Source. Field Survey, 2017.

Figure 2 illustrates that older persons in rural area rely on government monthly welfare by more than 45 percent and 31 percent are actively working. Only 10 percent of the older persons receive income from spouse and children for financial security. The alarming result is the few numbers of older persons that relied on formal financial security. Only five percent of the respondents have access to pension and social security. Moreover, those that received pension are those that earned more than 12 years of education and worked previously as the government officer. Hence, the financial well-being received the least satisfaction due to the lack of sustained financial flow of income from stable source like pension and savings.

Among the living arrangement variation, older persons residing with spouse or at least one adult children gain higher health well-being satisfaction than those living with other dependents like grandchildren. According to Table 5, the average satisfaction for health of those living spouse is 2.48 and 2.47 for those living with children respectively.

Table 5.

*Variations in Well-Being Outcome in Relations to Living Condition.*

Type of Family Member	Health Well-Being Satisfaction		Ability to Conduct Daily Activities Well-Being Satisfaction		Financial Well-Being Satisfaction	
	Mean	SD	Mean	SD	Mean	SD
Spouse	2.48	0.68	2.76	0.63	2.14	0.79
Children	2.47	0.62	2.81	0.54	2.06	0.76
Grandchildren	2.43	0.65	2.79	0.58	2.21	0.69

Source. Field Survey, 2017.

In terms of daily activity satisfaction, those that live with grandchildren have higher self-evaluation of their ability to conduct daily activities in comparison to those of living with just their spouses. The average independency satisfaction is highest for those living with children at 2.81, followed by those lived with grandchildren at 2.79 and the least with spouse at 2.76.

The group of older persons with higher satisfaction for their financial well-being is those living with their grandchildren. The average satisfaction is highest at 2.21 followed by those that lived with their spouse and the least with those that lived with their children at 2.14 and 2.06 respectively. From the interview, it can be conclude that those living with grandchildren receive constant remittances from their adult children that worked elsewhere and sent home for the necessary expenses of both the grandparents and grandchildren. The reason those that live with their children feel less secure for their financial satisfaction is due to their concern that the children residing with them still need financial support from the older persons. Hence, those living with older persons are less likely to find employment in formal sector. They then decided to live with their parents and continue the agricultural work that the family is originally inherited.

Table 6 describes the overall rating for well-being satisfaction. According to the survey, older persons in rural area rank highest satisfaction for their ability to conduct daily activities and least satisfaction for their financial condition. Majority of older persons with average age of 72 are still actively working able to maintain simple tasks and live independently. The next highest satisfaction is for their living condition and the sanitary environment surrounding the households. The statistical data indicates that the older persons who majorly lived with other members are having their basic needs quality of life fulfilled.

Table 6.

*Well-Being Ranking by the Respondents.*

Well-Being Survey	Mean	SD	Ranking
Able to conduct daily activities	2.84	0.46	1
Living condition/ sanitary condition	2.67	0.51	2
Health condition	2.39	0.59	3
Financial condition	2.14	0.74	4

Source. Field Survey, 2017.

Health and financial well-being are ranked as the least satisfaction by the rural elders. According to the interview with selected respondents, older persons visited district hospitals occasionally according to the doctors' appointment. The occurred disease included chronological diseases mainly diabetics, hypertension, and stomach problems. Financial well-being is the main concern for majority of older persons. Therefore, to increase the well-being of rural elders, the mechanism that enhances the constant flows of financial security after retirement other than relying on family members is necessary.

In summary, living arrangement of older persons in rural area comprises of the individuals residing mainly with at least one family member. There is at least one person who mainly provides accessibility for the older persons to maintain satisfied well-being condition. In addition, the older persons also receive care and love occasionally from their children who migrate to work in provinces nearby. Hence, the quality of living arrangement is consid-

ered at the assistance level with mainly rural elders residing with one main caregiver. In terms of hypothesis testing, the null hypothesis is rejected for the statistical result has shown that there is significant impact of living arrangement on the well-being of the rural elders. Older persons living alone have less satisfaction for their health well-being. As a result, the alternative hypothesis is accepted due to the significant impact of living arrangement of older persons with at least one family member provides better well-being due to higher health satisfaction.

## **DISCUSSION**

Rapid socio-economic and demographic changes have reduced the extended household to nuclear size structure. This phenomenon is occurring mainly in developing countries where the population is aging and the older persons still rely heavily on family members for their well-being. This study attempts to examine the impact of living arrangement on the well-being of older persons specifically in the rural area. The data obtained from interviewing Thai citizens age 60 years or over in Samut Songkhram province, located 70 kilometers west of capital city have shredded insights on the pattern of living arrangement and their current well-being evaluation.

In concordance with previous research, the study has shown that the number of residence in the household with older persons decreases. The change in the family size found in this research aligns with the overall changes in demographic pattern that is apparent nationally. According to population census conducted by the Thai National Statistical Office, the trend of extended family structure is declining and existed in both urban and rural area (National Statistical Office, 2010). Similar to other investigation, this research finds that older persons rarely live alone and reside with at least one adult child. Unlike previous generation, the older persons are living with at least one immediate kin instead of living with extended family of distant siblings or relatives (Prasartkul, 2010). Co-resident with one adult child is common for family in developing countries since it is embedded in the culture for the young to care for the old when need arises (Bongaarts & Zimmer, 2002). The similar pattern is still apparent for this study since the average number of children per parents in rural area is 2.8 members. Hence, the co-existence of migration due to urban growing industry with the ability to have one child stays with the parents is simultaneously possible in the rural area.

Many literatures hypothesize that the change in the family living arrangement has impact on the quality of life especially for the vulnerable elders (Carney, 1999). Environmental changes surrounding older persons at both macro and micro level can threaten the well-being of the older persons that relies their subsistence living on young working kin in the family (Vincent, et al., 2006). However, this study discovers diverge results from previous findings. According to the analysis, the changes in the living arrangement do not necessary deter the overall well-being of the older persons in the rural area. Previous research conducted with older persons in developed countries predicted that the future of old age will depend on unrelated family institution such as nursing care or government welfare (Knodel & Saengtienchai, 2005). However, in rural area specifically in Southeast Asia families, filial obligation is still vital. Therefore, family institution remains as the main provider for the health and financial well-being of rural elders. The significant determinants for well-being of rural elders in relations to living arrangement can be explained by

factors related with the living arrangement and the capability to live independently by the older persons.

The first determinant is concerned with the arrangement among the immediate kin in selecting the main caregiver for their aging parents. According to the finding, majority of the household consists of at least one adult children co-residing with the parents. This family member is likely to continue the family business and replace the retired parents' previous occupation. According to the research, the average number of immediate offspring is ranged from zero to nine with average of 2.8 children per member. Therefore, it is likely to find main caretaker for the elder that has relationship status as immediate kin with the older persons.

Another pattern of living arrangement that emerges is the intergenerational family ties. This research also confirms the findings by Knodel and Chayovan (2008) that rural areas are more populated with older adults responsible for raising the young grandchildren. These dependents belong to the adult children who migrate to work in urban area mainly in Bangkok. With higher cost of living in the capital city, these workers send their young children to their rural hometown for affordable living expense. In addition, the long working hours in the formal sector limit their time to care for their young ones. Hence, the grandparents in the rural area provide suitable and trusting solution for raising their children. Intergenerational structure provides positive well-being outcome for the rural elders. According to the study, those that are still the main breadwinner for the young dependents are likely to rate higher satisfaction for conducting daily activities and financial security. According to the interview, majority of these households receive regular remittances from the parents of the grandchildren. This is to reduce the burden aging parents are facing for raising their child. However, it also acts as informal source of financial security for the active older persons in the rural household.

The capability to live independently, especially in conducting daily activities, also enhances the overall well-being satisfaction. The significant difference in terms of working status between the rural and urban aging population is their continuous work in their own agricultural area within their rural housing distance. The research finding is similar with a study done by Davidson which shown that older persons continuously involve in productive activities that they are accustomed to before their retirement (Davidson, 2002). The research has also shown that those living alone have higher satisfaction for their ability to conduct daily activities independently. This confirmed with the conclusion given by the Thai Social and Economic Development Planning of their confidence in the competency of older Thai citizens in this current time. Hence, older persons are not considered as vulnerable that seek assistance from family network or government welfare. The underlying reason for those living alone to be active is because their competency is the main source of income in the household. Therefore, their actual evidence of continuously working signifies their higher satisfaction for conducting daily activities than those that live with other family members.

## **CONCLUSION AND POLICY RECOMMENDATIONS**

Overall, it can be seen that living arrangement in the rural area is composed of nuclear family size with at least one person as the main caretaker of the grandparents. That main family member responsible for their parents provides social, economic, and physical assis-

tance necessary for enhancing the well-being of rural elders. According to the finding, living arrangement without family member only has significant impact on satisfaction related to health. The lack of public transportation creates obstacles to access of health care. As a result, those that live alone rated less satisfaction for their health due to the inconveniences in commuting to nearby hospitals. In term of policy recommendation regarding this matter, it is recommended for the local community to survey those that live alone and provide ease of access to health care. This can come in the form of providing public transportation or regular visits by local health staff at the household with older persons living alone.

Other than pattern of living arrangement, education is another determinant for the differences on the satisfaction for financial well-being. Those that earned higher education are more likely to be granted with pension rights given by their previous employment in government or formal sector. Since majority of the aging population is likely to work in informal sector, it is likely that their satisfaction for financial well-being is lessening by their insecurity to stable income after retirement. In terms of policy recommendation for financial well-being, it is suggested that the government should promote financial planning for retirement for working cohorts in the formal sector. The government should come up with scheme that allow those at working age to save simultaneously in order to have higher satisfaction for their well-being regarding financial and living standards.

Finally, overall well-being is possible by their ability to work independently. Hence it is recommended that the local government support active citizens to establish social networking activities within the local area regularly. By creating such atmosphere, the rural elders would be able to enjoy monthly social gathering, and gain access to useful information on how to maintain their quality of life regardless of their type of living arrangement.

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## **ANALYSING POLITICAL DISCOURSE ON TWITTER: THE #SASSA DEBACLE**

by

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### **ABSTRACT**

The advent of the social media has led to the reconfiguration of democracy in that it empowers citizens to speak for themselves when political discourse on major issues is conducted. In this paper the researcher discusses the prolonged Twitter narratives that relate to the payment of social grants in South Africa and the legal battles that was triggered by it. The researcher made use of nCapture to collect 7,852 unique tweets recorded between 3 March and 2 November 2017. The tweets were then transferred to nVivo where content analysis was done on it. The analysis focused on who participated in the discourse as well as the themes that they addressed. It is found that the hashtagged narratives bear a strong resemblance to the transcriptions of focus groups in that it reflect the same the polyphony of discursive voices.

**KEY WORDS:** nVivo, nCapture, discourse, content analysis

### **INTRODUCTION**

The advent of the social media has led to the reconfiguration of democracy in that it empowers citizens to speak for themselves when political discourse on major issues is conducted. Maulana (2017, p. 231) pointed out that they previously had to rely on their elected representatives to voice an opinion on their behalf.

In this paper the researcher discusses the prolonged Twitter narratives that relate to the payment of social grants in South Africa and the legal battles that was triggered by it.

Section 27(c) of the South African Constitution provides that “everyone has the right to have access to social security, which includes, if they are unable to support themselves and their dependants, appropriate social assistance.” The South African Social Security Act (SASSA Act), Act 13 of 2004 provided for the establishment of SASSA as an agent for the administration and payment of social assistance. The Chief Executive Officer (CEO) of SASSA is responsible, subject to the direction of the Minister, for the management of SASSA.

The tender that was awarded by SASSA to CPS (Cash Paymaster Services) in 2012 was challenged at the end of 2013 by AllPay, a subsidiary of ABSA, one of four large commercial banks in South Africa (Faku, 2014). CPS is a subsidiary of Net 1 UEPS Technologies. The Constitutional Court held, on 29 September 2013 stated

the award of the tender to provide services for payment of social grants to CPS was constitutionally invalid. In the remedial order, the Court suspended the order of invalidity. The order was based on the premise that either a new five-year tender would be awarded after a proper procurement process, or SASSA would itself take over the payment of social grants when the suspended contract with CPS came to an end on 31 March 2017. SASSA was ordered to report to the Court on progress in respect of the new tender process and its outcome. In November 2015 SASSA finally reported that it had decided not to award a new tender, it would itself take over the payment of social grants and it would be able to meet the deadline of 31 March 2017.

(Black Sash Trust v Minister of Social Development and Others, 2017 ZACC 8, p.7)

On 15 March 2017 The Black Sash Trust as well as Freedom Under Law brought an urgent application to the Constitutional Court to intervene and interrogate SASSA's progress with the implementation of the 2015 commitment to the Court. Justice Froneman made the following damning finding:

Since April 2016 the responsible functionaries of SASSA have been aware that it could not comply with the undertaking to the Court that it would be able to pay social grants from 1 April 2017. The Minister says she was informed of this only in October 2016. There is no indication on the papers that she showed any interest in SASSA's progress before that. Despite repeated warnings from advising counsel and CPS,<sup>14</sup> neither SASSA nor the Minister took any steps to inform the Court of the problems they were experiencing. Nor did they see fit to approach the Court for authorisation to regularise the situation.

To make matters worse, CPS is accused of exploiting the data of grant beneficiaries and cashing in at the expense of South Africa's most vulnerable citizens.

The Constitutional Court on Friday, ordered that CPS should continue paying welfare grants to South African beneficiaries for another year, on the same terms set out in its current contract that expires in two weeks (Dludla, 2017).

Dludla (2017) reported that "In a majority judgment written by Judge Johan Froneman, the court said the executive had failed in its constitutional duty, and ordered that Social Development Minister Bathabile Dlamini furnish the court with reasons as to why she should not be held personally liable for the cost of the case. The court ordered Sassa back under its supervision, some 18 months after releasing it from oversight."

On 18 September Business Report disclosed that "(d)espite the court ruling on Net1's contract as invalid, Sassa failed to secure an alternate service provider" (Vallie 2017). On 1 October it is reported that SASSA has received a vote of no confidence from MP's (Vallie 2017). The members of SCOPA placed on record that Sassa failed to update Parliament's social development committee on phasing out the current contractor, CPS (Vallie 2017).

"This is heading for another disaster", declared ANC MP Vilhelmina Mogotsi (Vallie 2017).

In yet another twist "Social Development Minister Bathabile Dlamini says the South African Post Office is incapable of distributing social grants and has therefore decided to start a new tender process on 30 November" (New Age 2017). The Minister's new initiative as thwarted by the Constitutional Court who SASSA who made the following order on November 12:

- Sassa to provide a detailed progress plan on takeover arrangements by December 8.
- SASSA to provide a plan to specify roles and responsibilities, precise timelines and risk mitigation measures, and a contingency plan if a seamless transition for payments to 17 million beneficiaries is not realistic.
- Sassa to provide monthly progress reports to the court after filing its plan. Payi (2017)

The IMC directed Sassa and the Post Office to come to some kind of agreement by Friday, November 17 (Herman 2017). On 19 November when this paper was finalized no deal has been announced.

## **THE RESEARCH OBJECTIVE AND RESEARCH QUESTIONS**

The research objective of the paper is to ascertain whether the Twitter discourse contributed to the democratic process, and if so, in what way.

The research questions are:

1. Which stakeholders participated in the Twitter discourse? And
2. What themes did they contribute to the democratic debate?

## **THE STAKEHOLDERS**

### **The Black Sash**

The Black Sash grew from a small organisation that was formed in 1955 under the name The Women's Defence of the Constitution League (SAHO 2017).

The organisation grew into an avenue for liberal women to oppose government policies by means of marches, convoys, demonstrations and vigils (SAHO 2017). The Black Sash was the applicant in the ground-breaking court case of March 2017.

### **Freedom under Law**

Freedom Under Law is a non-profit company who has as one of its objectives litigating in relation to institutional conduct in conflict with the rule of law.

### **Cash Paymaster Services**

Cash Paymaster Services (CPS) is a subsidiary of Net 1 UEPS Technologies, an American company that was founded in 1997. It is listed on the Nasdaq. It also enjoys a secondary listing on the Johannesburg Stock exchange (Net1 2017)

CPS gave the following explanation on their website:

CPS deploys “U.E.P.S. - Social Grant Distribution technology to distribute social welfare grants on a monthly basis to over nine million beneficiaries in South Africa. These social welfare grants are distributed on behalf of SASSA. During our 2012, 2011 and 2010 fiscal years, we derived 41%, 47%, and 66% of our revenues respectively, from CPS' social welfare grant distribution business”

CPS 2017

### **The Department of Social Development**

The Department of Social Development (DSD) of South Africa is a government department responsible for providing social development, protection, and welfare services to the public. The Minister of Social Development during the ongoing crisis was Bathabile Dlamini (Social Development 2017). She is also the President of the ANC Women’s League.

### **South African Social Security Agency (SASSA)**

The South African Social Security Agency (SASSA) is a national agency of the government created in April 2005 in order to distribute social grants on behalf of the Department of Social Development. The DSD has an oversight role over the Agency but no operational control over it (SASSA, 2017).

### **South African Post Office (SAPO)**

South African Post Office (SAPO) is the national postal service of South Africa and as a state owned enterprise, its only shareholder is the South African government. In terms of South African law, the Post Office is the only entity legally allowed to accept reserved mail and as such operates a monopoly. It employs over 23 800 people and operates more than 2 486 postal outlets throughout the country and therefore has a presence in almost every single town and city in South Africa. Its main subsidiary is Postbank, a financial services provider (Post Office, 2017).

### **The Constitutional Court**

The Constitutional Court This court, the highest in South Africa on constitutional matters, was born out of the country's first democratic Constitution in 1994.

### **Professional journalists**

A professional journalist is, for the purpose of this study, an individual who earns an income from producing content for a media outlet.

### **Citizen journalists**

The general public generates the majority of Twitter's tweets. In some cases they fulfil the role of citizen journalists in that they contribute to the narrative by introducing new themes and/or information or just by sharing their opinions.

“Citizen journalism is defined by a number of attributes which make it distinct from professional journalism, including unpaid work, absence of professional training, and often unedited publication of content, and may feature plain language, distinct story selection and news judgment, especially hyper-local issues, free accessibility, and interactivity”(Harper n.d.).

Their contributions, more often than not, take the form of metajournalism, i.e. retweets or “likes”.

## **LITERATURE REVIEW**

Activism is the practice of using intentional actions to support one side of a controversial issue. It usually relies on a network of individuals, groups, or organizations that share collective identity and attempt to bring about social, political, economic, cultural, or environmental changes (van de Donk, Loader, Nixon, & Rucht, 2004).

Activism existed long before the advent of the Internet. Social movements “belong among the main political forces in democratic as well as non-democratic political systems; influence public opinion, public policies and regime transformations” (Amenta et al. 2010). The Internet and ICT's did hugely impact on the strategies and tactics as well as the *modi operandi* of social movements.

The establishment of the Internet and the social media paved the way for the formation of *ad hoc* publics. Bruns and Burgess (2011) postulated that Twitter hashtags such as “#Londonriots” that contained discourse regarding the recent unrest in London, facilitated “the formation of ad hoc publics around specific themes and topics. They emerge from within the Twitter community – sometimes as a result of pre-planning or quickly reached consensus”.

According to Hefner (1999, p. 158), “prospects of democratization increase with the development of multiple centers and power and a plurality of public discourses in society” because “a multiplicity of ideas and authorities makes it difficult for any single group to win a clear monopoly of power”. This statement that was made before the advent of the social media, has gained vast relevance since the formation of social platforms like Facebook and Twitter.

Maulana (2017, p. 244) explained that “on social media there is no monopoly of power. It can also accommodate unlimited plurality of public discourses, because anyone, especially

if she has anonymous identity, can express anything without the fear of social or physical sanctions.”

## **METHODOLOGY**

This paper is based on a Twitter analysis of Tweets related to the SASSA debacle.

The researcher made use of nCapture to collect 7,852 unique tweets recorded between 3 March and 2 November 2017. The tweets were then transferred to nVivo where content analysis was done on it. The analysis focused on who participated in the discourse as well as the themes that they addressed. Content analysis “is a research method that uses a set of procedures to make valid inferences from text. These inferences are about the sender(s) of the message, the message itself, or the audience of the message” (Weber 1990, p. 9).

A collection of prominent themes that came out of the analysis is now presented.

### **Analysis of Tweets**

The following themes were identified in the tweets.

#### **From the Stakeholders**

##### **Black Sash**

RT @CraigMcKune: And @black\_sash clearly doesn't trust #sassa and Dlamini to do what they were elected to do. RT if you agree. <https://t.co...>

RT @CraigMcKune: @black\_sash suggests Net1 breaks financial regulatory rules with its #sassa beneficiary payday loan operation. Net1 denies...

RT @amaBhungane: MT @CraigMcKune @black\_sash asks ConCourt to ensure CPS doesn't share #Sassa data with Net1 financial 'services'.

##### **SASSA**

"#Sassa admits it hasn't implemented the progress report to take over payment of grants by the end of this month as instructed by #ConCourt"

RT @LSipayiri: @SakinaKamwendo #SASSA obsessed with CPS, they still negotiate with CPS regardless of ConCourt judgement with regards CPS co...

RT @SpheDludla: "One of the reasons why progress hasn't been made: #Sassa has had 4 CEOs since Nov 2015 & Bathabile differs with Pravin on..."

##### **Social Development**

RT @rhulaniIbaloyi: Social Development says the longterm goal is to have #SASSA take over the distribution of social grants. #SabcNews

@SakinaKamwendo it seems as if this Director-General has no real plan at all on the #SASSA debacle #AMLive

## **SAPO**

Why didn't the #SAPO submit a tender to #SASSA when it had a chance? How is the evidence it's counsel is making from the bar relevant?

RT @ewnreporter: #SASSA The post office says it's willing to help in the distribution of social grant payments from next month. (17/3)

### **Government**

A direct assault on the poorest of the poor #grants #17million #sassa. More proof that the current govt doesn't care.

RT @SizweMW: Govt talks 'radical transformation' but #SASSA wants to overpay a provider with fake transformation credentials despite Concou...

### **Grant recipients**

RT @Corruption\_SA: At stake are the lives of the most deprived people in South Africa. #Sassa

### **Concourt**

Thankfully the Highest Court in the Land has not [yet] been captured...

@imanrappetti Court said, "SASSA has adopted an unhelpful and almost obstructionist stance" #SASSA had been in bad...

## **CPS**

RT @CraigMcKune: 4. #Sassa failed to plan for April 1 2017, making CPS a shoo-in. So #CPS get R16 per benefit payout but apparently demanding R25 to get #SASSA out of jail! I wonder what real cost is to service provider?

RT @CraigMcKune: 3b. This 2014 #Sassa tender demanded a 12% lower fee than CPS's current. CPS now wants 50% more. Go figure.

## **The President**

Why appeal to 'The President' to intervene in a crisis? Crisis is a RESULT of his lack of leadership

#SARSwars #TruckDriverProtest #SASSA

## **The Minister (Bathabile Dlamini)**

@Zamaanie Here is her plan to save #SASSA by 31 March. #Incompetent & a total #disgrace is an understatement.

Can Minister Bathabile Be given a chance to deal with this #SASSA issue instead of people requesting meetings to tell her what she knows.!!

This clueless Minister of Social development #BathabileDlamini has been so busy with the ANC affairs & forgot about her department #Sassa

@SpheDludla #Sassa Just a kweshin: If CEOs wanna clean up house,Bathabile throws dem out?

**SCOPA (Standing Committee on Public Accounts)**

RT @BulelaniPhillip: #SCOPA has written to Social Development Minister Bathabile Dlamini to appear before it next Tuesday on the CPS #SASSA...

**Portfolio committee**

RT @BarbierAbra: MP's on Soc Dev PC feel let down by #SASSA #sabcnews

**The DA (Democratic Alliance)**

RT @Our\_DA: Fire Dlamini and give grants negotiations to Gordhan - @masangobridget1

**COSATU Congress of South African Trade Unions (Labour)**

RT @XoliMngambi: #Cosatu says "heads need to roll at #Sassa" and Minister Bathabile Dlamini and team must "take political responsibility fo..."

**From the Mainstream Media**

**Karyn Maughan (eNCA)**

RT @karynmaughan: Big questions over what's happening with #SASSA CEO - who started late last year, now on sick leave.

RT @karynmaughan: BREAKING: #SASSA proposes that Concourt determine just remuneration for CPS - based on its evidence re possible price inc...

**SABC (South African Broadcasting Corporation)**

@MorningLiveSABC the ultimatum issued by #CPS to government is more evidence of the monopoly at #SASSA

**Radio Jacaranda News**

RT @JacaNews: The SAHRC has requested an urgent meeting with Social Development Min Bathabile Dlamini the CEO of #SASSA (Stakeholder)

**Iol (Independent on line)**

'Fire inept minister over Sassa debacle' #SASSA <https://t.co/iIAKIfsTGg> via @IOL @uMaqhina [Quoting Anglican Archbishop Emeritus Njongonkulu Ndugane]

## **From the Local Media**

### **Kaya News**

SASSA has until Friday to sign a deal that will ensure that more than 17 million South Africans receive their social grants. Kaya News 13 November – urgency

### **Tembisan**

We can't ignore the looming social grant crisis #Sassa | Tembisan <https://t.co/8IH4yi6hAZ>

## **From Citizen Journalists**

RT @linde\_charl: The Black Sash is black belting #BathabileDlamini, #SASSA and #CPS Civil society is on fire these days

#SASSA #CONCOURT effectively "nationalising" #CPS however temporarily

## **From other influential personae**

### **Archbishop Emeritus Njongonkulu Ndugane**

Anglican Archbishop Emeritus Njongonkulu Ndugane, calls on Social Development Minister Bathabile Dlamini to step down over #SASSA debacle.

## **From other stakeholders**

### **ANCWL (African National Congress Women's League)**

RT @Moketa\_: I hear #ANCWL has lost its place in society again by defending their incapable leader Bathabile Dlamini on the #SASSA saga.

### **Corruption SA**

RT @Corruption\_SA: At stake are the lives of the most deprived people in South Africa. #Sassa <https://t.co/ZHYpq7NqpF>

## **Other Themes**

### **Wastage/irregular expenditure**

RT @Moneyweb: #Sassa work streams (canceled in July) and the >R30 million spent on them to be recorded as irregular expenditure

### **Protection**

RT @geniusmalekane: #SASSA if you think minister Dlamini will be fired because of grants debacle, you're living in a dreamland.

### **Logistics**

RT @tumisole: #SASSA is considering delivering social grants money with trucks!  
TRUCKS! Wonders never cease

Good morning @sakinakamwendo come 1st of April it will be an open season for criminals hijacking those trucks #SASSA

### **Timeline**

RT @saflii: It's been 3 years since the ConCourt ordered #Sassa to initiate a new tender process for payment of #socialgrants: <https://t.co...>

### **Power (elections)**

I'm glad #BathabileDlamini messed up #SASSA .It's the only umbilical cord that connects ANC to power via grants & food parcels.

### **Factionalism**

Factionalism seems to have dulled the ANC Women's League perception of reality  
#SASSA @ewnupdates @SAfmRadio...

### **Elections**

RT @HloniNyetanyane: #SASSA is ANC's potent electioneering weapon, if they mess it up now, it's goodbye 2019.

### **Jest**

RT @FaredaVandeKaap: @News24 #SASSA debacle: #OnlyInSA would a court have to tell Government officials to do what they are paid to do!

RT @IamReratile: Somebody said #BathabileDlamini must think outside the bottle to solve #SASSA grants problems.

Cartoons



### INTEGRATION OF THEORY AND LITERATURE

The analysis of the collection of tweets on the #SASSA debacle underscores many of the aspects that feature in the extant literature. Firstly the tweets of the Black Sash confirms the importance of social movements as major participants in the democratic debate that was highlighted by Amenta et al. (2010). They form an important part of the publics that make up the public dimension of public opinion. The viewpoint of Hefner (1999, p. 158) that “prospects of democratization increase with the development of multiple centers and power and a plurality of public discourses in society” is also confirmed. The latter forms the base of the opinion part of the Twitter version of public opinion.

The analysis also confirms the viewpoint of Maulana (2017) that the social media can accommodate unlimited plurality of public discourse. A mix of critical and defensive tweets formed part of the Twitter narrative.

### CONCLUSION

The researcher analysed the discourse that developed around #SASSA on Twitter. A total of 7,852 unique tweets were recorded between 3 March and 2 November 2017. The narrative offers a tsunami of anecdotal evidence. All the major stakeholders feature in the tweets as well as a wide variety of themes. The analysis clearly reflects the viewpoints and the sentiments of the stakeholders. In the #SASSA case it is evident that there is a lack of trust in the Minister (Dlamini) as well as the Department of Social Development and SASSA which fall under her control. Her apathetic approach toward the looming crisis

regarding the distribution of grants were severely criticized by the Constitutional Court as well as the Twitterati.

As a qualitative research method, there is certainly merit in the analysis of discourse that appears on the Twitter platform. The array of software packages that facilitate this type of analysis makes it an attractive option for researchers.

Furthermore, It is found that the hashtagged narratives bear a strong resemblance to the transcriptions of focus groups in that it reflect the same the polyphony of discursive voices.

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## THE STRANGE CASE OF OMAR KHADR: A TWITTER ANALYSIS

by

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### ABSTRACT

Omar Khadr, a Canadian citizen, was detained by the United States at Guantanamo Bay from the age of 16, during which he was sentenced to eight years imprisonment for the murder of a U.S. medic and the blinding of another one during a firefight with U.S. forces in Afghanistan in 2010. After serving his sentence Khadr sued the Canadian government for infringing his rights under the Charter of Rights and Freedoms. The lawsuit was settled in 2017 with a \$10.5 million payment. The research question was “How did the users of Twitter react to the settlement?” Two thousand, nine hundred and sixty eight (2,968) unique tweets were posted during July 2017. They were analysed with the nVivo11 software package. Public opinion reflected anger and disbelief over the role that Prime Minister, Trudeau, played in the settlement. Among the themes identified were accountability, justice, the Rule of Law, and child soldiers.

### INTRODUCTION

In 2002 Omar Khadr the 15 year old Omar Khadr was involved in a firefight with U.S. forces in Afghanistan, for which he was later convicted of hurling the grenade that killed army medic Sgt. First Class Christopher James Speer, and blinded Sgt. Layne Morris in one eye (Goldstein, 2017). According to Goldstein (2017) the Americans saved the wounded Khadr’s life– and imprisoned him in Guantanamo Bay, Cuba.

In 2010 he was sentenced to eight years for crimes committed during the above-mentioned firefight. The time served in Guantanamo Bay was factored in. He was thus eligible for parole in 2013 (Tsuji, 2013, p. 116). He was repatriated in 2012 to complete his sentence in Bath, Ontario (Tsuji, 2013, p. 116). After serving his sentence Khadr sued the Canadian government for infringing his rights under the Charter of Rights and Freedoms. In *Canada [Prime Minister] v. Khadr*, 2010 S.C.C. 3, the Supreme Court (the highest court in the land) found that [t]hrough the conduct of Canadian officials in the course of interrogations in 2003-2004 [...] Canada actively participated in a process contrary to Canada’s international obligations and contributed to Mr. Khadr’s ongoing detention so as to deprive him of his section 7 rights contrary to the principles of fundamental justice (Tsuji, 2013, p. 113). The lawsuit was settled in 2017 with a \$10.5 million payment. The research question was how did the users of Twitter react to the settlement?

### Canadian Politics

The Khadr case occurred against the backdrop of a change of government where the Liberal Party regained power in 2011 after they lost it in 2006 (Coyne, p.2011). The Party, under Premier, Justin Trudeau, won a majority government for the first time since 2000

(Coyne, 2011). This regime change fuelled some of the discourse on the Twitter platform. The official opposition is the Conservative Party. It is led by Andrew Scheer.

## **LITERATURE REVIEW**

Developments in the field of ICTs have redefined the public sphere and reconfigured democracy (Mpofu, 2014, p.117). Williams and Delli Carpini (2004, p.1209) had the following to say about the impact of the newly-found social media on political communication: “Optimistically we believe that the erosion of gatekeeping and the emergence of multiple axes of information provide new opportunities for citizens to challenge elite control of political issues”. This statement proved to be prophetic because nowadays digital tools and platforms are being widely used in political campaigns and have become influential channels through which politics and political debate is mediated (Jungherr, 2015).

Democracy is often measured in terms of 3 elements namely “institutions to enable the people to express its political preferences, checks and balances on the executive's power, and "the guarantee of civil liberties to all citizens in their daily lives and in acts of political participation" (Marshall and Jagers 2002:12). ICTs are increasingly being used in promoting democracy and human rights issues: to mobilize and strengthen solidarity, increase communication among interest groups, and share information more quickly there is no question on the role of the internet in promoting, nourishing and enabling freedoms of expression in such issues as identity and democratic debates (Wilson & Gapsiso, 2014, p. 94).

Khan (2017, p.7) advocates the adoption of a STOC culture which he defines as transparency, sharing, openness, and collaboration facilitated by social media. It is more than just establishing social media presence (e.g., creating a Facebook fan page or a government Twitter account (Khan 2017, p.7).

Transparency is now held to be a key part of democratic governance (Jaeger & Bertot, 2010, p. 372). And transparency serves to keep government honest—“Good government must be seen to be done” (Kierkegaard, 2009, p. 26).

Bertot, Jaeger and Grimes (2012, p.78) pointed out that transparency and the right to access government information are now internationally regarded as essential to many functions of democracy: participation, trust in government, prevention of corruption, informed decision making, the accuracy of government information, and provision of information to the public, companies, and journalists”.

The perceptions related to corruption is another issue of importance. What is clear is that this phenomenon can take many different forms - from high-level state capture to low-level so-called 'petty corruption' in various public sector services. It can also vary from service to service, with certain public services within countries being more corrupt than others.

Melgar, Rossi and Smith (2010, p. 120) postulated that “corruption and corruption perception can be considered as cultural phenomena because they depend on how a society understands the rules and what constitutes a deviation. Indeed, it does not depend only on societies but also on personal values and moral vies.” Charron (2016, p.151) raised the

question whether perceptions and experiences are in fact correlated, or whether the former is driven largely by outside factors— either ‘noise’ or systematic bias.

Montinola and Jackman (2002) find that political competition matters. It is posited to reduce corruption in two ways. First, monitoring public officials is easier with freedom of information, thereby limiting their opportunities for corrupt behavior. Secondly, the possible turnover of power implies that politicians cannot always credibly promise that particular laws and regulations will continue.

Another issue that requires explanation is scandal politics. According to Castells (2007, p.243) “[s]candal politics has two kinds of effects on the political system. First, it may affect the process of election and decision-making by weakening the credibility of those subjected to scandal. However, this kind of effect varies in its impact. Sometimes, it is the saturation of dirty politics in the public mind that provokes reaction or indifference among the public.”

## **Twitter**

Twitter is a social networking site that allows users to connect and share thoughts and ideas, which can be viewed, commented on and reposted by other users. When it was started in 2006 it allowed 140 characters, spaces included but since 2017 it allows 280 characters per post (MacArthur 2017). It has grown into one of the most popular social media platforms, with about 330 million users, globally (Fiegerman, 2017). Given its character limitations and

concept of subscribing to other users’ posts, it is categorized as a microblog. Microblogging is a combination of blogging and instant messaging that allows users to create short messages to be posted and shared with an audience online (Nations, 2017). Twitter’s popularity allows it to have a high volume of messages: about 500 million tweets per day (Liberatore, 2016). These high volumes make Twitter a rich and diverse source of research data (Cheong, Ray & Green, 2012, p.915).

According to Samarjeet (2017, p. 102) “hashtags are metadata tags used to organize contents.” On Twitter they lend structure to the discussions by providing context. In a communicative sense they serve as banners or opening prompts for the discussions that may follow. The hashtags are often of an emotive nature. Examples are #BringBackOurGirls, #RhodesMustFall and #FeesMustFall.

As digital artifacts, hashtags locate cultures across time and space. No matter the context—that is, grassroots, institutional, or corporate—hashtags compel us to act (Conley, 2014, p. 1111).

The hashtag politics of today clearly illustrates the power of the hashtag in constituting particular publics, “where publics are understood as being formed, re-formed and coordinated via dynamic networks of communication and social connectivity organized primarily around issues or events rather than pre-existing social groups” (Bruns and Burgess 2015).

The dynamic nature of conversations within hashtag communities provides fascinating insights into the inner workings of such ad hoc issue publics: it enables researchers to trace the various roles played by individual participants (for example, as information sources, community leaders, commenters, conversationalists, or lurkers), and to study how the community reacts to new stimuli (such as breaking news and new contributors) (Bruns and Burgess 2015, p. 23).

## **METHODOLOGY**

The researcher utilized the case study approach to analyse the polemical Khadr case.

The research question was “How did the users of Twitter react to the settlement?” Two thousand, nine hundred and sixty eight (2,968) unique tweets were posted during July 2017 at the height of the discontent over the settlement. They were collected using nCapture after which they were analysed with nVivo, an off-the-shelf, network analysis and visualization software package.

The data was analysed using thematic content analysis. This type of analysis is utilized to identify, analyse, and report themes or patterns within data (Braun & Clarke, 2006). Frequently it can extend to the interpretation of various aspects of the research topic.

## **ANALYSIS**

The following themes were detected from the tweets. The supporting tweet(s) follow the subheadings.

### **Accountability and Request for Public Inquiry**

Accountability on this, maybe there should be a public inquiry looking at everything from '02 on? <https://...>

### **Charter of Rights**

RT @JustinTrudeau: Regarding a settlement with Omar Khadr - the Charter of Rights and Freedoms protects all Canadians. There is no picking...

RT @SpeakeasyJames: Right, just pay off everyone, On Khadr, Trudeau says Charter protects all Canadians 'even when it is uncomfortable' [htt...](http://...)

### **Child Soldiers**

RT @EffieGib: @scootermacduff @AndrewScheer According to the United Nations #Khadr was not considered a child soldier so shame on you for s...

### **Legal Query**

RT @ClimateAudit: in 2004 lawsuit, #Khadr didn't claim that he had been tortured or abused. He was allowed to amend claim to include torture...

## **Islam Beliefs**

RT @KarenPtbo: Accepted Islamic belief confirms the age of maturity at puberty and therefore under islam Omar Khadr was no child.

## **Jest**

Canadian immigration form has a box that says "are u a terrorist". If u tick YES you get fast tracked and extra welfare. Khadr.

## **Justice**

#JustinTrudeau talked of “anticipating” “judicial process coming 2 conclusion.” No such thing. He had it amputated

RT @cblackst: Mr. Khadr deserves justice & so do the 165,000 First Nations kids denied equitable public services by fed. Gov't

## **The Main Issue**

RT @sunlorrie: This hits the nail on the head. It's the Trudeau govt's response that is now the issue, not the facts of Khadr's case.

## **Public Response**

Nothing like defending rights of Canada hating and terrorist supporting Canadians. This is not something I as a Canadian support. Khadr

RT @e662354c8e02466: As a senior pensioner having paid taxes all my life, I have no money for dental care. Omar Khadr, just got \$10.5M for...

RT @TroothBooth: Al-Qaeda Omar Khadr killed SFC Christopher Speer in Afghan. Now #Canada gives him \$8M? That's a big fat F--- YOU to our #m...

RT @financialsanity: Khadr should start by voluntarily donating his payoff to the family of the medic he killed.

RT @JewhadiTM: Veteran Blinded By Omar Khadr Says @JustinTrudeau Guilty Of Treason

RT @manny\_ottawa: Canadians waking up to Fact your Liberal government colluded in fraudulent scheme to defeat widows legal claim over #Khad...

RT @torontonewsnow: 95-year-old Canadian vet outraged at Khadr's payout [Video] <https://t.co/CYZUJDOR3r>

RT @IversonJ: On Khadr - don't recall any single issue being as explosive or divisive. People far beyond the Ottawa bubble have strong opini...

RT @bcbluecon: 5 days later and the anger over Trudeau paying off Khadr is still raging, imagine what it would be like without his media

Ashamed to be a Canadian. Outraged that he is paid revoke his citizenship send him to Syria!

@bbedont great countries don't reward enemies and take money from own wounded troops and give it 2 traitors #treason #Khadr @JustinTrudeau

RT @ezrelevant: Trudeau forced every Canadian to pay money to terrorist Omar Khadr. Let's voluntarily raise money for his victims.

### **Quantum and Secrecy**

RT @Prutschi: My Toronto Sun column: #Khadr settlement inevitable but timing, quantum and secrecy all stink....

### **Racism**

RT @ArarMaher: Those who oppose the Omar Khadr settlement has more to do with racism than the actual established facts. Futile to argue wit...

RT @ArarMaher: Omar Khadr has THREE Canada supreme rulings in his favour. Yet the bigots & racists rely on the Gitmo kangaroo military trib...

### **Rule of Law**

RT @rjjago: Reading all these Libs saying we have to pay Khadr \$10mil because 'rule of law' - Cindy Blackstock's head must be exploding.

### **SCC Judgement**

RT @lraitt: Show me exactly where in the SCC judgment the Court said to give Khadr \$10.5 million? PM Trudeau made this decision.

RT @ArarMaher: Omar Khadr has THREE Canada supreme rulings in his favour. Yet the bigots & racists rely on the Gitmo kangaroo military trib...

### **The First Nation (Indigenous Population)**

RT @cblackst: Mr. Khadr deserves justice & so do the 165,000 First Nations kids denied equitable public services by fed. Gov't despite 4 le...

### **Terrorism**

RT @Cernovich: Omar Khadr fought with a terrorist organization and murdered a US soldier. Trudeau, this an act of war against the U.S. @rea...

The only people that applaud your decision are the terrorist leaders at th...

@brunosavage21 @MarkDickenson5 @ABSeparatist @JustinTrudeau "We don't negotiate with terrorists"

### **Torture and Response of the Press**

RT @omeraziz12: The Canadian press's response to the Khadr settlement has been deplorable. Canada was complicit in torture.

### **Transparency**

RT @cabotmackenzie: Trudeau actually wanted to give Khadr \$10 Million without the public knowing.

RT @Prutschi: My Toronto Sun column: #Khadr settlement inevitable but timing, quantum and secrecy all stink....

RT @JacquiDelaney: This is no longer about Khadr. This has become all about the underhandedness of this Trudeau government. #shame #notinmy...  
The following stakeholders participated in the Twitter debate. The stakeholder is followed by its tweet(s).

### **The Conservative Party of Canada (CPC)**

The Conservative Party of Canada (French: Parti conservateur du Canada), colloquially known as the Tories, is a political party in Canada. It is positioned on the right of the Canadian political spectrum.

RT @AMike4761: Federal Conservative Leader Scheer vows to put Liberal feet to fire over Khadr payout | Canada | News | Toronto Sun

The CPC continue to play political games around the Khadr settlement. Human rights were never high on Harper's agenda.

RT @AndrewScheer: Omar Khadr's payment sends a terrible message to our Armed Forces and allies.

RT @TheBeaverton: Op-Ed by Andrew Scheer: Khadr payout is an insult to vets who fought for our right to torture imprisoned children.

### **Khadr**

RT @Imamofpeace: .@JustinTrudeau. After paying \$10M to Omar Khadr, do you have plans to fund ISIS as well?

RT @macleans: "All I can do now is try to become the best person I can." - Omar Khadr, on the government's formal apology

### **Khadr's Mother**

RT @MacLeodLisa: Khadr's mom "didn't want to raise her children in Canada because they would have become involved in "drugs and homosexual..."

### **Media**

RT @Prutschi: My Toronto Sun column: #Khadr settlement inevitable but timing, quantum and secrecy all stink....

Liberals two-faced on Khadr | GOLDSTEIN | Canada | News | Toronto

Sun <https://t.co/uD5OmxQv07> Both parties are hypocrites

RT @omeraziz12: The Canadian press's response to the Khadr settlement has been deplorable. Canada was complicit in torture.

### **Taliban**

RT @NewtTrump: Khadr was a member of the Taliban in Afghanistan. Sgt. Speer had just risked his life to save two wounded Afghan children f...

## **The Government**

RT @CandiceMalcolm: Make no mistake, the decision to pay confessed terrorist Omar Khadr was a political decision by the Trudeau govt. My la...

RT @CBCTheNational: When the government violates Charter rights 'we all end up paying for it,' Trudeau says of Khadr payout

RT @JacquiDelaney: This is no longer about Khadr. This has become all about the underhandedness of this Trudeau government. #shame

## **Trudeau**

RT @lraitt: Show me exactly where in the SCC judgment the Court said to give Khadr \$10.5 million? PM Trudeau made this decision.

RT @cabotmackenzie: Trudeau actually wanted to give Khadr \$10 Million without the public knowing.

RT @lraitt: I attended 3 community picnics today Senator - the anger and disbelief of the decision PM Trudeau made to pay Khadr is real.

RT @Cernovich: Omar Khadr fought with a terrorist organization and murdered a US soldier. Trudeau, this an act of war against the U.S.

RT @Imamofpeace: .@JustinTrudeau After paying \$10M to Omar Khadr, do you have plans to fund ISIS as well?

RT @JewhadiTM: Veteran Blinded By Omar Khadr Says @JustinTrudeau Guilty Of Treason <https://t.co/7RI6iSqcXV> via @dailycaller

RT @denisebatters: Is this it for #Trudeau's explanation for his secret #Khadr deal? Canadians deserve answers! WHEN was deal done? Release...

RT @CBCTheNational: When the government violates Charter rights 'we all end up paying for it,' Trudeau says of Khadr payout.

RT @ezrelevant: Trudeau forced every Canadian to pay money to terrorist Omar Khadr. Let's voluntarily raise money for his victims: <https://...>

RT @LindaFrum: PM Trudeau \*actively\* takes steps to block Speer widow from collecting on her judgment vs. Khadr. Beyond shameful.

RT @NewtTrump: So Trudeau just got busted giving convicted terrorist and murderer Omar Khadr a \$10.5 million secret settlement for being in...

RT @EffieGib: @scootermacduff @AndrewScheer According to the United Nations #Khadr was not considered a child soldier so shame on you for s...

## **Integration Of Theory and Literature**

The Khadr case study clearly illustrates how the social media contributed to the expansion of democracy. Many of the tweets that were analysed relate to the 3 elements of a democracy that Marshall and Jagers (2002:12) stipulate namely "institutions to enable the people to express its political preferences, checks and balances on the executive's power, and "the guarantee of civil liberties to all citizens in their daily lives and in acts of political participation." The participation of interest groups and citizen journalists in the political discourse regarding the Khadr case shows that these stakeholders could voice their own opinions on the issues, thus they were not reliant on political institutions to communicate on their behalf. By doing that they were able to make public opinion part of the checks and balances that weighed in on the decision making process. Thirdly, the case illustrated how the human rights of a citizen could be debated in an open forum.

All the requirements of a STOC culture that Khan (2017, p.7) advocated, namely transparency, sharing, openness, and collaboration can be found in the analysis of the Twitter debate. The fact that Trudeau took a unilateral decision about the payment, negated all the theoretical positives that are linked to the broadening of the democracy by the social media and in this case, by Twitter.

## **CONCLUSION**

The Twitter analysis of the Khadr case after the announcement of the settlement by Prime Minister, Justin Trudeau exposed that the public opinion on the issue was earmarked by serious criticism and distrust of Prime Minister Trudeau. It is clear from the analysis that the official opposition capitalized on the lack of transparency that earmarked the Khadr payment. The polemic nature of the issue generated a lively discourse on a wide array of topics ranging from child soldiers to holy wars.

In terms of the methodology the study illustrated that analyzing Twitter data, for political or any other purpose, is a time consuming but not a costly activity. Analysis is performed upon a rather structured set of data, data collection process can be automated and the content published on Twitter is publicly available. Twitter is undoubtedly superior when compared to physical polls.

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**EXPLORING ENTREPRENEURIAL MOTIVATION FACTORS  
ON THE SCB INTELLIGENT ENTREPRENEUR PROGRAM )SCB IEP(**

by

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**ABSTRACT**

The Thailand 4.0 Policy supports Thai SMEs to build up their strengths. Therefore, a professional development program, namely the SCB Intelligent Entrepreneur Program (SCB IEP) has been offered in the market. We, hence, investigated the motivation factors that influenced a participant's decision to participate in SCB IEP. Data were collected from 291 samples. Chi-Square statistics were used for hypothesis testing. The results indicated that extrinsic motivation factors including increased knowledge, networking, the exchange of experience, current situation issues, the reputation of speakers, domestic business site

visit programs, business site visit programs abroad, workshops, and other institutions that joined the program were related to the decision making on SCB IEP. The results would be used to identify the key requirements of the targeted market.

**KEY WORDS:** Extrinsic motivation, decision making, training program,  
Siam Commercial Bank PCL

## **INTRODUCTION**

Thailand's economy is driven by both the public and private sector. Small and medium sized businesses are important parts of the Thai economy as a whole, by strengthening economic progress, tackling poverty problems, inducing employment, connecting with large enterprises, creating value-added to local raw materials, and promoting Gross Domestic Product (GDP). There are two business types in the private sector (1) large enterprises, and (2) Small and Medium sized Enterprises (SME). The ratio of SMEs is as high as 99.73% or 2,736,744 entrepreneurs compared to the total number of private entrepreneurs nationwide from Annual Report on SME Year 2015. (The Office of SMEs Promotion, 2015). The total employment in Thai enterprises of all types in 2014 was 13,078,147 workers, of which 10,501,166 workers (80.3%) were in SMEs. Thailand's GDP in 2014 was worth 13,148,601 million baht (OSMEP, 2015).

At present, commercial banks are more likely to value the importance of SME client-based groups. Each commercial bank has organized various types of training activities to encourage SME entrepreneurs to become their members. This creates competition between commercial banks in a bid to increase their relationships and enhance their brand awareness with SME entrepreneurs. These commercial banks also expect that the satisfaction of SME entrepreneurs on the training and become a customer in the future.

Siam Commercial Bank Public Company Limited (SCB) is Thailand's first commercial bank, founded on January 30, 1906. The bank's stock is ranked No. 1 among financial institutions listed on the SET (valued at Baht 406 billion as of December 30, 2015) (SCB, 2015). According to the SCB survey, there is now greater competition in the overall business and there are more changes of business models due to rapidly changing consumer expectations together with the greater effort by small and medium business enterprises to enhance their strengths in business (SCB, 2015). At present, most entrepreneurs value the success of their business strategies, including product differentiation, management by digital marketing and distribution channels, new innovations for more value-added, searching for new markets, and increasing the number and strength of business alliances and networks (SCB, 2015).

Following the changes in today's entrepreneurial operations, Siam Commercial Bank Public Company Limited recognizes the importance of sustainable support provision to small and medium sized businesses (SMEs) as the cornerstone of Thailand's economy. Thus, SCB IEP (Intelligent Entrepreneur Program) was launched in conjunction with the Faculty of Commerce and Accountancy, Chulalongkorn University, to enhance the vision of small and medium business entrepreneurs towards strategic competition in business to suit their

competitive environments through data, knowledge, and management experience exchange processes between them to support the establishment of successful business alliances and networks. The SCB IEP has been held since 2010 now with up to 13 groups of 1,065 participants (SCB, 2016).

Nonetheless, the true needs of participants for such training have not really been explored. The researchers thus intend to study the opinions of SME entrepreneurs on the training process which affect their decisions to participate in the SCB IEP. The results of this study should be beneficial for the future development of training projects according to the target needs of SME entrepreneurs in terms of contents, activities, and models of training management. Their decision to apply and satisfaction on the training projects could affect the relationships and enable the bank's training objectives to achieve its main goals.

## RESEARCH OBJECTIVE

To investigate the motivation factors that influence a participant's decision to participate in SCB IEP.

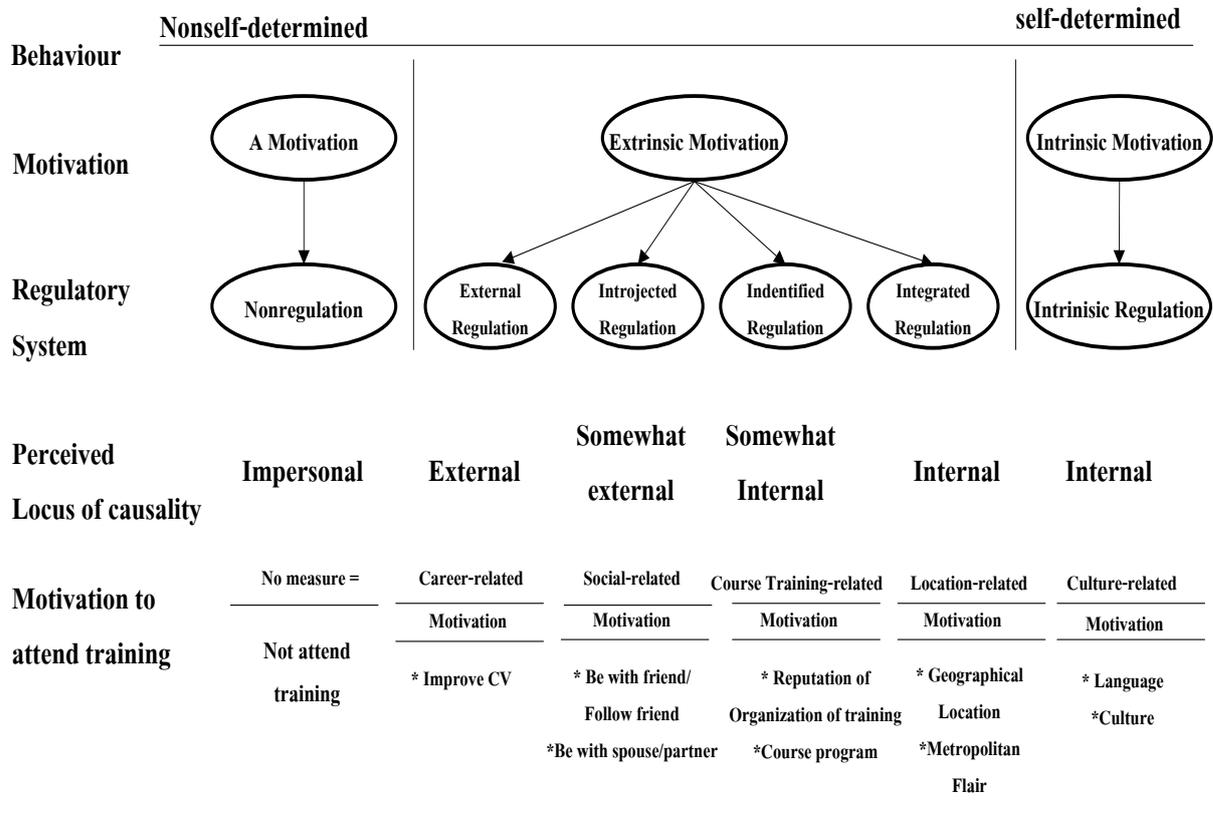
## LITERATURE REVIEW AND HYPOTHESES

### Self-Determination Theory (SDT)

SDT Highlights the importance of humans' evolved inner resources for personality development and behavioral self-regulation. The theory separates intrinsic and extrinsic motivations, with the latter differing in its degree of autonomy (Gagne & Deci, 2005). *Intrinsic motivation* is "the inherent tendency to seek out novelty and challenges, to extend and exercise one's capacities, to explore, and to learn" (Ryan & Deci, 2000: 70). Feelings of competence do not enhance intrinsic motivation unless they are accompanied by a sense of autonomy (Ryan, 1982). Thus, SDT suggests that autonomous motives are supported by contexts that enhance experiences of autonomy, competence, and relatedness (Ryan & Weinstein, 2009). Individuals are intrinsically motivated when they seek enjoyment, satisfaction of curiosity, or personal challenge (Holtbrugge & Engelhard, 2016).

For other activities, *extrinsic motivation* may be more relevant. Individuals are extrinsically motivated when they engage in work to achieve an aim that is apart from the work itself. SDT posits a self-determination continuum that ranges from a motivation (no self-determination at all) to intrinsic motivation (self-determination) (Gagne & Deci, 2005). Between these two extremes, there are four types of extrinsic motivation, with external being the most externally controlled (least determined) and with introjected, identified, and integrated motivation being progressively more self-determined (Gagne & Deci, 2005). Introjected regulation means that the person has abided by the regulation but has not accepted it as his or her own (e.g., ego enhancement); such regulation pressures people to behave in a certain manner to support their fragile egos (Ryan, 1982). Different types of motivation are also assumed to be present for training programs. The model of Gagne and Deci (2005) was adapted to be used in this research (Figure 1).

**Figure 1.** Motivation for Training and Their Matched Position on the Self-Determination Continuum.



Source. Gagne and Deci (2005).

Intrinsic motivation is based on the perception that training is exciting, satisfying, and interesting because of the culture. The trainee’s personal commitment to the location is an internal motivation, which is matched to integrated regulation. Most of the attendees will pay close attention to the reputation of the institution, which is somewhat internal (Gagne & Deci, 2005). We identified motivation resulting from internal pressures, such as the presentation of case studies, enabling participants to expand their business network, as introjected motivation. Rather, it describes types of regulation to index the extent to which individuals have integrated the regulation of a behavior (Gagne & Deci, 2005)

### Theory of Consumer Purchase Decision

The process of consumer buying decision can be divided into the following steps:

1. Pre-purchase behavior is a startup process to motivate or stimulate the customer to identify a need, which may come from consumer themselves or be driven by a marketing strategy.
2. The selection of alternatives is the process in which consumers start searching for further details or information to decide after their demand for the product or service has been established.
3. The evaluation of alternative choices is based on the information provided by different sources. If it is necessary to make a decision in a limited time, the alternative choices will be less important.

4. The decision to purchase means that consumers must make decisions as to whether or not the purchase would satisfy their needs and satisfaction.
5. In the evaluation after the purchase, consumers need to evaluate whether or not the purchased products or services meet their needs or satisfaction, which will result in their subsequent purchasing decisions.

Following the review of literature, the above steps are in accordance with the study of Chaiyapanuwat (2013), which stated that the decision to choose a training course is related to the perceived problem variables, and the process of information search through the internet, relatives or friends whereas purchase decisions are considered based on the details and expenses of the courses which each consumer thinks is the most appropriate for them.

### **Hypothesis Development**

According to self-determination theory and the theory of consumer purchase decision, we found external regulation is the most extrinsic motivation along the self-determination continuum. It is initiated and maintained by contingencies external to the person (Gagne & Deci, 2005). Furthermore, it indicates the need for autonomy, relatedness, and competence and the lowest relative to others (Ryan & Deci, 2008). Trainees who are interested in training would like to improve their CV, their competitive advantage and increase productivity (Sirito, 2013; Uengtrakool, 2010). This motivation is completely controlled and not accepted as one's own. Thus, the following hypothesis is proposed:

Hypothesis 1: The desire to increase knowledge is related to the decision to train

### **Introjected Regulation**

Trainees with this type of regulation perceive an external locus of causality and focus mainly on satisfying social needs (Ryan, 1982). Most of the participants were interested in training because they would like to accompany a friend or their partner. This is assumed to be less self-determined and more externally controlled. Their motivation is less autonomous and characterized by introjected regulation (Gagne & Deci, 2005). Sinsupasawat, Chaiyawong, and Ngumduud (2009) found that participants in special projects take great care in building a business network. The benefit of exchanging experience in the business is to solve problems, including future business partnerships (Al Salfi, Dillon & McQueen, 2016; Luring & Selmer, 2009). Therefore, the following hypothesis is proposed:

Hypothesis 2: Networking is related to the decision to train

### **Identified Regulation**

Training institute-related motivation can be regarded as identified regulation on self-determination continuum. This stage of regulation is reflected by the conscious valuing of behavioral goals (Ryan & Deci, 2000). The reputation of the institution that provides training and course content connects motivation to training. This motivation requires detailed information about the host institute and reflection about one's personal objective (Sinsupasawat, et al., 2009; Rerat, 2008; Chaipanuwat, 2013) found that the reputation of the institution that provided the trainer and the content of the course is related to decision making in training. It is supported by the study of Uengtrakool (2010) and Auengchutin (2010) who found that training topics that are consistent with the economic situation at that time affect the decision to attend training. In addition, the reputation of the place to study in the country and abroad also influenced the decision to attend training. Based on these considerations, the following hypotheses are proposed:

Hypothesis 3a: The exchange of experience is related to the decision to train

Hypothesis 3b: Current situation issues are related to the decision to train

Hypothesis 3c: The reputation of speakers is related to the decision to train

Hypothesis 3d: Domestic business site visit programs are related to the decision to train

Hypothesis 3e: Business site visit programs abroad are related to the decision to train

Hypothesis 3f: Workshop activities are related to the decision to train

Hypothesis 3g: The existence of institutions that have joined the program is related to the decision to train

Hypothesis 3h: The exchange of experience is related to the decision to train

### **Integrated Regulation**

We argue that in the context of trainees, the preference for particular geographic location, or the metropolitan flair of an attractive city reflects integrated regulation. The location is brought into congruence with one's own values and needs (Ryan & Deci, 2000). Rerat (2008); Sinsupasawat et al., (2009); Soltero et al., (2013); Phuprasert, (2007); Chaipanuwat, (2013) found that the participants place emphasis on the location of training management, taking into account the ease of travel. Moreover, Sanchez, Fornerino & Zhang (2006); Juvan & Lesjak (2011) found that location-related motivation can also be considered a touristic motivation, which allows the opportunity to travel and fulfill the desire of being in a different location. Thus, the following hypothesis is proposed:

Hypothesis 4: Location is related to the decision to train

## RESEARCH METHOD

### Population and Sample

The population used in this study was 1,065 SCB IEP. Yamane (1973)'s sample size formula was used for calculation, which was set at 0.05 as follows:

$$n = \frac{N}{1+N(e)^2}$$

By n = calculated sample size

N = number of known value population

e = acceptable set of expectation

Based on Yamane's formula, when representing the population of 1,065 participants (SCB, 2016), the sample size would be:

$$\text{The sample size used in this study } n = \frac{1,065}{1+1,065(0.05)^2} = 290.78$$

= 291 samples by purposively sampling only at Siam Commercial Bank Plc.

### Data Collection and Analysis

The research tools were questionnaires in 3 parts, including Part 1: Demographic data of entrepreneurs (9 items), Part 2: Data on opinions about the training (11 items), and Part 3: The intention of entrepreneurs to participate in training projects with a five-point Likert scale from (1) to (5) representing the least to the greatest intention, as well as the independent and dependent variables in an ordinal scale) (Dawis, 1987; De Vaus, 2002; Gable & Wolf, 1993). The chi-square test was then used to test the hypotheses.

## RESEARCH RESULTS AND DISCUSSION

By utilizing the survey research method, data were collected from 291 subjects who have been trained in the SCB IEP, the majority of respondents were female, aged 35-40 years, with a master's degree level of education. Most of them were business owners in service businesses with annual sales of about 10-75 million. Moreover, they had experience in business administration of more than 5 years. Regarding the information on training projects, most SME entrepreneurs knew about those projects during a period of less than 1 month before their decision to participate in the training.

The hypothesis testing about relationships between the opinions of SME entrepreneurs and the decision to participate in SCB IEP. Interestingly, as presented in Table 1, the chi-square test showed that the training process and the decision to participate in the SCB IEP were associated as follow;

Hypothesis 1: The desire to increase knowledge is related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that the desire to increase knowledge was related the decision to train. (p-value 0.000).

Hypothesis 2: Networking is related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that networking was related to the decision to train. (p-value 0.001).

Hypothesis 3a: The exchange of experience is related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that exchange of experience was related to the decision to train. (p-value 0.010).

Hypothesis 3b: Current situation issues are related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that current situation issues was related to the decision to train. (p-value 0.000).

Hypothesis 3c: The reputation of speakers is related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that reputation of speakers was related to the decision to train (p-value 0.000).

Hypothesis 3d: Domestic business site visit programs are related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that domestic business site visit programs was related to the decision to train (p-value 0.000).

Hypothesis 3e: Business site visit programs abroad are related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that business site visit programs abroad was related to the decision to train (p-value 0.000).

Hypothesis 3f: Workshop activities are related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that workshop activities was related to the decision to train (p-value 0.000).

Hypothesis 3g: The existence of institutions that have joined the program is related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that existence of institutions that have joined the program was related to the decision to train (p-value 0.000).

Hypothesis 3h: The exchange of experience is related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that exchange of experience was related to the decision to train (p-value 0.000).

Hypothesis 4: Location is related to the decision to train

The findings partially supported Hypothesis, the Chi-square tests revealed that location was related to the decision to train (p-value 0.000).

The findings showed a relationship between all 11 extrinsic motivation factors and decision making for Thai Entrepreneurs who applied for the SCB Intelligent Entrepreneur Program (SCB IEP). In addition, cross tabulation was employed to observe the relationships between the variables.

Table 1.

*The Relationships between the Ppinions of SME Entrepreneurs and the Decision to Participate in SCB IEP.*

Hypothesis	Chi-square Value	Chi-square Prob.	Cross tabulation
<b>External Regulation</b>			
H1a: The desire to increase knowledge is related to the decision to train	45.975	0.000**	A person who values increasing knowledge will be more focused on the decision to train
<b>Introjected Regulation</b>			
H2a : Networking is related to the decision to train	34.185	0.001**	A person who values networking will be more focused on the decision to train
<b>Identified Regulation</b>			
H3a : The exchange of experience is related to the decision to train	21.608	0.010**	A person who values the exchange of experience will be more focused on the decision to train
H3b : Current situation issues are related to the decision to train	65.341	0.000**	A person who values current situation issues will be more focused on the decision to train
H3d: The reputation of speakers is related to the decision to train	126.793	0.000**	A person who values the reputation of speakers will be more focused on the decision to train
H3f: Domestic business site visit programs are related to the decision to train	60.223	0.000**	A person who values the domestic business site visit program will be more focused on the decision to train
H3g : Business site visit programs abroad is related to the decision to train	129.093	0.000**	A person who values the business site visit program abroad will be more focused on the decision to train
H3h : Workshops are related to the decision to train	113.986	0.000**	A person who values workshops will be more focused on the decision to train
H3i : The existence of institutions that have joined the program is related to the decision to train	139.177	0.000**	A person who values the existence of institutions that have joined the program will be more focused on the decision to train
H3j : The exchange of experience is related to the decision to train	584.706	0.000**	A person who values the exchange of experience will be more focused on the decision to train
<b>Integrated Regulation</b>			
H4: Location is related to the decision to train.	73.996	0.000**	A person who values location will be more focused on the decision to train

## **CONCLUSION, IMPLICATIONS, LIMITATIONS AND RECOMMENDATIONS**

### **Conclusion and Implications**

Based on the data collected from the study on the opinions of SME entrepreneurs on the training process in their decision to participate in the SCB IEP, it revealed that the overall samples placed importance on the following items with the highest level. When considering the first four items with the highest mean of importance, the majority of those interested in joining the training believed that participation would benefit them in terms of experience exchange with successful businessmen. This reason thus influenced the decision to enroll in the SCB IEP at the highest level. This also corresponds to the studies of Sinsupawat et al., (2009) on “Factors affecting the selection on training services of faculty of engineering at Prince of Songkla University”. It was found that those who had received and those that had never received academic training from the Faculty of Engineering placed importance on training courses at the highest level in terms of the appropriateness of the course contents and the training style, as well as the capabilities of the individuals providing the services (lecturers and staffs) (Rerat, 2008; Ryan & Weinstein, 2009; Al Saifi et al., 2016).

In addition, the finding was compatible with the study by Uengtrakool (2010) on “The needs for knowledge training to enhance the competitiveness of SME entrepreneurs in Muang District, Chiang Mai”, which presented the comments of entrepreneurs on the problems and obstacles of training by non-professional lecturers, as well as non-interesting styles of training. This also was consistent with the study by Rerat (2008) on “Factors affecting business operators’ decision to attend a short course training in business management in Ubon Ratchathani province”, which revealed that the respondents considered all factors items at the high level of importance influencing decision making in all aspects (Al Soltero et al., 2016; Gagne & Deci, 2005; Uengtrakool, 2010). Furthermore, the variables on lecturers and training process affected their decisions to participate in the training at a total percentage of 62.50.

In contrast, the novelty in correspondence with the current situation of the training projects could influence decisions to participate in the SCB IEP at a high level, which was similar to the study by Auengchutin (2010) on “The K SME Care project to increase training efficiency to SME entrepreneurs of Kasikorn Bank”. It was found that the respondents who had attended the K SME Care program decided to participate in the training as the training topics matched their needs and current economic situation at that time, or met the interests of entrepreneurs (Al Soltero et al., 2016; Gagne & Deci, 2005; Uengtrakool, 2010).

Following the hypothesis testing, the process of SCB IEP in all aspects was related to the intentions to participate in the training. This was in line with the concept of 5 key training processes which the project organizers of SCB IEP should take into account and complete, particularly by determining the needs for training, such as problem solving and the business management of SME entrepreneurs. In addition, needs could be important in design-

ing the training courses, selecting academic institutions and in making training content appropriate and consistent with current business situations and environments.

This study applied the theory of consumer buying behavior developed by Chaturongkhakun (2007). The results of the hypothesis testing showed that the decision to participate in the training of SCB IEP for SME entrepreneurs was related to all aspects of the training process. When considering the mean opinions on the training process of SME entrepreneurs that affected their decisions, the first top four included (1) the exchange of knowledge experience between participants, (2) the opportunities for SCB IEP Alumni, (3) the presentation of case studies and exchange of experience by successful businessmen, and (4) academic institutions joining the training projects. The entrepreneurs were motivated by these four processes which were achieved as a result of the PR media on the training projects and the inquiries from banking staffs or those who had previously been trained in previous sessions.

### **LIMITATIONS AND RECOMMENDATIONS**

This research was limited by time constraints involved in completing the research project, regarding the breadth and the depth of the analysis and the interpretation of results. The following specific limitations were identified while conducting this research. Since we used the cross-sectional survey method, causal inferences must be made with caution (Nair & Swink, 2007). We recommend experimental study to strengthen the casual inferences.

This study has provided unique insights into the relationship between the opinions on the factors affecting the decision to apply for the SCB IEP Training Program. The results from this study may be applicable to other commercial banks and should be compared with the opinions of participants from other banking institutions. In addition, the strengths and weaknesses of training should also be studied.

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