

## EXECUTIVE SUMMARY

The National Statistical Office carried out the Business Trade and Services Survey every two years, the 2010 survey is the 24<sup>th</sup> round. The main purpose of the survey is to collect the basic business information to be used by both public and private sectors for policy formulation and planning development. The survey covered business establishments engaged in wholesale trade, retail trade, hotels and restaurants, real estate activities, recreational and other services activities throughout the country.

The field work was conducted during May 1 to August 31, 2010. The data presented in this report was the information on business operation during January 1 to December 31, 2009 of the establishments located in **Southern region**. The major findings are as follows:

### 1. Number of establishments by division of business industry

The survey result showed that there were in total 259,844 establishments in Southern region. Most of them (about 46.6 percent) were engaged in *retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods*. This was followed by those engaged in *hotels and restaurants* of about 19.1 percent. The business establishments engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel*, and *other service activities* were about 10.6 and 9.7 percent respectively. The other divisions of business industry not mentioned above had rather low proportion; each division had less than 6.0 percent of the total.

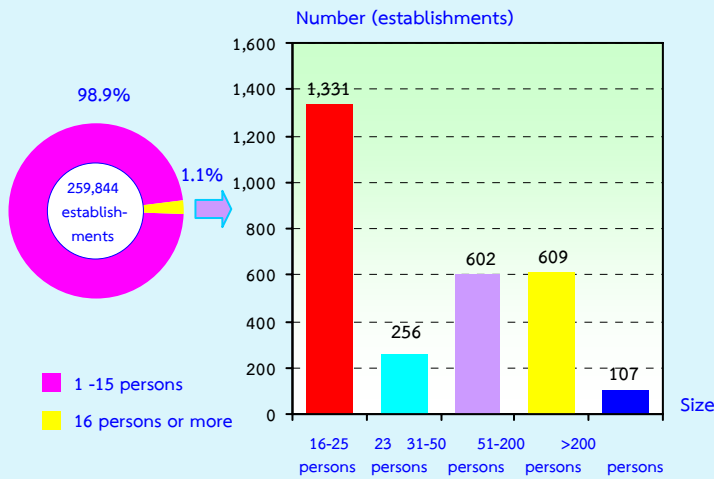
**Table 1 Number and percentage of business establishments by division of business industry**

| Division of business industry  | Number         | %            |
|--|----------------|--------------|
| <b>Total</b>   | <b>259,844</b> | <b>100.0</b> |
| Sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel   | 27,437         | 10.6         |
| Wholesale trade and commission trade, except of motor vehicles and motorcycles                   | 15,626         | 6.0          |
| Retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods | 120,959        | 46.6         |
| Hotels and restaurants   | 49,698         | 19.1         |
| Real estate activities   | 5,789          | 2.2          |
| Renting of machinery and equipment without operator and of personal and household goods          | 4,686          | 1.8          |
| Computer and related activities  | 493            | 0.2          |
| Other business activities  | 5,869          | 2.3          |
| Recreational, cultural and sporting activities   | 3,964          | 1.5          |
| Other service activities   | 25,323         | 9.7          |

### 2. Size of establishment

The business establishments located in Southern region, most of them (about 256,939 establishments or 98.9 percent) were establishments with 1-15 persons engaged. Those with more than 15 persons engaged were about 2,905 establishments or 1.1 percent. Of this number, establishments with 16-25 persons, 51-200 persons, 31-50 persons, and 26-30 persons amounted to 1,331 establishments, 609 establishments, 602 establishments, and 256 establishments respectively. The largest size of establishments, with more than 200 persons engaged, was found 107 establishments.

**Figure 1** Number of business establishments by size of establishment (number of persons engaged)

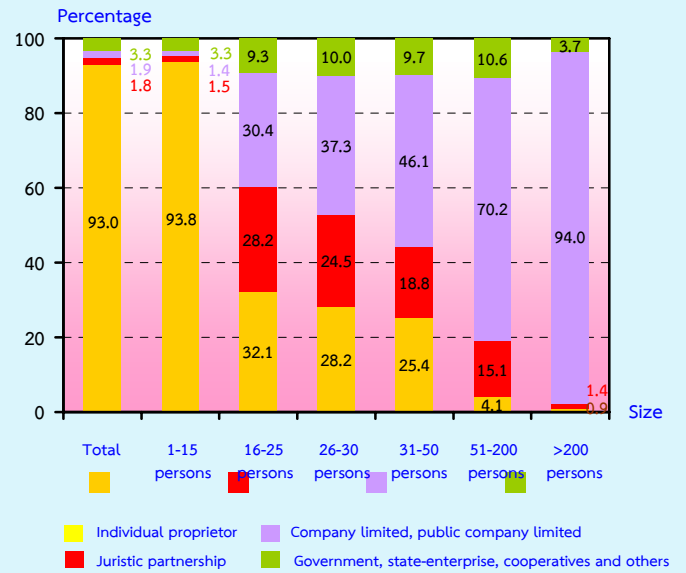


### 3. Form of legal organization

Most establishments (about 93.0 percent) were individual proprietor. The establishments as company limited or public company limited and juristic partnership had similar proportion, of about 1.9 and 1.8 percent respectively. Those, which were in the form of government, state-enterprise, cooperatives and others, had proportion of about 3.3 percent.

Considering by size of establishments, it was found a high proportion of the establishments with 1-15 persons engaged (about 93.8 percent) which was in the form of individual proprietor. It was also found a high proportion of about 94.0 percent of establishments with more than 200 persons engaged which was in the form of company or public company limited.

**Figure 2** Percentage of business establishments by form of legal organization and size of establishment

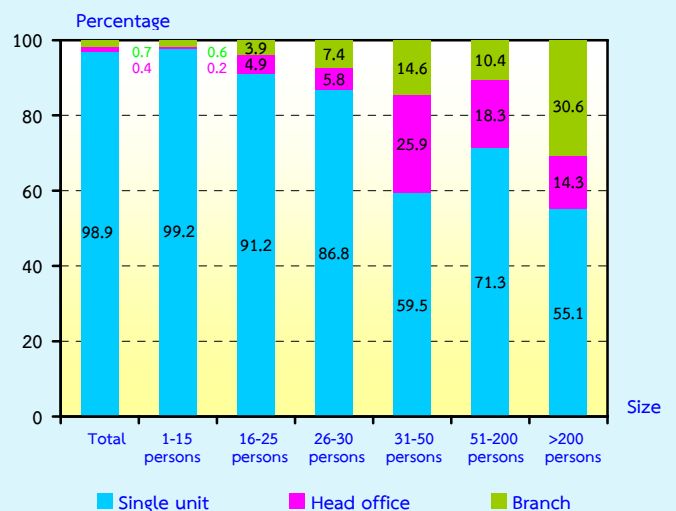


### 4. Form of economic organization

The majority of establishments in Southern region (98.9 percent) were in the form of single unit. About 0.7 percent was an office branch or subsidiary, and the rest of about 0.4 percent was a head office.

Considering the form of economic organization by size of establishment, it showed that there was a high proportion of single unit form in all sizes of establishment.

**Figure 3** Percentage of business establishments by form of economic organization and size of establishment

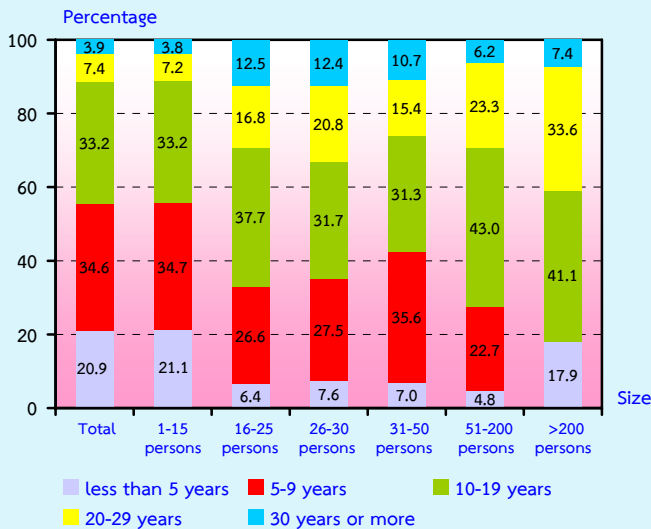


## 5. Period of operation

Most of the establishments (about 34.6 percent) have operated their business for 5-9 years. The establishments operated their business for 10-19 years were about 33.2 percent. Those with operation less than 5 years and 20-29 years were about 20.9 and 7.4 percent respectively. The establishments operated their business for 30 years or more had the lowest proportion, of about 3.9 percent.

Considering by size of establishments (by number of persons engaged), it was found that 57.0 percent of establishments in almost all sizes operated their business for 10 years or more. This was except for establishments with 1-15 persons of which 55.8 percent have operated their business less than 10 years.

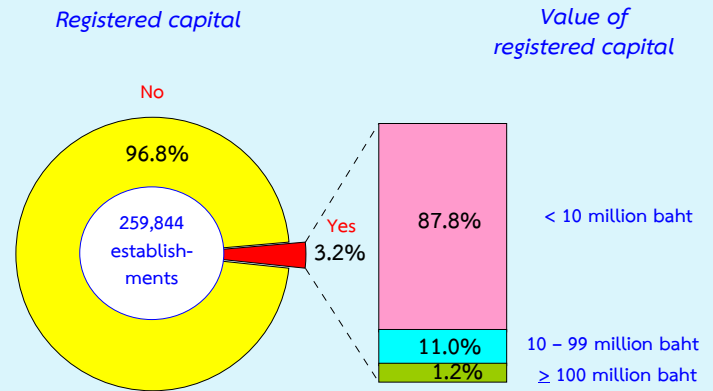
**Figure 4 Percentage of business establishments by period of operation and size of establishment**



## 6. Registered capital

The number of business establishments with registered capital amounted to 8,401 establishments or about 3.2 percent of the total. Most of them (about 87.8 percent) had less than 10 million baht of registered capital. Those with 10-99 million baht of registered capital were about 11.0 percent. The establishments with 100 million baht of registered capital and over were only 1.2 percent.

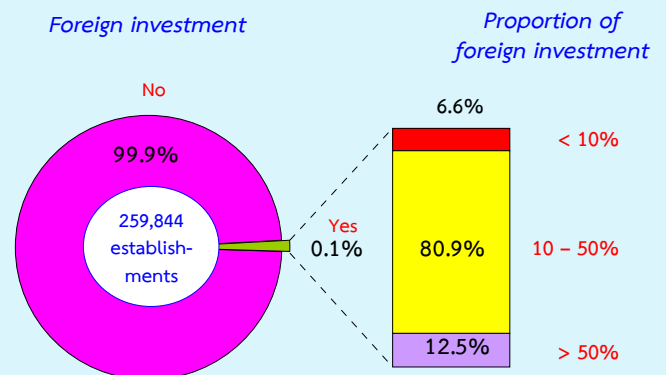
**Figure 5 Percentage of business establishments by registered capital**



## 7. Foreign investment or foreign share holding

The majority of business establishments in Southern region (99.9 percent) had no foreign investment or foreign share holding. For the establishments with foreign share holding (0.1 percent), about 80.9 percent was found for the establishments with foreign share of 10-50 percent, and 12.5 percent was found for the establishments with foreign share over 50 percent. The rest of 6.6 percent was found for establishments with foreign share less than 10 percent.

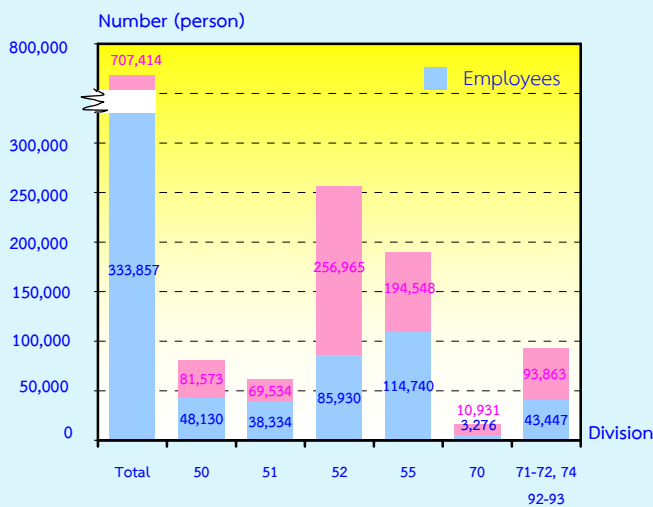
**Figure 6 Percentage of business establishments by foreign investment or foreign share holding**



## 8. Number of persons engaged and employees

In 2009, the number of persons engaged in the business establishments in Southern region amounted to 707,414 persons and the number of employees was accounted for 333,857 persons. Considering by division of business industry, it was found that most of employees engaged in *hotels and restaurants* about 114,740 persons or 34.4 percent. This was followed by those engaged in *retail trade (except of motor vehicles and motorcycles) and repair of personal and household goods* of about 85,930 persons or 25.7 percent. Employees engaged in *sale, maintenance and repair of motor vehicles and motorcycles*, accounted for 48,130 persons or 14.4 percent. While, the rest engaged in other business industries.

Figure 7 Number of persons engaged of business establishments by division of business industry



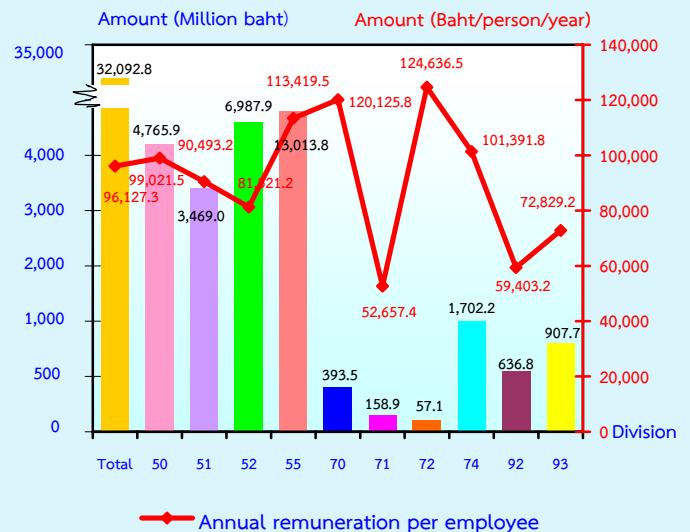
Persons engaged refers to owners or juristic partnerships, unpaid workers and employees

- Division 50 Sale, maintenance and repair of motor vehicles and motorcycles
- Division 51 Wholesale trade and commission trade, except of motor vehicles and motorcycles
- Division 52 Retail trade, (except of motor vehicles and motorcycles etc.)
- Division 55 Hotels and restaurants
- Division 70 Real estate activities
- Division 71 Renting of machinery and equipment
- Division 72 Computer and related activities
- Division 74 Other business activities
- Division 92 Recreational, cultural and sporting activities
- Division 93 Other service activities

## 9. Remuneration

Remuneration of all employees engaged in business establishments in Southern region was about 32.1 billion baht or about 96,127 baht per person per annum. Employees engaged in *computer and related activities* received the highest annual remuneration of about 124,637 baht. This was followed by those engaged in *real estate activities* received the annual remuneration of about 120,126 baht per person. Employees engaged in *hotels and restaurants* and those engaged in *other business activities* received 113,420 baht and 101,392 baht per person respectively. Employees engaged in *renting of machinery and equipment* received the lowest annual remuneration of about 52,657 baht per person.

Figure 8 Remuneration and annual remuneration per employee by division of business industry



- Division 50 Sale, maintenance and repair of motor vehicles and motorcycles
- Division 51 Wholesale trade and commission trade, except of motor vehicles and motorcycles
- Division 52 Retail trade, (except of motor vehicles and motorcycles etc.)
- Division 55 Hotels and restaurants
- Division 70 Real estate activities
- Division 71 Renting of machinery and equipment
- Division 72 Computer and related activities
- Division 74 Other business activities
- Division 92 Recreational, cultural and sporting activities
- Division 93 Other service activities

## 10. Receipts, expenditures and value added

In 2009, the value of receipts, expenditures and value added of business establishments in Southern region amounted to 549.5 billion baht, 400.2 billion baht and 149.2 billion baht respectively. The ratio of the value added to the receipts was about 27.2 percent. For the average value of receipts per establishment and per person engaged, there were about 2.1 million baht and 776,700 baht respectively. It was also found that the average value added per establishment and person engaged amounted to 574,300 baht and 210,900 baht respectively.

Considering by division of business industry, the result showed that receipts and value added were from *retail trade (except of motor vehicles and motorcycles), repair of personal and household goods* which had the highest proportion of about 192.3 billion baht and 47.3 billion baht respectively. This was followed by those engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel* which amounted to 130.1 billion baht and 24.8 billion baht respectively. Meanwhile, the establishments engaged in *computer and related activities* had the lowest amount of receipts and value added of about 436.6 million baht and 195.2 million baht respectively.

**Table 2 Receipts and value added of business establishments by division of business industry**

| Division of business industry  | Receipts             |                                      |                                       | Value added          |                                      |                                       | Value added per receipts (%) |
|--|----------------------|--------------------------------------|---------------------------------------|----------------------|--------------------------------------|---------------------------------------|------------------------------|
|  | Value (Million baht) | Per establishment (In Thousand baht) | Per person engaged (In Thousand baht) | Value (Million baht) | Per establishment (In Thousand baht) | Per person engaged (In Thousand baht) |                              |
| <b>Total</b>   | <b>549,475.4</b>     | <b>2,114.6</b>                       | <b>776.7</b>                          | <b>149,231.9</b>     | <b>574.3</b>                         | <b>210.9</b>                          | <b>27.2</b>                  |
| Sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel   | 130,089.6            | 4,741.4                              | 1,594.7                               | 24,843.3             | 905.5                                | 304.5                                 | 19.1                         |
| Wholesale trade and commission trade, except of motor vehicles and motorcycles                   | 117,995.2            | 7,551.2                              | 1,696.9                               | 19,987.2             | 1,279.1                              | 287.4                                 | 16.9                         |
| Retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods | 192,313.9            | 1,589.9                              | 748.4                                 | 47,344.8             | 391.4                                | 184.2                                 | 24.6                         |
| Hotels and restaurants   | 80,748.3             | 1,624.8                              | 415.1                                 | 40,540.5             | 815.7                                | 208.4                                 | 50.2                         |
| Real estate activities   | 4,570.6              | 789.5                                | 418.1                                 | 2,452.8              | 423.7                                | 224.4                                 | 53.7                         |
| Renting of machinery and equipment without operator and of personal and household goods          | 1,911.6              | 407.9                                | 183.3                                 | 1,145.7              | 244.5                                | 109.9                                 | 59.9                         |
| Computer and related activities  | 436.6                | 885.7                                | 401.0                                 | 195.2                | 395.9                                | 179.2                                 | 44.7                         |
| Other business activities  | 9,862.8              | 1,680.5                              | 393.8                                 | 6,372.1              | 1,085.7                              | 254.4                                 | 64.6                         |
| Recreational, cultural and sporting activities   | 5,174.6              | 1,305.4                              | 325.6                                 | 2,460.9              | 620.8                                | 154.8                                 | 47.6                         |
| Other service activities   | 6,372.2              | 251.6                                | 153.9                                 | 3,889.5              | 153.6                                | 93.9                                  | 61.0                         |

## 11. Conclusion and recommendations

The results of the 2010 Business Trade and Services survey showed that there were in total 259,844 business establishments in Southern region. Most of them (about 98.9 percent) were establishments with 1-15 persons. The major business was *retail trade (except of motor vehicles and motorcycles), repair of personal and household goods*, accounting for 46.6 percent. Persons working in business establishments amounted to 707,414 persons in total. Out of this, 333,857 persons were employees receiving the average annual remuneration about 96,127 baht per person. Moreover, the establishments contributed value of receipts, expenditures and value added of about 549.5 billion baht, 400.2 billion baht and 149.2 billion baht respectively.

- **Problems and obstacles of establishments**

About 19.9 percent of business establishments reported their problems and obstacles. The main issues were the increasing of business competitors, the lower of purchasing power and the lack of efficient personnel.

- **Aid needed from the government**

About 17.5 percent of business establishments expressed their opinion on aid needed from the government. The main issues were the need for a low loan interest rate, an improvement of technology and infrastructure, tax reduction scheme, and price control scheme.