

Information Acquisition, Entrepreneurial Performance and the Evolution of Modern Thai Retailing

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This research examines entrepreneurial behavior in the Thai retailing sector. The historic evolution of Thai retailing, major forces in the retailing industry, and the current retail environment are discussed. The traditional retail environment is contrasted with that facing contemporary retail entrepreneurs by examining the information acquisition behavior of a sample of Thai retail entrepreneurs. A model of modern retailing information acquisition is developed, which breaks down the three distinct phases involved in becoming a successful retail-entrepreneur in Thailand. Individuals progress from planning a business, to starting a business, to improving their business, and becoming successful retail-entrepreneurs. Empirical tests focused on the patterns of information acquisition and links to firm performance.

The results show that modern Thai retail-entrepreneurs are heavily engaged in information acquisition, but that their patterns of information acquisition differ widely. Despite this variety, successful Thai retail entrepreneurs place a high value on a broad range of information acquisition activities. This suggests that retail entrepreneurs in emerging Asian economies must develop information acquisition and processing skills to successfully compete in the modern retail sector.

Introduction

Despite the growth in the number of large financial and manufacturing firms, retailing is still the most common way for Thais to become entrepreneurs (e.g., Wigglesworth & Brotan 1966). This sector accounts for the country's largest proportion of entrepreneurs. However, retailing has usually been examined from an advertising (Day & Stafford 1997) or consumer behavior perspective (Cadotte, Woodruff & Jenkins 1987). Less attention has been directed towards its historic evolution and the changing factors that affect entrepreneurial entry and performance. These changes are quite important to the ways entrepreneurs function.

Economic growth in Thailand has had a dramatic impact on retailing. Larger firms are beginning to dominate and this is having an impact on the operations of smaller firms with traditional retail locations. Provincial capitals such as Chon Buri, Khon Kaen, and Nakhon Ratchasima now have retail malls, and many of the stores in these medium-sized cities are beginning to take on modern retail facades. The popular press has focused a great deal of attention on these changes (Kritchanaat & Lertsathittrakul 1996; Rungfapaisarn 1996a), but less attention has been focused on how this large base of retail-entrepreneurs functions, and how they came to function in this manner. It is important to examine the retail-entrepreneurs' response to these

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