

CHAPTER 3

1. Methodology

This chapter explains about the method being used in this study so that the results carried out would be efficiently and effectively. Cameron (2009) explained that justification and show case of proper techniques in order to make research work proper and achievable similarly this chapter explains also the method being used in this research paper and explains the reason for choosing that method along with the source of collecting data and information which support the selective method. Furthermore, this chapter analyses the data in order to provide the results achieved through this research work.

1.1. Type of Research Methodology

In research methodology, it has got various methods and ways to collect or gather data along with analysing and interpreting and so in this case the research data collected or gathered followed by analysing and interpreting on the basis of qualitative research (Mack; Woodsong, 2005). This paper includes previous articles, survey reports, and annual publications in the form of secondary sources of collecting data. The main purpose of this research study is to probe trade relation between Thailand and USA from the period of 2010 to 2017.

The primary purpose of this research work as stated above is to find out trade relation between Thailand and USA from the period starting from 2010 to the period ending 2017 through analysing certain macroeconomic indicators which are mention as below:

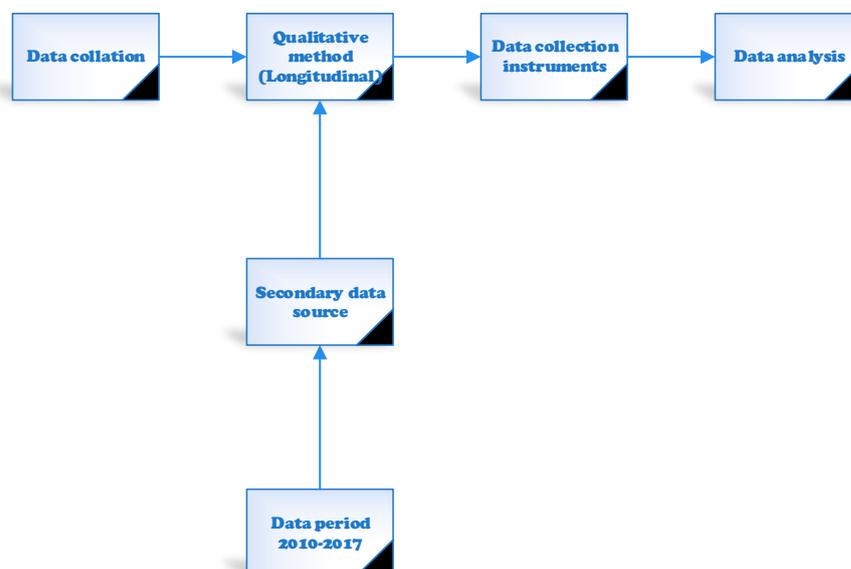
- Export –import

- Interest rates
- Manufacturing production index
- International reserves

The above macroeconomic will analysed and examined in order to provide the trade relationship between USA and Thailand accompanied with valence theory of Vroom's expectancy theory in order to find the valence of Thai baht and US dollar during the period of 2010 to 2017. The reason to find out the valence is to check the attractiveness and averseness of Thai baht and US dollar during the period of 2010 to 2017.

1.2. Research Design

Yin (2009) explained that in order to reach one point, it needs a logical plan and that plan connects it in order to reach that point. The bridge between the points fulfilled through set of questions that need to be answered, can be explained as the conclusion achieved from the set of questions. Harwell, (2011) explained that research design is very important for any research work to be in proper framework and on the basis of standard which is ideal for research work to be justified and credible.



The researcher used the longitudinal study as it aimed to find out the cause and effect of trade relation between USA and Thailand using four macro-economic indicators as stated above as with the help of longitudinal research researcher used the previous trade related activities between USA and Thailand from the period 2010 to 2017 and used them to analyse the effects of the trade happened between both countries. Finally, this method provides the suggestions on the basis of cause and effect relationship.

1.3. Data collection

As stated earlier, this research study is entirely longitudinal study so the data collection in this research paper is from secondary source which was gathered different sources such as:

- Internet,
- Past reports of US trade of goods with Thailand,
- Journals,
- Bank of Thailand,
- World Bank,
- Trading economics website
- Case studies.

In this study, the data were gathered from secondary sources as mentioned above to present the trade relation between Thailand and USA from 2010 to 2017 and it includes the data from internal sources such as World Bank and Bank of Thailand websites and from the external sources as well such as journals, past reports case studies on the basis of the topic.

1.4. Data collection instruments

This research paper explains and provides large amount of information and concept of foreign exchange and trade relation scenarios

from Internet sources. The data collected in order to analyse the export and import practices from “US trade goods with Thailand yearly report” from 2010-2017 and interest rates trends, manufacturing production index information gathered from trading economics followed by international reserves data collected from world bank. The numeric figures provide more concrete and solid information about the subject of this topic. Secondly, the valence model from expectant theory is also supporting this research work by explain the impact of macro-economic indicators towards the currencies sensitivity. Lastly, the analysis of case studies and related research will add more realistic examples to elaborate this research work.

1.5. Research approach

This study includes inductive approach strategy which facilitates the conclusion can be achieved from the observation of data, results or theories (Ghauri & Grønhaug, 2005). The observation in this paper achieved through detail study of literature review which included export and import trade practices between Thailand and USA, and change in the interest rates such as (interbank overnight interest rates and US fed interest rates) followed by manufacturing production index of Thailand and USA and international reserve analysis. This study also presents the numeric figure analysis apart from the valence model analysis of Vroom’s expectancy model (Trochim, 2006).