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MARKETING STRATEGIES AND DERIVATIVE MARKET FOR RISK MANAGEMENT INSTRUMENTS IN THAILAND

Abstract:

Locally, risk management instruments including derivatives and financial products have been associated with high-profile corporates. However, for Small and Medium Enterprises (SMEs), those instruments are still beyond their reach due to many sensible business reasons. In order to get out of middle income trap, Thai market need to be fully developed and the level of financial inclusion in terms of risk management should be increased considerably and rapidly nationwide, The paper will discuss current financial institutions' marketing strategy, products and services in derivative and risk management particularly in Thailand. Statistically, Thailand witnessed a significant growth during the past decade. The paper will also put forward several possible ways forward to enhance customer based and boost inclusion. Briefly, the products are basic and simple, mainly being plain vanilla and there are four types of strategies in derivative market provided by financial institutions, namely Sale and Distribution, Market Maker, Proprietary Trading and Structuring.

Keywords:

Derivative Market, Marketing Strategy, Risk Management Instrument Thailand