

## Daily Thai News Updates: 27 January 2017

### **1. Govt sets Bt 100 bn boost for farmers, start-ups and SMEs**

**Source: The Nation ([Link](#))**

Thailand will this year proceed with a policy to support the development of farmers, start-ups and small and medium-sized enterprises as they serviced 90 per cent of the country's population. This group will be a key economic driver for Kingdom's growth, according to Deputy Prime Minister Somkid Jatusripitak. He spoke after chairing the opening ceremony of the New Economy Academy (NEA), the government's first ever institute to train and provide knowledge for the private sector. Somkid said that the government would focus on training smart farmers, start-up enterprises, and SMEs as they were an important group to support the country's growth over the next four years. Under the plan to help farmers, start-ups and SMEs, the government will allocate Bt100 billion to 18 groups for provincial development to increase their competitiveness, Somkid said. He said the NEA would then provide training courses for enterprises as the government wanted to promote strong business growth. Primarily, the institute would cooperate with educational institutes and universities to provide training programmes for enterprises to help them compete in the digital economy era.

### **2. Business urged to help bolster smart city development**

**Source: Bangkok Post ([Link](#))**

The government is urging businesses in major provinces to form city development companies to manage assets and embrace innovation, paving the way to become smart cities in the future. The government is urging businesses in major provinces to form city development companies to manage assets and embrace innovation, paving the way to become smart cities in the future. They are Phuket City Development, Chiang Mai City Development and Khin Kaen City Development. Digital Economy and Society Minister, Pichet Durongkaveroj, said the city development company model is promising as a way to ensure long-term funding sources for smart city development and effective operations and management. The development of smart cities has been identified as a key point for the government's digital economy. The state has been developing smart cities through

the Digital Economy Promotion Agency (Depa), formerly known as the Software Industry Promotion Agency.

### **3. Digital marketing to flourish: Facebook**

**Source: Bangkok Post ([Link](#))**

Digital marketing opportunities in Thailand can expect to reach US\$41 billion over the next few years, given the gap between digital communication consumption and spending. "Despite Thai consumers spending almost half of their waking hours using their mobiles and other communications devices, the digital ad budget still accounts for a low proportion of total ad spending," said John Wagner, managing director of Facebook Thailand, the local operating unit of Facebook Inc. Mr Wagner said Thailand's digital ad industry has yet to reach a tipping point, as marketers lack crucial digital skills to synchronise marketing and products. Digital ad spending in Thailand accounts for only 1% of the total, while Thais spend 48% of their time online. "This represents a huge gap between consumption and spending," said Mr Wagner, who took the top post at Facebook Thailand last September. "But this also provides vast opportunities to the local ad industry." Global professional service firm PwC says Thailand's internet advertising has the second-highest growth in Asean countries, with a compound annual growth rate of 22.5% during 2016-2020 and will reach \$89 million by 2020.

### **4. Lunar New Year influx continues apace**

**Source: Bangkok Post ([Link](#))**

Passenger traffic through Thailand's major airports during the coming Lunar New Year period is expected to rise in line with the growth rate in recent years. A daily average of 387,000 travellers will pass through the airports between Jan 27 and Feb 5, compared with 368,400 during last year's festival (Feb 4-10, 2016). Based on notifications from airlines, Airports of Thailand Plc (AoT) estimates that 3.87 million people will pass through its airports during the 10-day period, compared with 2.57 million during the previous festival. By comparison, AoT accounted last year's Lunar New Year holiday as a seven-day period. Analysts said the surge in Chinese tourists to Thailand in the period is the main driver of passenger traffic growth through major Thai airports such as Suvarnabhumi, Don Mueang and Phuket during the Lunar New Year.

**5. Thai e-commerce sector expected to expand by 20 percent this year**

Source: The Nation ([Link](#))

The e-commerce market in Thailand this year is expected to growth up to 20 per cent. The bullish forecast came as it was revealed the Southeast Asia e-commerce market in 2015 was worth US\$900 million (Bt31.7 billion) and is forecast to grow up to 16 times that figure – about \$11 billion – by 2025. Worawoot Ounjai, chief executive of Central Online, said that the e-commerce market in Thailand would grow more than 15 per cent this year because more consumers would shop online. He said only about 3 per cent of Thai consumers currently shopped online, so there was obviously massive growth potential for the market. While the e-commerce ecosystem, such as online payment transaction fees, Internet broadband and logistic, were changing dynamically, he said. He added that the use of e-wallets via mobiles and the convenience of online payments would drive more consumers to shop online.

**By Rajnee Narula**



