

## Daily Thai News Updates: 3 February 2017

### **1. Economist: Digital workforce essential for progress**

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

Thailand needs to urgently build a digital workforce to cope with the transformation of existing businesses and industries, say IT experts. A report from the Economist Intelligence Unit (EIU) revealed Thailand ranks in the bottom half of the Asian Digital Transformation Index -- eighth place out of 11 countries, behind the region's more technologically-developed countries but still ahead of India, the Philippines and Indonesia. The top three countries in the index are Singapore, South Korea and Japan. The country was ranked eighth as multiple weaknesses weigh the country down in all three pillars of the index -- digital infrastructure, human capital and industry connectivity. The EIU found Thailand improved its digital infrastructure connectivity in recent years, particularly with affordable broadband and 4G, similar to infrastructure in other countries in Southeast Asia.

### **2. Consumers more confident in economy but still cautious**

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

On the back of the Kingdom's recovering export growth and a more positive outlook for the country's export sector, consumer confidence increased for a second consecutive month in January, according to a survey by the University of the Thai Chamber of Commerce. Yet despite higher confidence, consumers are still spending cautiously because they are worried about the economy, the survey found. It also found that people are still worried about flooding in the South, uncertainty about the global economy, US President Donald Trump's policies and higher oil prices. The Consumer Confidence Index (CCI) increased slightly from 73.7 points in December to 74.5 in January. A level below 100 reflects weak consumer sentiment. "Actually, higher confidence should be good news for the retail industry, as consumers believe it is a good time to spend money. However, people seemed to have hesitated to spend money on new cars, new houses or travel, or to start an investment, as they are quite worried about their future incomes," said Thanavath Phonvichai, director of the UTCC's Economic and Business Forecasting Centre.

### **3. McThai sets billion-baht budget for 20-25 restaurants this year**

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

McThai plans to invest Bt1 billion to Bt1.1 billion to open 20-25 McDonald's fast-food restaurants and upgrade information-technology infrastructure this year. McThai sets billion-baht budget for 20-25 restaurants this year. The first McDonald's restaurant of 2017 was opened on Tuesday at the 1st Avenue Zhulian community mall in Bang Bua Thong. Two new stores will be opened this month. Hester Chew, executive chairman and chief executive officer of McThai, said the new outlets would be in Greater Bangkok and major cities upcountry. "Half of them will be drive-through stores," he said yesterday. McThai completed the migration to a new point-of-sales system in December and is installing full configurations of it in all flagship restaurants, including dual-point service and self-ordering kiosks. The system is expected to improve productivity, customer service, transactions processing and data analysis. The company will also upgrade back-office applications in all restaurants nationwide and employ SAP for accounting and MS Office 365 for better IT collaboration at the Restaurant Support Centre, or head office.

### **4. Airlines plan promotion after new jet fuel tax drives up fares**

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

Airlines are preparing more marketing campaigns and promotions to maintain ticket volumes after the implementation of a new jet-fuel tax is set to drive up air fares. Major carriers doubt that the higher tax on jet fuel will affect their business in the long term, but competition is expected to be even tougher, especially for budget airlines operating domestically. "It is expected to halt [affect ticket] bookings for a short period, but the impact is not clear yet. It may take two weeks to see the real impact. "But higher costs will force airlines into more competition, which will focus more on fares," Tassapon Bijleveld, chief executive officer of Thai AirAsia, said yesterday. He added that Thai AirAsia might double the frequency of promotions or packages to twice per week soon. "We will monitor the situation every quarter," he said.

**5. Nestle banks on new sponsor FC Barcelona**

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

Nestle Thai Ltd expects sales of Milo products in Thailand to grow at twice the rate of the country's GDP over the next four years after securing the sponsorship of FC Barcelona. Nestle Thai Ltd expects sales of Milo products in Thailand to grow at twice the rate of the country's GDP over the next four years after securing the sponsorship of FC Barcelona. The partnership between one of the world's biggest food makers and a leading football club in Spain was announced recently. It marks the first time Nestle's Milo has teamed up with a major football club. Chaiyong Sakulborrirug, business director for dairy and adult nutrition at Nestle Thai, said the company believes that through sport, children can gain the necessary tools to lead an active lifestyle. The partnership with FC Barcelona aims to make a difference for millions of kids in Thailand and around the world.