

The background of the slide is a composite image. The left side shows a clear, vibrant view of a city skyline with many skyscrapers, including the Taipei 101. The right side is a faded, blue-tinted version of the same city and surrounding mountains. The title text is overlaid on the right side.

# **Perspective on Thailand Digital Ecosystem**

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# Dr. Kid Parchariyanon

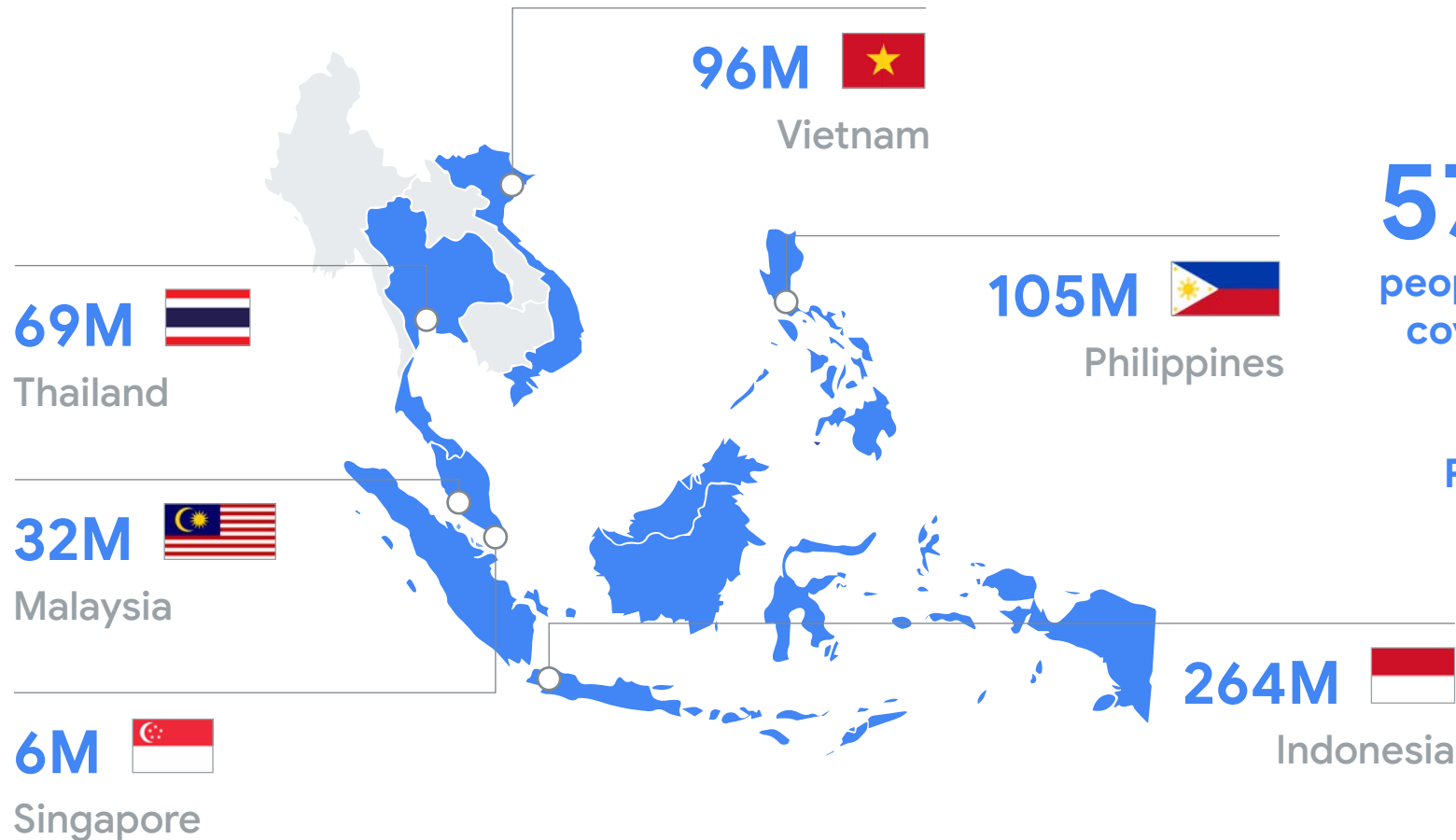


A serial entrepreneur who, at the age of 19, developed and sold the first mobile stock trading application for the Stock Exchange of Thailand in 2005.

Dr. Kid is now a CEO and Co-founder of RISE, a leading Corporate Innovation Powerhouse headquartered in Bangkok working with 400+ corporates across the region with the bold mission to lift up 1 percent of GDP for Southeast Asia. With a creative and entrepreneurial mind, he's one of the most well-known tech ecosystem builders in Thailand and Southeast Asia.

He was also the former President of Digital Advertising Association Thailand, Stanford Graduate School of Business Alumni and Fellow of Professional Associations in the US and Asia

# e-Conomy SEA covers 6 countries in Southeast Asia



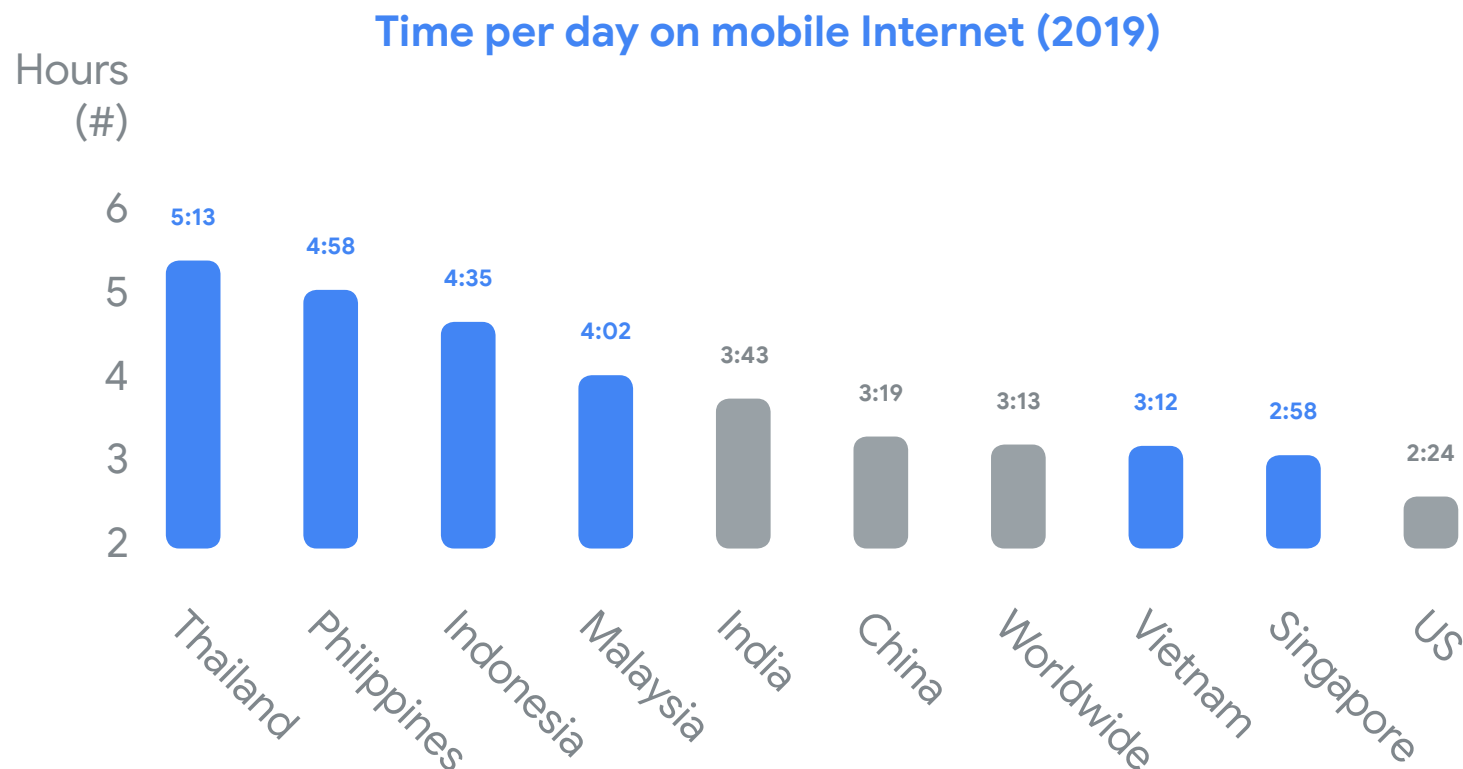
**570 million**

people across the 6 countries  
covered by e-Conomy SEA

Indonesia, Malaysia,  
Philippines, Singapore,  
Thailand, Vietnam

Source: World Bank

# The most engaged mobile Internet region in the world



4 Southeast Asian countries rank in the Top 10 globally by mobile Internet usage (Indonesia, Malaysia, Philippines, Thailand)

Source: Hootsuite "Digital in 2019"



# 5 sectors of the Internet economy covered

## Financial Services included amidst increasing adoption

### e-Commerce



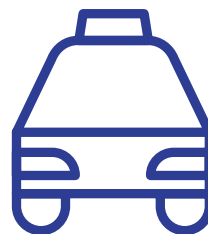
Marketplaces  
(SMB2C)  
Malls (B2C)  
“Brand.Com”

### Media



Advertising  
Gaming  
Video on Demand  
Music on Demand

### Ride Hailing



Transport  
Food Delivery

### Travel



Flights  
Hotels  
Vacation Rentals

### Financial Services

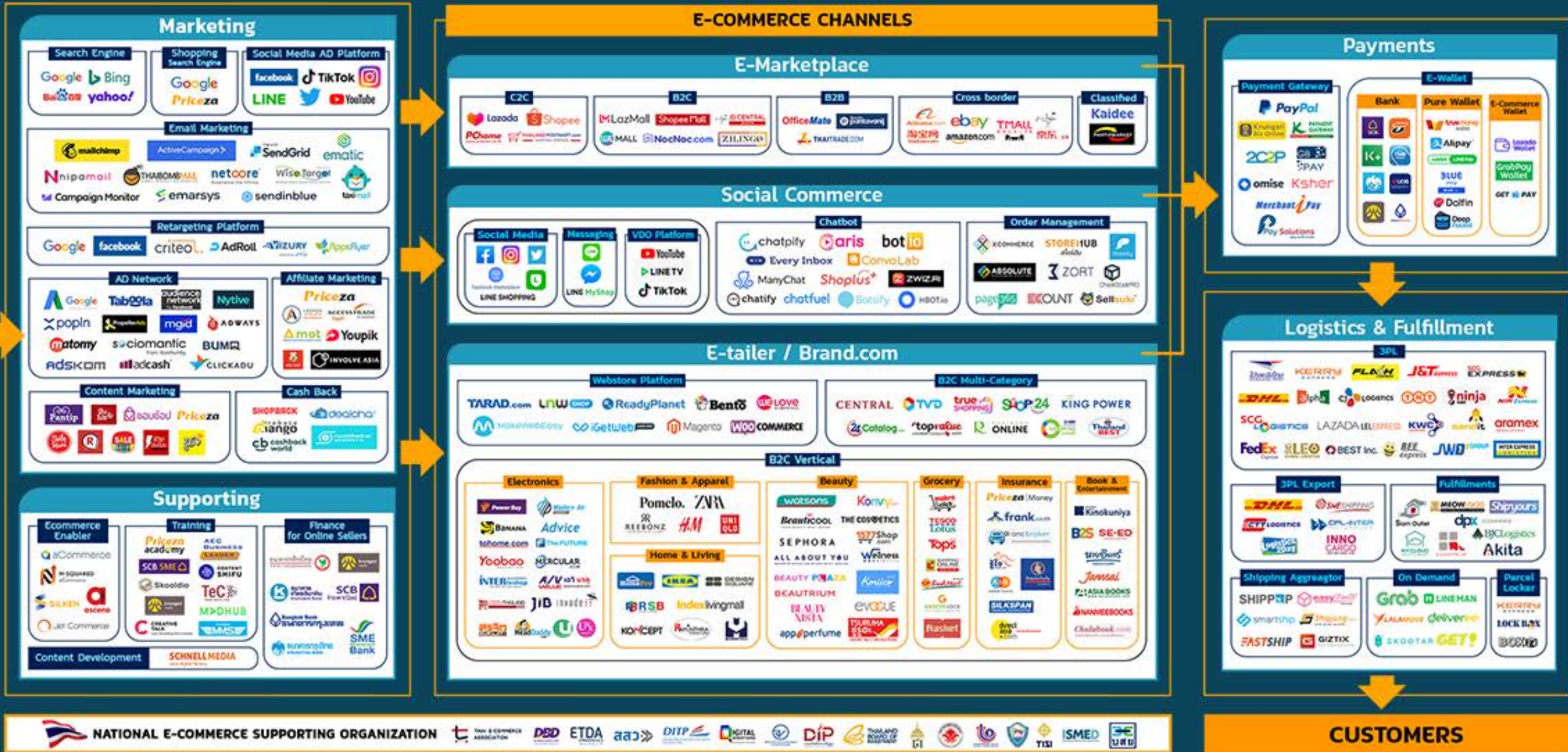


Payments  
Remittance  
Lending  
Investing  
Insurance

# E-COMMERCE

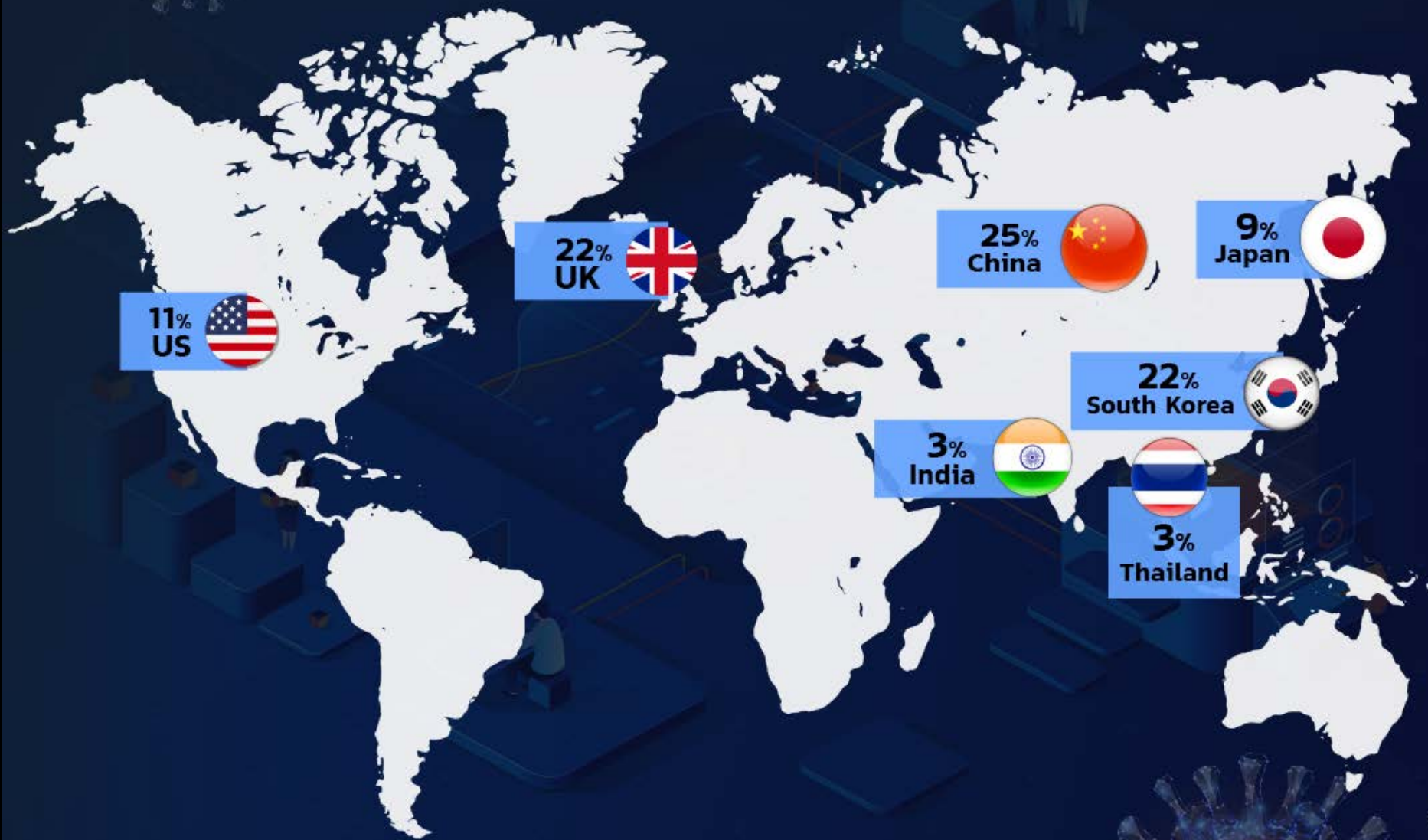
# THAI E-COMMERCE LANDSCAPE

BRANDS





# E-COMMERCE RATIO TO RETAIL



Source :iResearch and MOFCOM for China; eMarketer; McKinsey China Digital Consumer Trends 2019



# 2019 VS 2020, 35% YOY GROWTH

US\$5.2B

ปี 2019  
**163,300**  
ล้านบาท

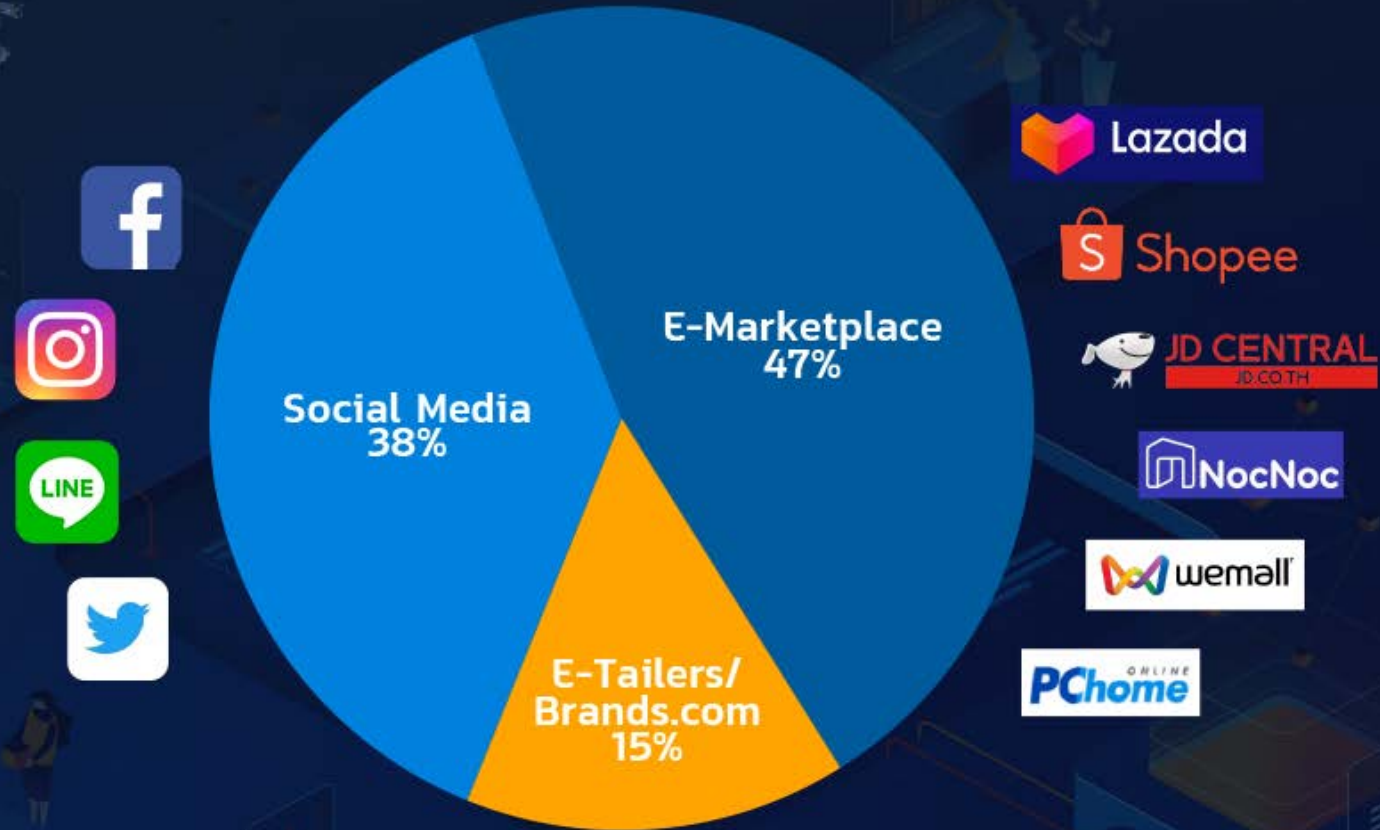
เติบโต YoY  
**35%**

ปี 2020  
**220,000**  
ล้านบาท

US\$7.1B

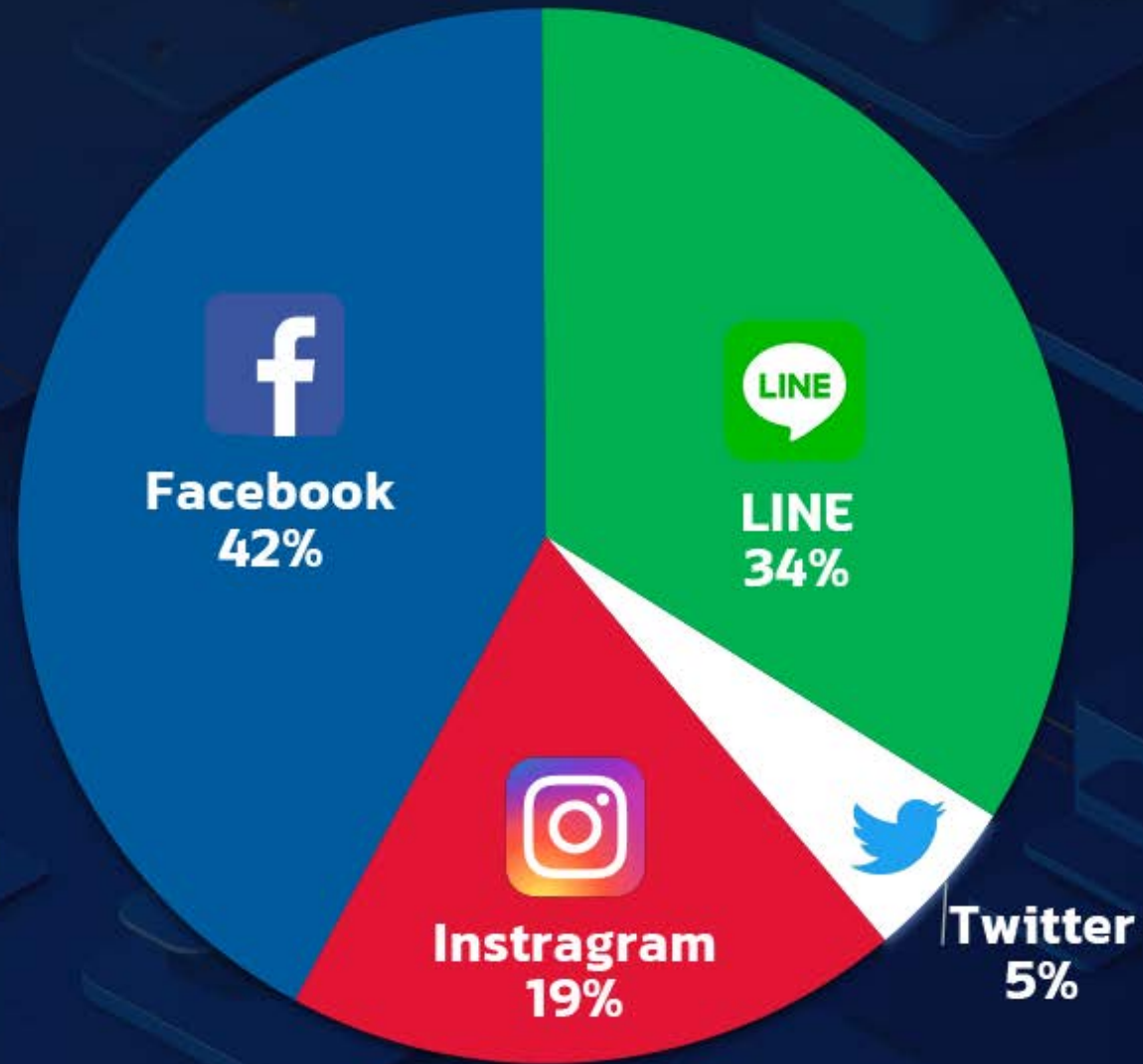
ที่มา: Priceza Thailand Shopping Data, e-Economy SEA 2019 by Google Temasek Bain & Company, Statista (Forecast adjusted for expected impact of Covid-19), May 2020

# ECOMMERCE MARKET SHARE



Source : Priceza วิเคราะห์จากข้อมูล ETDA: Thailand Internet User Behavior 2019

# SOCIAL COMMERCE MARKET SHARE



Source : Priceza วิเคราะห์จากข้อมูล ETDA: Thailand Internet User Behavior 2019



# E-MARKETPLACE SHARE



Source : Priceza วิเคราะห์จากข้อมูล ETDA: Thailand Internet User Behavior 2019

# IMPLICATIONS

- E-Commerce Market continues to grow **35% YOY** fueled by the crisis during Q1-Q2, 2020
- **E-Market Place** has the highest market share, grew from 35% in 2018 to 47% in 2019, yet still not profitable
- The data is aligned with the projection from Google/Temasek that E-Commerce is **the largest and fastest growing sector** compare to Digital Media, Ride Hailing, Travel and Finance

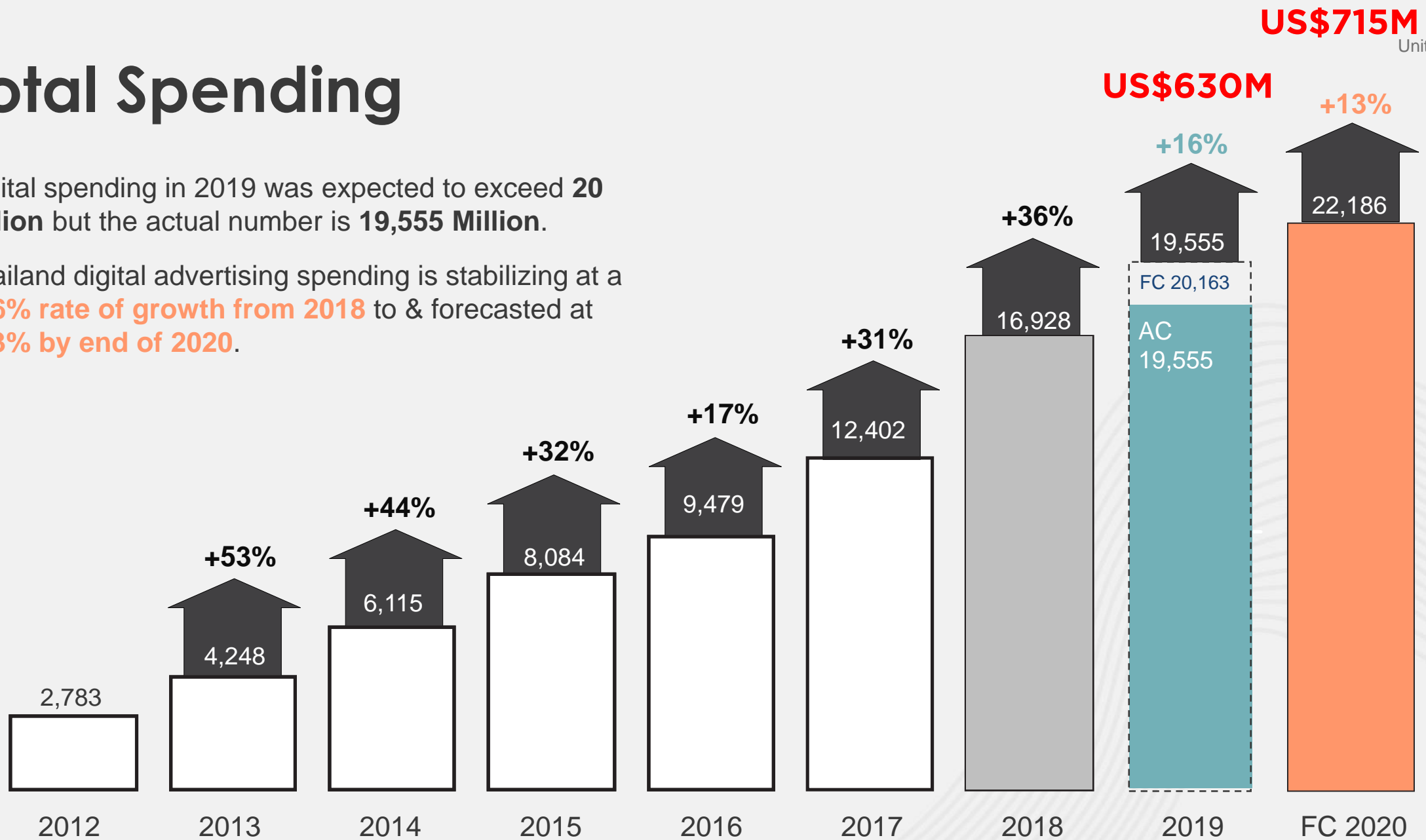
# DIGITAL MEDIA



# Total Spending

Digital spending in 2019 was expected to exceed **20 Billion** but the actual number is **19,555 Million**.

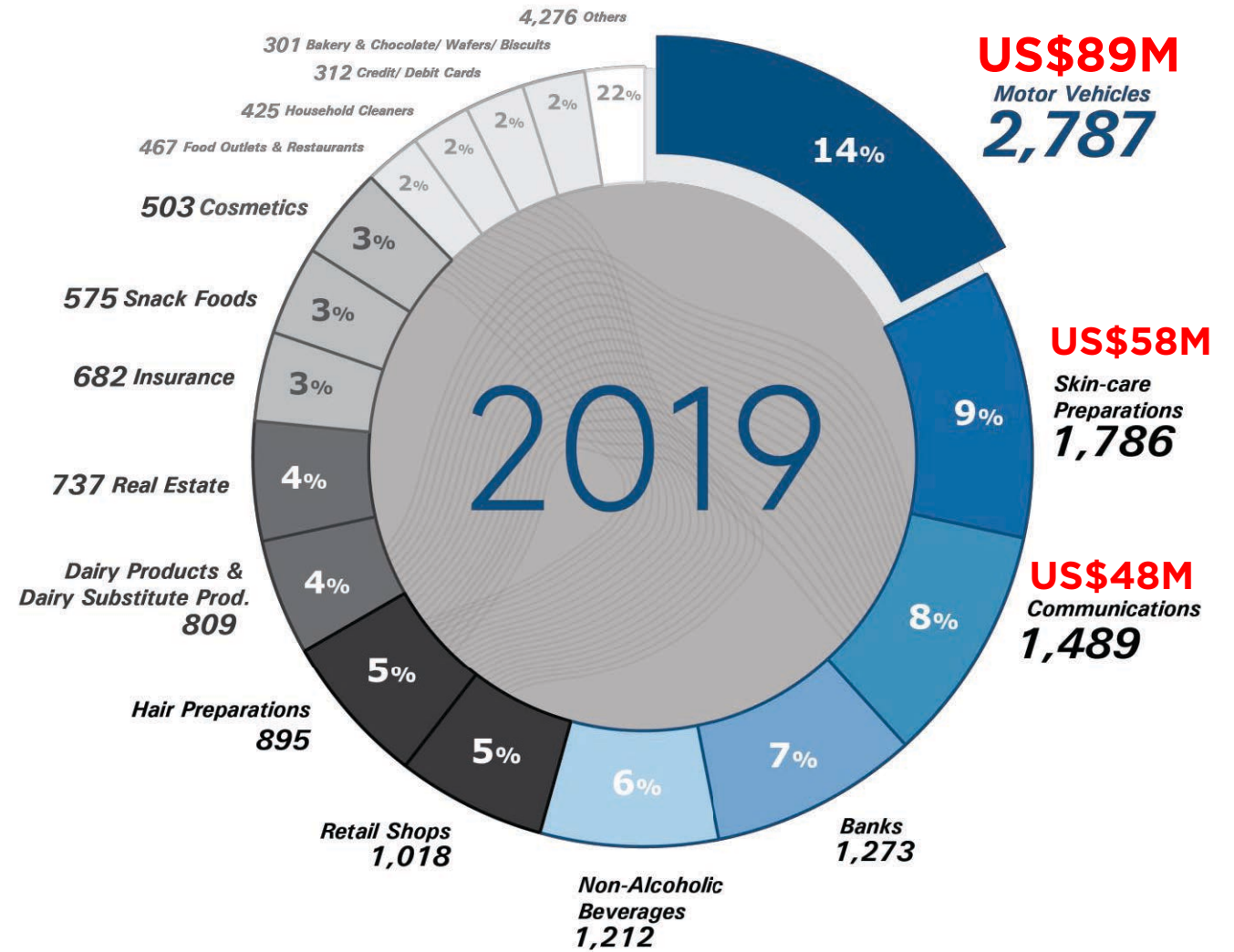
Thailand digital advertising spending is stabilizing at a **+16% rate of growth from 2018** to & forecasted at **+13% by end of 2020**.



# 2019 Top Industry Spending





















The top 3 biggest Industry spenders are **Motor Vehicles**, **Skin-care Preparations** and **Communications**.

Unit in Million Baht



# The 5 Highest Spenders

**Motor Vehicles** has remains the highest spender from 2018. From previous year, the absolute spending of the category has increased by **+300** Million THB annually. **Skin-care Preparations** beats other categories to be the second highest spenders two years in a roll.

2017	2018	2019	FC 2020
Motor Vehicles  1,289	Motor Vehicles  2,361	Motor Vehicles  2,787	Motor Vehicles  3,031
Communications  1,195	Communications  1,925	Skin-care Preparations  1,786	Skin-care Preparations  2,028
Banks  847	Skin-care Preparations  1,454	Communications  1,489	Communications  1,959
Skin-care Preparations  723	Non Alcoholic Beverages  1,148	Non Alcoholic Beverages  1,273	Banks  1,398
Non Alcoholic Beverages  644	Banks  1,080	Banks  1,212	Non Alcoholic Beverages  1,335

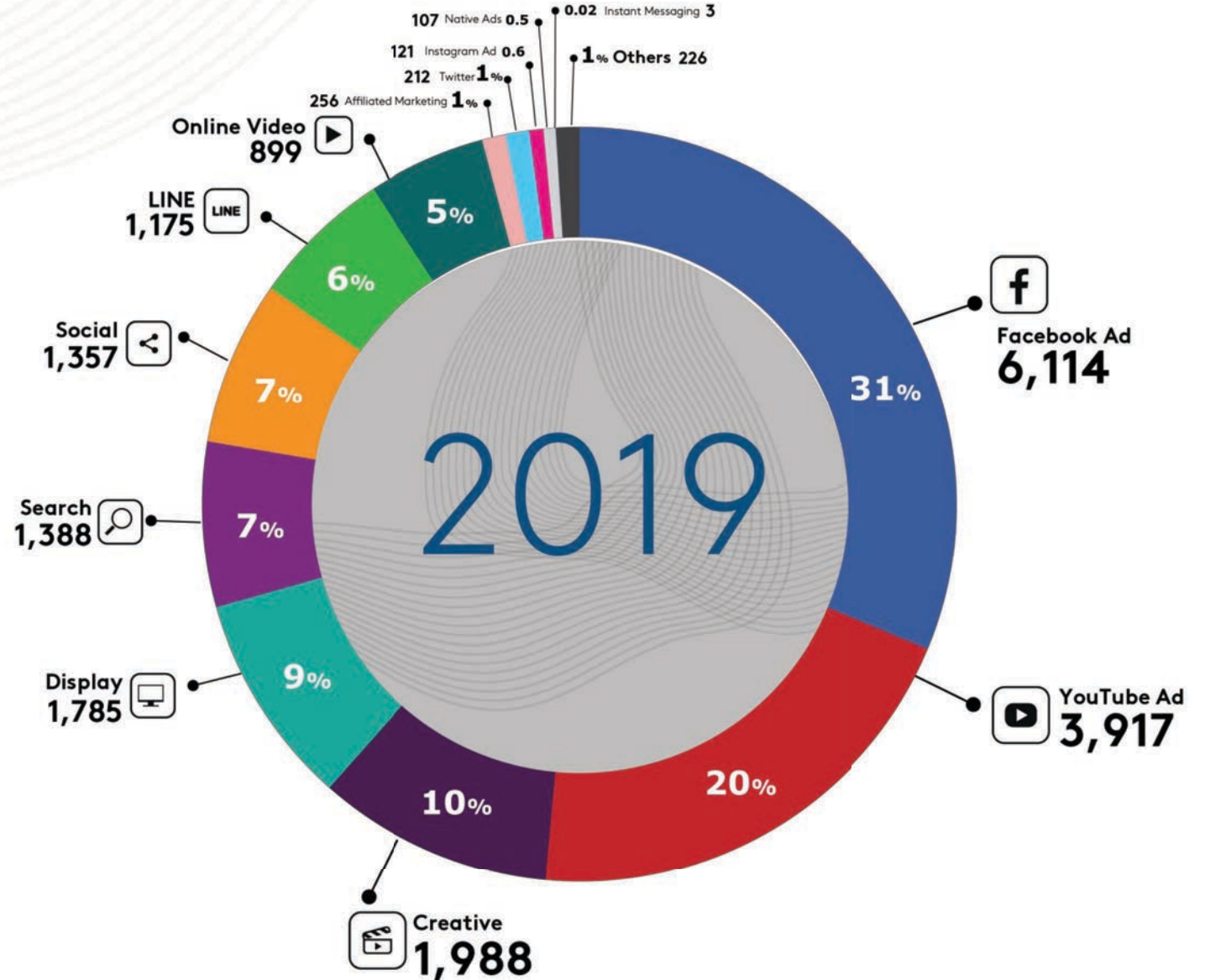


# 2019 Discipline Spending

Of all the disciplines, **Facebook** receives the highest spending, followed by **YouTube**, **Creative**, & **Display**

Top five ranking remains the same

**Social** grows in rank from #7 → #6 while **LINE** declined in rank from #6 → #7



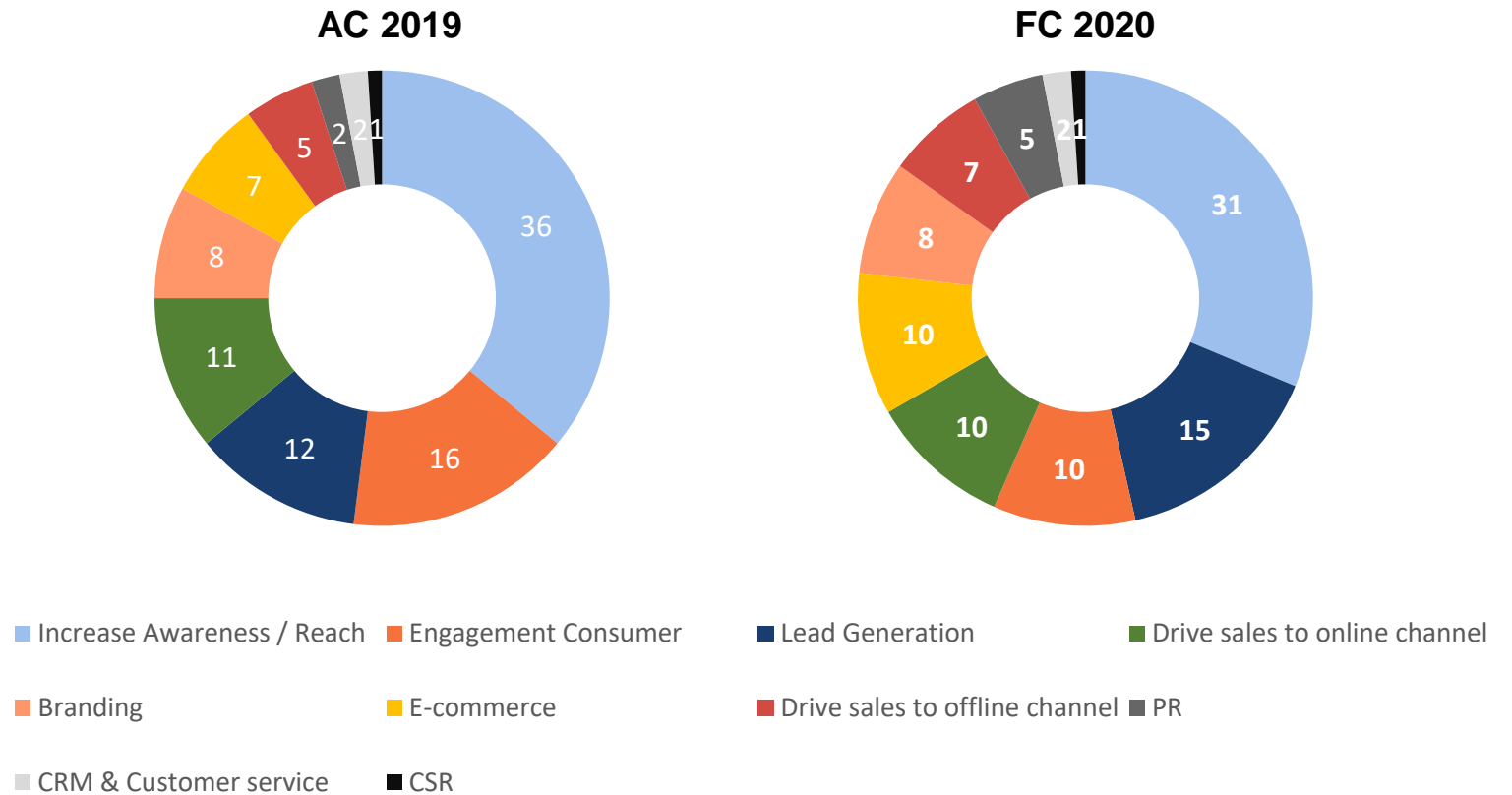
# Digital Advertising Objectives

**Awareness** continues to be the objective of highest priority, being the first rank in 2019 and 2020.

While **Engagement** and **Lead Generation** are ranked at #2 and #3 in 2019, **Lead Generation** is predicted to take #2 in 2020.

What proportions of the budget are applied to each purpose?

Fig in %



# IMPLICATIONS

- Thailand's digital advertising spend was forecasted to grow to **US\$650M at a growth of +19%** by the end of 2019 but the actual number revealed the spending increased to US\$630M at a growth rate of +16%
- **Facebook, and Youtube** dominate the proportion of digital advertising spending with a slower growth rate
- Advertisers expect to see the largest growth in digital spending from **Instagram, Twitter, and Instant Messaging** by the end of 2020 as it helps convert sales



# STARTUPS

# RISE IS CORPORATE INNOVATION POWERHOUSE



## GLOBAL ACCELERATOR PROGRAM

RISE works with corporates and governments in SE Asia to create collaborative innovation platform where corporates generate tangible results through adoption of new technology from startups in win-win partnerships



## CORPORATE INNOVATION UNIVERSITY

RISE helps organizations design, build, and launch innovation by building internal capabilities through a full range of proven intrapreneurship programs to ensure our clients' innovation capabilities are growing through out 5 business spin-offs



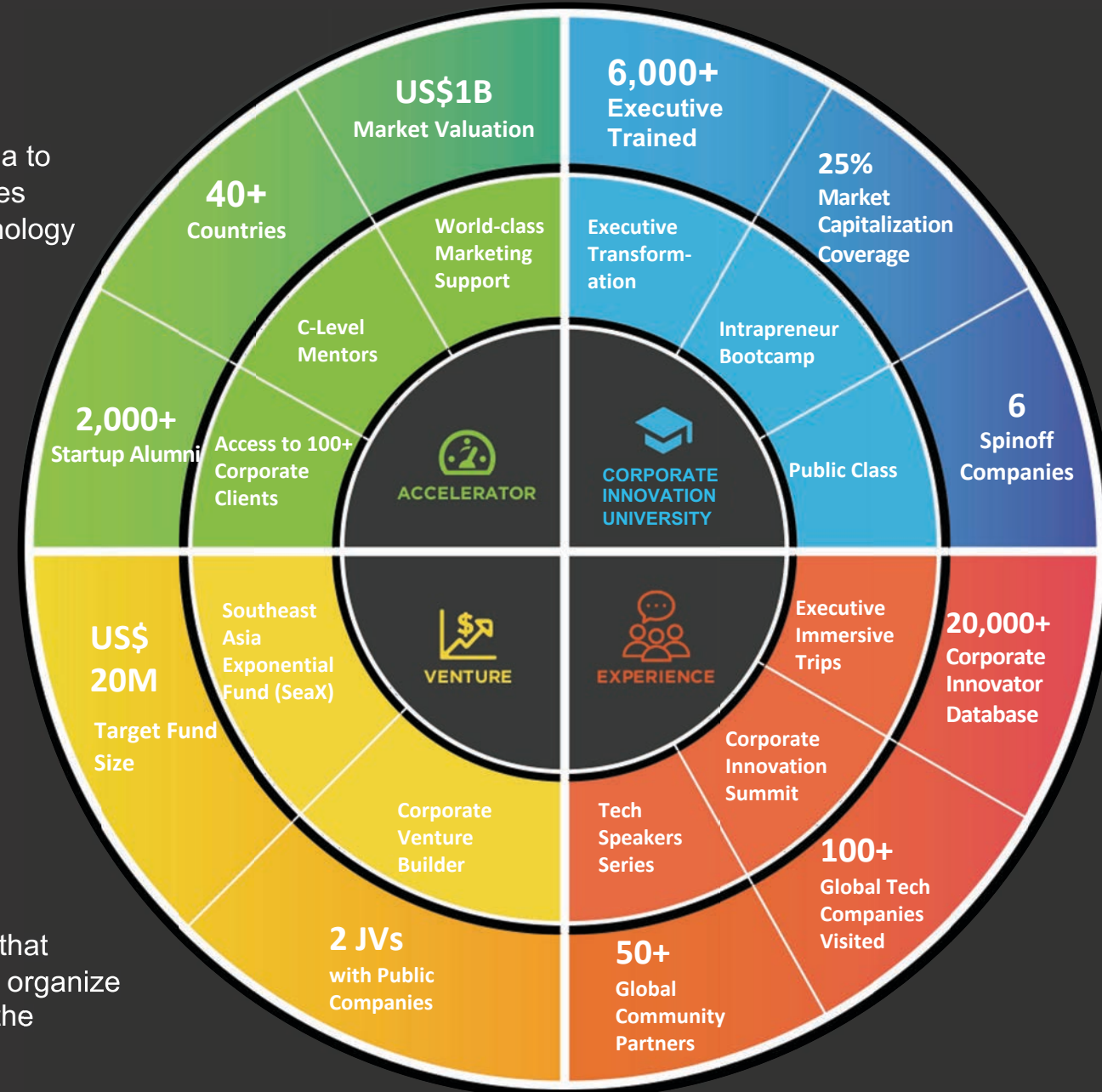
## VENTURE

RISE's one-stop venture building services aiming to assist your organization co-creating new ventures or co-investing in the desired tech startups that can further enhance you core businesses



## EXPERIENCE

RISE holds regional scale experiential tech conference that focuses on corporate innovation as well as we regularly organize immersive experiential trips for top execs to learn from the world's most innovative cities





# GLOBAL ACCELERATOR PROGRAM

[GAP.RISEACCEL.COM](http://GAP.RISEACCEL.COM)





# TRULY OUTCOME-DRIVEN INNOVATION PLATFORM IN SE ASIA

**2,000+**

STARTUP ALUMNI

**40+**

COUNTRIES OF  
ORINATION

**70%**

SUCCESSFULLY  
PARTNERED WITH  
CORPORATES

**3%**

ACCEPTANCE RATE WITH  
1,000+ APPLICATION PER  
YEAR

**400+**

CORPORATE  
PARTNERS

**50+**

COMMUNITY  
PARTNERS

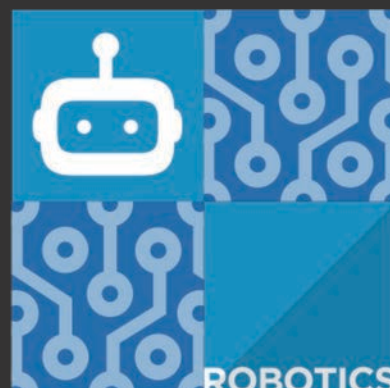
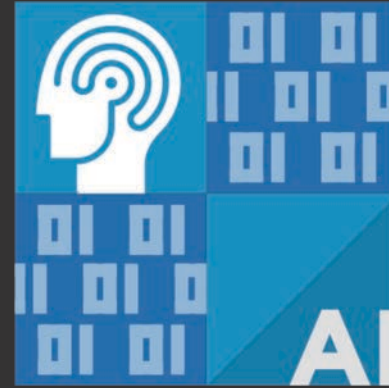
**\$1B**

TOTAL VALUATION

**SERIES A-E**

FUNDING STAGE

# FOCUSED INDUSTRY IN 2020



# ESTABLISHED 400+ CORPORATE NETWORKS



World's Leading Payment Solution



World's Largest Car Manufacturer



Japan's Predominant Telco



Malaysia's Conglomerate



World's Largest Chain of Conv Stores



World's 2<sup>nd</sup> Largest Insurer



Most Popular Messaging App in JP, TH



TH's Leading Internet Infra Provider



Thailand's 2<sup>nd</sup> Largest Bank



TH's 5<sup>th</sup> Largest Bank (Under MUFG)



TH's Biggest O&G Company (Fortune 500)



TH's Biggest Construction Mat Company



Thailand's No.1 Retail & Service



Thailand's National Airline



World's Largest Tuna Exporter



SE Asia's Largest Hospital Chain



# GLOBAL REACH – 18 GOV AGENCIES



## THAILAND

RISE was trusted by **DEPA** to run Thailand's First National Accelerator



RISE also gained continuous various form of supports from **BOI, NIA, MEA** and **PEA**



Moreover, we have professional connections with **DITP** and **NSTDA**



## SINGAPORE

RISE received Accredited Accelerator status and financial grant from **Enterprise Singapore**.



In addition, we also have professional connection with **EDB** Singapore and **SGINNOVATE**.



## VIETNAM & MALAYSIA

RISE has signed MOUs with Vietnam's **Saigon Innovation Hub** and Malaysia's **MaGIC** and **MDEC**.



## SOUTH KOREA

RISE has MOUs in place with **Seoul Startup Hub** and **GCCEI**



## UNITED KINGDOM

RISE has signed a MOU with **UK DIT**, and has professional connection with **Enterprise Ireland**



## ISRAEL

RISE has signed a MOU with **DIGITAL ISRAEL**.



# FINDINGS

- Early Stage Startup Funding will be harder for 2020, many startups in this stage will not thrive. However, Growth Stage Startups who can survive during the crisis will be able to grow
- Most of the early stage startups runway expected to be **3-6 months** and will be **7-12 months** for Series A and above if they can not generate cash
- **B2B Startups** will be more interesting especially if they are related to Remote Work and Productivity, Healthcare and Telemedicine

# TAKE HOME MESSAGES

- COVID-19 is a wake-up call, transform your business using digital technology and ecosystem or you will not have a chance to do one
- With or Without COVID-19, Right Partner is still one of the most important success factor in doing business in Thailand and Southeast Asia



Scan here to get connected on LinkedIn



[kid@riseaccel.com](mailto:kid@riseaccel.com)





RISE is a leading Corporate Innovation Powerhouse based out of Southeast Asia. With the mission to lift up 1-percent of GDP of this region, we work closely with Fortune 500 companies, large family businesses, and government agencies across the region to help set-up and scale innovation initiatives quickly. We are known for our Global Accelerator Program, Intrapreneur University, Venture Building Services, and Corporate Innovation Summit - Asia's Largest Experiential Conference. RISE has been developing a global innovation ecosystem with a network of more than 400 corporations, 2,000 startups, and over 20,000 corporate innovators and partners in 40 countries around the world, contributing to a combined impact of over US\$1 billion.

Visit <https://riseaccel.com> for more information about RISE