



# Thai-ing Travel Together: Agoda's Vision for Seamlessly Connected Journeys in Thailand



“

We see Thailand growing to become the “Silicon Valley” of Asia. With strong investments in its 4.0 digital transformation strategy and with a high-growth startup community, the conditions are optimal for creating clusters of innovation and growing foreign investments in R&D.”

Mr. Omri Morgenshtern  
Chief Executive Officer  
Agoda

Despite the challenges of a changing world, Agoda, one of the world's fastest-growing online travel platforms, has chosen Thailand as one of the key international hubs for its operations. In an exclusive interview with Mr. Omri Morgenshtern, Chief Executive Officer of Agoda, we gain insights into the company's growth in Thailand and its direction for doing business in the country. Read on to learn how Agoda is leveraging Thailand's strengths and building a state-of-the-art tech culture in the country to drive its global success.

**Q: What is the current situation of Agoda in Thailand and your direction in doing business in Thailand?**

**A:** We are proud to be one of the world's fastest-growing online travel platforms – with a strong presence in Thailand. Bangkok is home to one of our essential office hubs in Southeast Asia and, in many ways, we owe our successes to the opportunities that have been made available to



us here. Agoda relies on having access to amazing tech talent, strong investments in digital infrastructure and a can-do spirit – all of which we find right here. As a tech company first, innovation is at the heart of everything we do, and we are always inspired by the quality of Thai talent and the optimism that has come through our doors.

We have grown a tech center of over a thousand engineers in Bangkok, partly with a reliance on the hunger for knowledge of the local talent but also due to the great partnership we enjoy with the BOI. This relationship has helped us bring in any international talent that would offer complementary skill sets, help nurture and support local talent, and build dynamic team structures. This allowed us to build what we believe is a state-of-the-art tech culture that we sometimes refer to as the Silicon Valley of Bangkok. We find engineers and data scientists in many world class companies, such as Google, Meta and even Open AI, who are willing to relocate to Bangkok and work with us for a variety of reasons:

1. Agoda has become a globally well-known name thanks to our tech capabilities, innovation, and technical curiosity.

2. Thailand is considered a safe, beautiful place in which to live, with a high quality of life and a reasonable cost of living.

3. With the help of the BOIs government incentives, we can provide top talent from around the world with a very competitive environment in terms of compensation packages.

We are looking forward to continuing to grow our footprint in Thailand as we consider it part of our competitive advantage.

**Q: What are some of the benefits that you would like to share with foreign investors who are considering whether to invest in Thailand?**

**A:** We see Thailand growing to become the “Silicon Valley” of Asia. With strong investments in its 4.0 digital transformation strategy and with a high-growth startup community, the conditions are optimal for creating clusters of innovation and growing foreign investments in R&D. There is still so much potential. Thailand is a very attractive investment destination for global tech companies and there are many reasons for this.

Firstly, you have access to amazing talent – very skilled people in areas ranging from data science and communications, to business strategy, IT and engineering. Secondly, we find that Thailand has a strong working culture, in which we can find people who fit our core values. For example, we seek out individuals who take ownership and make a difference, are direct and respectful, move fast and with efficiency, and do things in the right way.

Thailand’s working culture also enables international talent to come and share their best practices locally. Diversity is our major strength at Agoda. It has helped us to innovate and come up with different ideas to be a driving force in the travel tech space.

But more meaningful than that, I think, is how foreign investment can upskill local talent even further. Once local talent has left tech companies to join other tech firms or launch their own startups, it means that we have upskilled local talent and ultimately contributed to the long-

term growth of Thailand’s digital ecosystem and overall economy.

Looking at the people side of things, Bangkok is an attractive place for our staff. The culture is welcoming and friendly. As an expat who has lived in Thailand for almost ten years, I can assure you that living in a city that so many people want to visit is a fantastic experience outside of work. Thailand’s endless offerings of food, music, travel destinations, nightlife and events all year long ensure there are no boring days in Bangkok. Our staff enjoy a reasonable cost of living in this city, with access to accommodation options to fit all lifestyles, top-notch international schools and local schools, and access to world-class healthcare.

**Q: What are the current trends in international travel recovery? How has the pandemic impacted consumer behavior and how has this influenced Agoda’s business strategy?**

**A:** It’s a good time to be in travel again; 2023 looks to be coming back even stronger with Asian markets back in full force. In light of this, we anticipate further recovery and growth across hotels, flights, and attraction bookings. As the last region to recover from the pandemic, Asia’s return should also help propel international travel growth. We’re also seeing evidence that online travel bookings are gaining in popularity, and we expect online travel in Asia to be bigger in 2023 than it was in 2019, pre-pandemic. We see a few very clear trends when it comes to travelers’ preferences, and these impact our strategy:





1. Travelers are now looking to have all their travel needs met in one, easy-to-use place, with one point of customer contact and one place to store all their information. More than before, trusting a brand has become important as many customers had issues with getting their money back or cancelling bookings during the pandemic. Simplifying the travel experience and connecting all travel products to one interface will be the way of the future. COVID really accelerated our reliance on technology and we can see the benefits of this in the travel space as well.

2. People value flexibility more. There was always a tradeoff between flexibility and price. The cheapest options are usually non-cancellable. People coming out of the pandemic would put a higher price tag on the value of the ability to cancel, or lock a rate in case it goes up. We have developed and are developing multiple products to access that need, occasionally taking the risk on Agoda to allow a cancellable option or lock a cheap rate for the customer.

3. As the demand for travel increases, it may continue to have an influence on prices and, in certain places, we see them going up. This only reaffirms

Agoda's everlasting commitment to deliver the best prices for our customers, and to incentivize our loyal customers with unmatched rates. In addition, we're seeing customers eager to use their loyalty points, be it from their credit card issuer or through any other brand they follow to book travel. To support the redemption of those points, we have increased our B2B focus by working with banks, airlines or other brand partners in line with consumer demand.

**Q: What support has Agoda received from the BOI and other Thai government entities?**

**A:** The BOI has been very helpful in providing us with advice and ensuring all processes are seamless to assist our operations. The team is knowledgeable, and the Expatriate Services Division at the One Stop Service Center for Visa and Work Permit (OSS) has reduced the number of touchpoints, and it is all easily accessible to our People and Mobility team.

With the help and blessing of the BOI, we have been able to bring in the necessary expertise from overseas to Thailand. We wouldn't have been able to build such a strong tech center without this

crucial support. The BOI's new initiatives, especially the Long Term Visa, are also a blessing for attracting amazing talent to Thailand.

At Agoda, we are honored to be entrusted with supporting national policies and initiatives together with the government and tourism authorities in Thailand. We believe that working hand-in-hand with the government and our Thai business partners to drive the tourism economy in Thailand is a win-win-win scenario. In Thailand, we have worked with the Tourism Authority of Thailand (TAT) on several partnerships, including working with the TAT and local government entities to support communities with advancing their community-based tourism offerings in different provinces. One recent initiative took place in Prachuap Khiri Khan where many of our Agoda employees volunteered to help digitize small businesses in Kuiburi, and in doing so, helped to get many small and medium enterprises in the tourism sector online and digitized. Through this and many other collaborative initiatives, we are pleased to partner with local governments to support their priorities in tech and tourism. ■