

Analysis of the Thailand Telecoms Market

Striving for a
Competitive Edge

Thailand, with a population of approximately 72 million, boasts the second-highest economic standing in Southeast Asia. The country has well-established infrastructure, with 98% mobile network coverage. Moreover, the backbone network has successfully transitioned from 3G to 4G, and it initiated 5G commercial services in 2020. Thailand's 5G is rapidly advancing and is projected to reach more than 90% of the population in the next three years. Mobile social media is driving this growth, with 56.8 million users on social media platforms, showcasing the substantial potential for mobile e-commerce.

The country's top three mobile operators, AIS, TRUE and DTAC, hold market shares of 46%, 33% and 20%, respectively. These operators have launched personal mobile services, home services and enterprise services, and are actively transitioning toward digital services to further enhance the customer experience.

This report provides detailed analysis of the Thai telecoms market and mobile operators through publicly disclosed information, including, but not limited to, industry statistics, market research and analysis reports, mobile research reports, websites, forums, corporate official websites and annual reports:

- Thailand's national profile, including population, economy, local industry environment and market size.
- Industry insights into three key development directions of Thailand's telecommunications sector, including local social media development, trends and forecasts in 5G network expansion, and the growth of mobile e-commerce.
- Comprehensive comparative analysis of the three local mobile operators, including their respective product offerings, users, revenues, ARPU, market share, and industry characteristics.

The report comprises a wealth of research and analysis to help you quickly understand the development status of Thailand's telecommunications industry and the main characteristics of operators, and serve as a valuable data resource for your market expansion initiatives or industry research endeavors.

You'll find the complete report in the "full report" section below.

[Full Report](#)

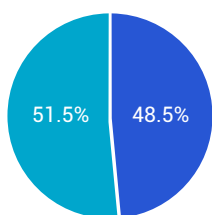
Country Overview

As of January 2023, Thailand's total population stands at 71.75 million people. Among them, 51.5% are female, while 48.5% are male. Early in 2023, 53.2% of Thailand's residents resided in urban centers, while 46.8% lived in rural areas. The median age of the Thai population is 40.9 years, with individuals aged 25-64 accounting for 57.1% of the total population. In comparison to global standards, Thailand's overall age structure is slightly larger, indicating a gradual transition into an aging population.

In 2022, Thailand's GDP reached 521.16 billion US dollars, with a per capita GDP of 7089.7 US dollars. This ranks Thailand as the second-largest economy in Southeast Asia and the 24th largest in the world. As of January 2023, there were 61.21 million Internet users in Thailand, and at the beginning of 2023, Thailand's Internet penetration rate stood at 85.3% of the total population, indicating potential for future growth.

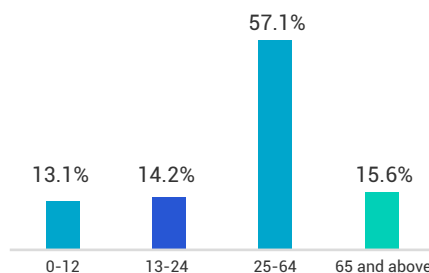
Country Overview

Total population: **71.75 million**

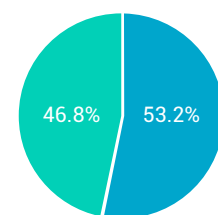


■ male ■ female

Population age distribution



0-12 13-24 25-64 65 and above



■ Urban population ■ Rural population



\$521.16 billion

GDP of Thailand in 2022

\$7089.7 per capita

Ranked **24th** in the world
2nd in Southeast Asia

Median age of the Thai population

40.9 years old

>

Median age of the world population

38.4 years old



Internet user

61.21 million

Internet penetration:

85.3%

>

The world average:

62.5%

Industry Overview

According to the GSMA think tank, as of early 2022, Thailand had a total of 95.6 million cellular mobile connections. By January 2022, the number of mobile connections in Thailand equated to 136.5% of the total population, averaging 1.36 SIM cards per capita. The backbone network is currently transitioning from 3G to 4G, and it is expected that the communications industry will maintain rapid growth in the next few years. The market's potential is huge.

According to the survey, as of January 2023, there were 61.21 million Internet users in Thailand, accounting for about 85.3% of the total population. A global market research firm, GWI, conducted a survey revealing that Thais spend an average of 9 hours and 6 minutes using the Internet every day. Notably, about 96.2% of Internet users access the Internet through mobile phones, dedicating an average of 5 hours and 28 minutes daily to online activities. According to data from GSMA, Thailand's mobile network coverage has now reached 98%, and the regulatory authorities have maintained a high level of competition in the Thai telecoms market through the introduction of foreign investments, spectrum resource allocation and other measures.

In Thailand, several mobile operators compete in the telecommunications industry, of which Advanced Info Service (AIS) is the largest mobile operator by subscriber base, with a market share of about 46%. True, on the other hand, is a versatile telecoms operator offering fixed, mobile and TV services with a market share of 33%. DTAC is the third largest mobile operator in Thailand, capturing a 20% market share.

In mid-October 2022, Thailand's telecommunications regulator, the National Broadcasting and Telecommunications Commission (NBTC) granted conditional approval for a merger agreement between True, the country's second largest mobile operator and a subsidiary of the CP Group, and DTAC, the third-largest mobile operator. In March of this year, the merger between Thailand's two major mobile operators, True and DTAC, was successfully completed, and the newly formed company, "True Corporation", has been granted a commercial operating license by the Business Development Department of the Thai Ministry of Commerce. It has also taken over the assets, rights, liabilities and obligations previously held by True and DTAC. According to estimates from the GSMA think tank for the fourth quarter of 2022, the newly merged entity is projected to hold a 53.9% share of mobile connections, in contrast to the current market leader, AIS, which commands a 45.2% share. This shift will undoubtedly result in a duopoly emerging in the market.

At present, the Thai mobile market is notably saturated, with operators primarily experiencing business growth through the acquisition of competitors. Additionally, operator's mobile package tariffs are competitively priced. However, operators recognize that engaging in a price war is no longer the primary means of attracting users. Instead, it is imperative to raise the bar of competition by continuously enhancing technology and standards to align with evolving consumer behavior.

Industry Insights

1. Telecoms industry's ongoing integration for advancing the national digital economy

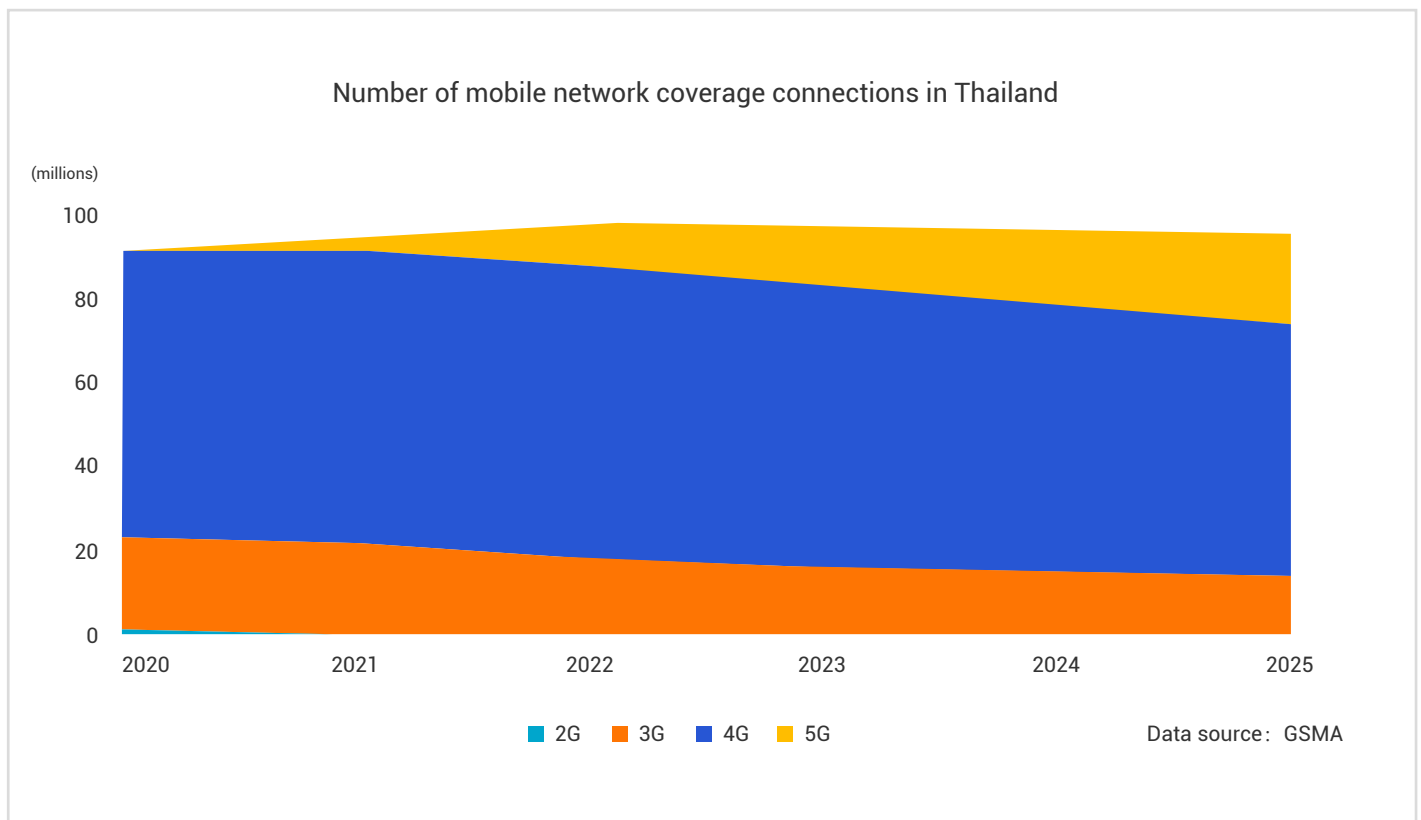
In recent years, the Thai telecoms industry has witnessed a consistent trend of consolidation through mergers and acquisitions. In mid-October 2022, the Thai telecoms regulator granted conditional approval for the merger between the country's second-largest mobile operator, TRUE, and the third-largest mobile operator, DTAC. The NBTC reportedly imposed conditions, including price controls, distinct rates for voice, data, SMS, and the requirement for independent verification of costs and service pricing. The merged company is required to roll out 5G networks, reaching 75% of the population within three years and extending coverage to 90% of the population within five years. In the same year, AIS, Thailand's largest mobile operator, announced its intentions to initiate the comprehensive acquisition of 3BB, Thailand's largest wireless broadband network service provider, making yet another significant merger in the Thai telecommunications service market after the merger of TRUE and DTAC in the same year. In addition, during a Cabinet meeting in early 2020, a unanimous resolution was passed for the merger of the two telecommunications companies, TOT and CAT, which will then operate under the name National Telecommunications Company (NT). The resolution also mandated the completion of the merger within six months. The sequence of mergers and acquisitions reflects the government's intention to reduce redundant investments, prioritize national interests, jointly support the development of the national telecommunications and digital economy, and propel both the country and its people into the digital era.

2. Thailand's pioneering role in mobile social media with a vast user base

Social networking in Thailand has grown exponentially in recent years, driven by the increased accessibility of the Internet and the widespread adoption of smartphones. According to the survey, as of January 2023, there were 61.21 million Internet users in Thailand, accounting for about 85.3% of the total population. About 56.8 million people actively engage in social media, encompassing 79.2% of the total population, which significantly surpasses the global average and exceeds the levels observed in many countries within the region. According to a survey by global market research firm GWI in the third quarter of 2021, Thais spend an average of 3 hours and 11 minutes on social media. Each Internet user has an average of 10.5 accounts, and 34% of users use social media for professional purposes. At the end of 2011, there were 56.85 million social media users in Thailand, and the penetration rate of instant messaging (IM) applications reached 81.2%. FACEBOOK is the most commonly used social media platform in Thailand, with a mobile user penetration rate of 93.3% by the end of 2021. This translates to about 53.04 million users, encompassing 75.7% of the total population. Additionally, LINE has a mobile user penetration rate of about 92.8% in the Thai market.

3.Thailand's rapidly advancing 5G development set to exceed 90% population coverage in three years

According to the data of the Telecommunications Authority of Thailand, as of 2021, Thailand has more than 1,000 5G base stations, with a robust 5G network infrastructure. The 5G network has covered 76% of Thailand's population, and the number of 5G connections has reached about 4.3 million. The momentum of 5G deployment and adoption is expected to accelerate over the next three years, with 5G connections expected to reach 26.7 million by 2025. Furthermore, 5G networks are anticipated to provide coverage to 92% of the population. In June 2022, the Digital Economy Promotion Agency of Thailand (DEPA), with the support of the Prime Minister of Thailand, announced the formation of the Thailand 5G Alliance, which includes DEPA, representatives from several Thai government agencies, private sector entities, and industry associations, such as the Office of the Digital Economy and Society Commission (ONDE), the Office of the NBTC, the Federation of Thai Industries, AIS, True, the Internet of Things Association of Thailand, and the Royal Sponsored Telecommunications Association of Thailand. The primary objective of the Thai 5G Alliance is to enhance the country's economic value by promoting the use of industrial 5G applications, enabling the upgrading of service systems in areas such as public health, safety, education, transportation, factory management and modern agriculture. Ultimately, this initiative aims to achieve the improvements in quality of life and economic efficiency.



4. Expansive digital media coverage, surging new Internet users and vast potential in mobile e-commerce

Thailand ranks as the second-largest e-commerce market in Southeast Asia, with its e-commerce market share reaching 7.2 billion US dollars in 2020. This marked a substantial 43% growth, elevating Thailand to the 25th position globally. The per capita online consumption stands at a remarkable 1,746 US dollars per person annually, making it the highest among Southeast Asian countries, and attracting a large number of e-commerce platforms to venture into the Thai market. According to data released by ecommerceDB, there are 37 million online shopping users in Thailand, and the e-commerce penetration rate is 52%, that is, more than half of the Thai people are shopping on e-commerce. 90% of Internet users search for products and services online, 85% of Internet users visit online stores, 80% purchase products and services online, 32% of users have conducted online goods and services transactions through PC, and 71% of transactions through mobile. By 2025, the number of e-commerce users in Thailand is expected to grow by 19% to 43 million.

Digital Transformation Proposal

Whale Cloud is committed to bringing innovative solutions to our global customers. With the vision of "Global Leader in Digital Transformation", Whale Cloud harnesses digital technologies (Cloud, AI and Big Data Analytics), to revolutionize conventional business models, and harvests cross-industry transformation practices from Internet giants to make technologies more inclusive and digital transformation journeys forward.

For the Thai market, we recommend the following solutions to operators:

- **Xpress BSS:** For operators' subdivided segmentation or digital brands or sub-brand customers of business lines, we provide a set of cloud-based, low-cost digital transformation solutions that can be quickly launched according to business needs, helping operators reduce cost input, shorten time to market, and quickly occupy the market.
- **Qrun:** We provide full-stack FTTx operations solutions to help operators quickly launch services and achieve end-to-end lifecycle management of customer service and network resources. From network design and deployment to service implementation and assurance, QRun helps operators reduce time to market and improve customer satisfaction.

- **5G Master:** In the stage of rapid development of 5G services, it helps operators not only achieve flexible and intelligent 5G network management, operation and orchestration, but also introduce partners to achieve innovative business models.
- **E-commerce:** According to the key planning of operators in the direction of e-commerce, different versions of Whale Cloud e-commerce solutions can be selected to build an e-commerce platform with multi-channel integration, multi-terminal support and unified back-end capabilities, and data-driven intelligent operation can be realized through the data analysis module of the e-commerce solution.
- **CVM:** It helps operators carry out value management of stock customers, based on comprehensive data insight analysis, business operation status analysis and review, business objectives analysis and decomposition, to achieve data-driven accurate operation, improve customer life cycle value, and thus increase revenue.
- **Super App:** In view of the huge population of Internet users in Thailand and their dependence on social platforms, operators can build super app based on telecoms self-service core business, combine their own advantages and superimpose sectors such as gamification, online mall, payment, social networking, etc., gradually build super app, cultivate their own private traffic through Internet operation means, set up professional channel operation team, create a digital lifestyle platform for consumer customers to form an ecosystem and achieve sustainable business monetization.

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