

ECOMMERCE – THAI CONSUMER – 2020

Thai online shoppers want online shopping platforms to deliver better deals, service and experiences, yet ecommerce still grows strongly, including social commerce.



A Mintel Analyst, Global Analyst



Report Content

EXECUTIVE SUMMARY

- What you need to know
- Mintel's perspective: seeking better deals, experiences and engagement

Market context

- COVID-19 drives ecommerce growth
- Thailand's ecommerce continues to grow stronger
 - Graph 1: Thailand's ecommerce value, 2016-19
- Adoption of e-payments also increased greatly
 - Graph 2: e-payment adoption (times per person per year) 2007-April 2020
- Smartphone adoption underpins ecommerce
- This increase spending on takeaways and healthcare
 - Graph 3: consumers' expected spending activity on takeaways/home delivery over the next month, compared to their usual spending habits – takeaways/home delivery, April-August 2020
 - Graph 4: consumer's expected spending activity on healthcare and pharmaceutical products over the next month, compared to their usual spending habits – healthcare and pharmaceutical products, April-August 2020
- Potential for online in-home food and drinks
- eCommerce driven strongly by younger generation
 - Graph 5: impact of the COVID-19 outbreak on "my career prospects" in the next six months, NET impact, 18-20 August 2020

What consumers want and why

- Ultimately, it's all about value-for-money and good shopping experience
- Most Thais are captivated by good deals
 - Graph 6: motivators that would encourage consumers to adopt online shopping or shop online more frequently, January 2020
- Best deals also attract experienced online shoppers
 - Graph 7: consumer online shopping behaviours, January 2020
- Consumers want: best deals online
- Thai shoppers want good customer service
 - Graph 8: motivators that would encourage consumers to adopt online shopping or shop online more frequently, January 2020
- Online shoppers want a convenient shopping experience
 - Graph 9: what experienced online shoppers want when shopping online, January 2020
- Consumers want: seamless online shopping experiences

Opportunities

- Promote brands more on social media
- Offer the right deals
- Provide the experiences consumers seek

Mintel predicts

- The outlook for ecommerce in Thailand
- The marketing mix – 4Ps
- The future is bright for Thai ecommerce

KEY TRENDS

- What you need to know

Strong potential for ecommerce, post COVID-19

- eCommerce growth led by foodservice apps
 - Graph 10: consumers' expected spending activity over the next month, compared to their usual spending habits – takeaways/home delivery, April-August 2020
- More foodservice brands moved online during COVID-19
- Support each other online in tough times
- Virtual expo introduces way forward for sustainability movement

Social commerce gains momentum

- Chat functions drive confidence
- Online conversation helps social commerce boom
- Growing live streaming adoption

The online and offline gap narrows

- New technologies create compelling online shopping experiences
- Virtual experiences make it easy to visualise reality
- Product personalisation and flexible return policies
- Personalisation and a flexible product return policy

CONSUMER INSIGHTS

- What you need to know

Overview of ecommerce adoption

- Almost a third of Thais prefer online over in-store shopping
 - Graph 11: % of consumers who agree, by gender, age group and area, January 2020
- Non-food categories still dominate

eCommerce – Thai Consumer – 2020

- Graph 12: % of online purchases made for the following categories, January 2020
- Foodservice adoption grows during COVID-19...
 - Graph 13: consumers' expected spending activity on takeaways/home delivery over the next month, compared to their usual spending habits, April-August 2020
 - Graph 14: where in-home food & drinks were bought in the past 12 months, January 2020
- Opportunities grow for online food and drink
- Significant category differences persist between genders
 - Graph 15: % of online purchases for the following product categories in the past 12 months, by gender, January 2020
- Young working adults (25-34) are key online shoppers
 - Graph 16: % of online purchases for the following product categories in the past 12 months, by age group, January 2020
- The young buy online for their elders
 - Graph 17: % of expenses that consumers have others in their household pay for on their behalf each month, October 2019
- Online shopping spreads out of urban areas
 - Graph 18: % of online purchases for the following product categories in the past 12 months, by area, January 2020
- Time to target lower-income shoppers
 - Graph 19: % of online purchases for the following product categories in the past 12 months, by income, January 2020

eCommerce adoption deep dive

- E-marketplace leads ecommerce channels
 - Graph 20: % of where the following product categories were bought in the past 12 months, January 2020
- This shop for gadgets, fashion and supplements on e-marketplaces
 - Graph 21: % of where the following product categories were bought in the past 12 months, January 2020
- This compare prices, read reviews and check real products before buying online
 - Graph 22: % of consumers who have taken the following actions before buying products online, by product category, January 2020
- Price matters a lot when shopping online
- Cost of living is of a high concern
 - Graph 23: the impact that the COVID-19 outbreak will have on the following factors in the next six months, May-August 2020
- Good value beats low price
- Push ecommerce through social media

Drivers of ecommerce

- Offer good online service
 - Graph 24: motivators that would encourage consumers to adopt online shopping or shop online more frequently, January 2020
- Simplify online shopping for over-45s
- Assure product quality and satisfaction with 'try before you buy'
- Assure online security, especially among older shoppers

- Graph 25: % who agree with the following statements about online shopping, by age group, January 2020

- Be transparent with pricing
- Attract them with appealing shipping fees
- Provide personalised delivery plans

- Graph 26: % of consumers who would be encouraged to adopt online shopping or shop online more frequently if there were flexible delivery options, by gender and age group, January 2020

- Keep shoppers notified about new launches and promotions

- Graph 27: % who agree with the following statement about online shopping, by age group and area, January 2020

MARKET APPLICATIONS

- Key opportunities

Do more on brands' social media

- Communicate better on social media
- Optimise understanding of consumers' social media habits
 - Graph 28: % of consumers who have bought the following product categories via social media, by gender and age group, January 2020
- Promote new products and deals on social media
- Build engagement using games and activities
- Optimise influencer endorsement
- Boost brand credibility using online reviews
- Respond professionally to negative feedback
- Engage more with the social media generation

Offer the right deals

- Make use of product and price comparison tools
- Offer flexible delivery plans and fees
- Provide attractive promotions
- Be transparent about pricing
- Make life more sustainable

Provide the experiences consumers seek

- Make apps more user-friendly
- Being prompt and responsive
- Offering personalised products and services
- Adopt augmented reality technology
- Use live streaming to show real products

APPENDIX

- Consumer research methodology

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