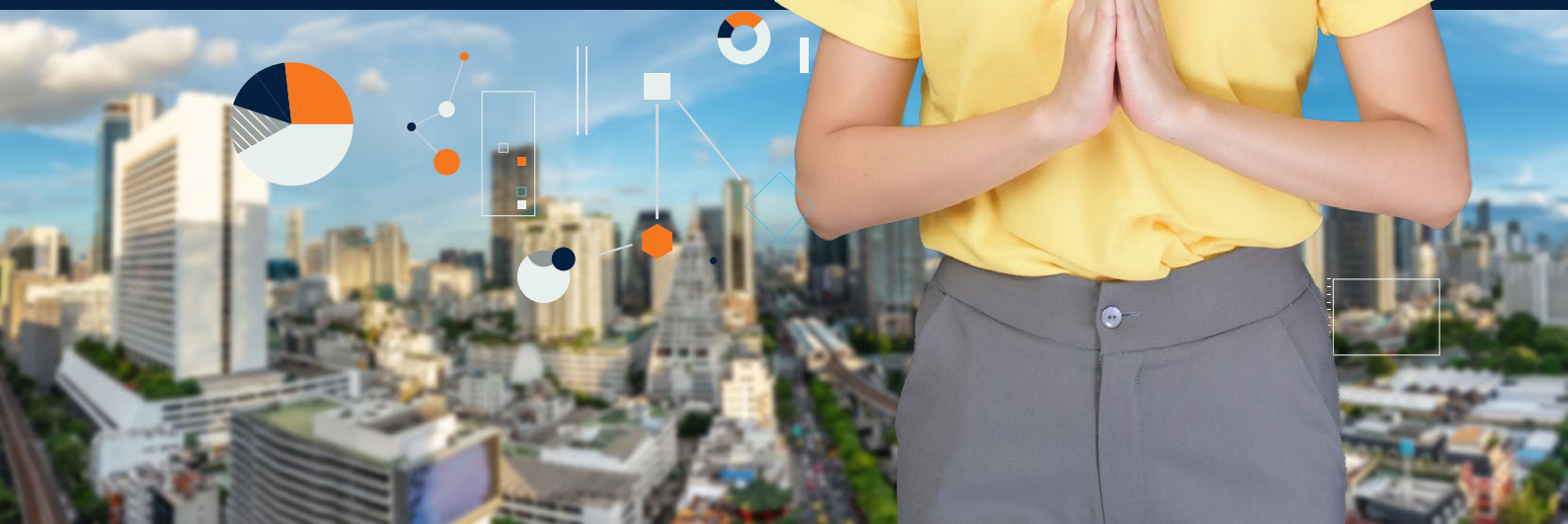


## WHITEPAPER

# Growing Hyper-Local Digital Strategies in Thailand

Re-Shaping the Thai Economy with Localised Data Insights and Analytics in the New Normal

By Suppakit Limboonsong  
Country Director, ADA in Thailand



The year 2020 has been far from a smooth ride. As most looked forward to the start of a new decade, already [76% of marketers were fearing the worst – an economic and customer growth slowdown](#).

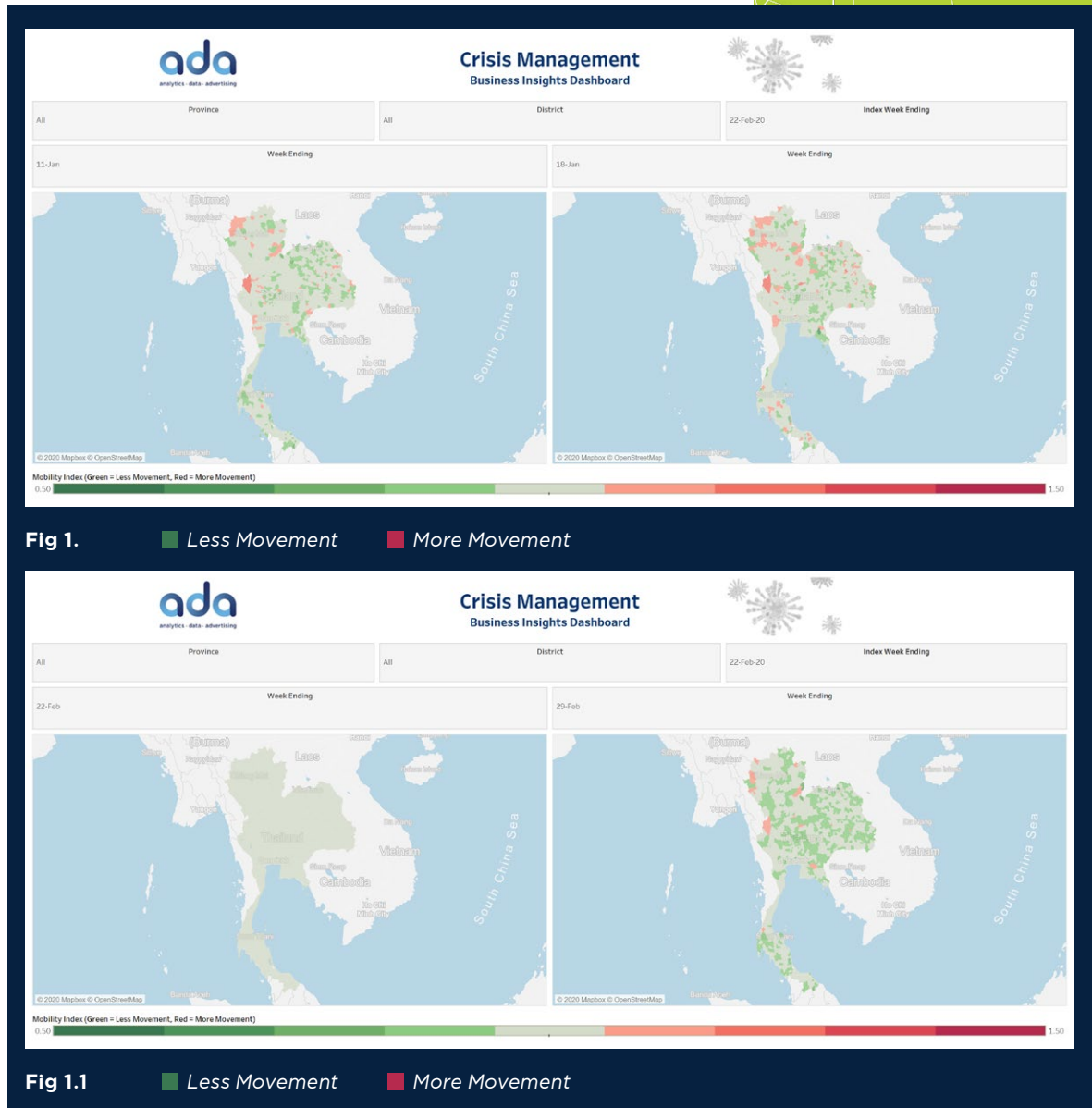
When COVID-19 started spreading like wildfire around Southeast Asia, countries took swift action to manage the situation – in particular, the Thai government. To date, Thailand has had only 58 deaths and no local transmissions since May. While the Kingdom has been lauded for successfully containing this health calamity, another crisis has crept up – the pandemic's economic impact.

Since the pandemic hit in March, [70% of Thailand's national workforce has seen their average monthly income decline by 47%, and 75% of small tourism-related businesses have had their revenues decline by at least three-quarters](#).

Fortunately, Thais are resilient people and adept to change in creative ways. We have also evolved well in the digital ecosystem, so businesses and marketers can take comfort that there are ways to still thrive, whilst helping heal the economy by understanding the following:

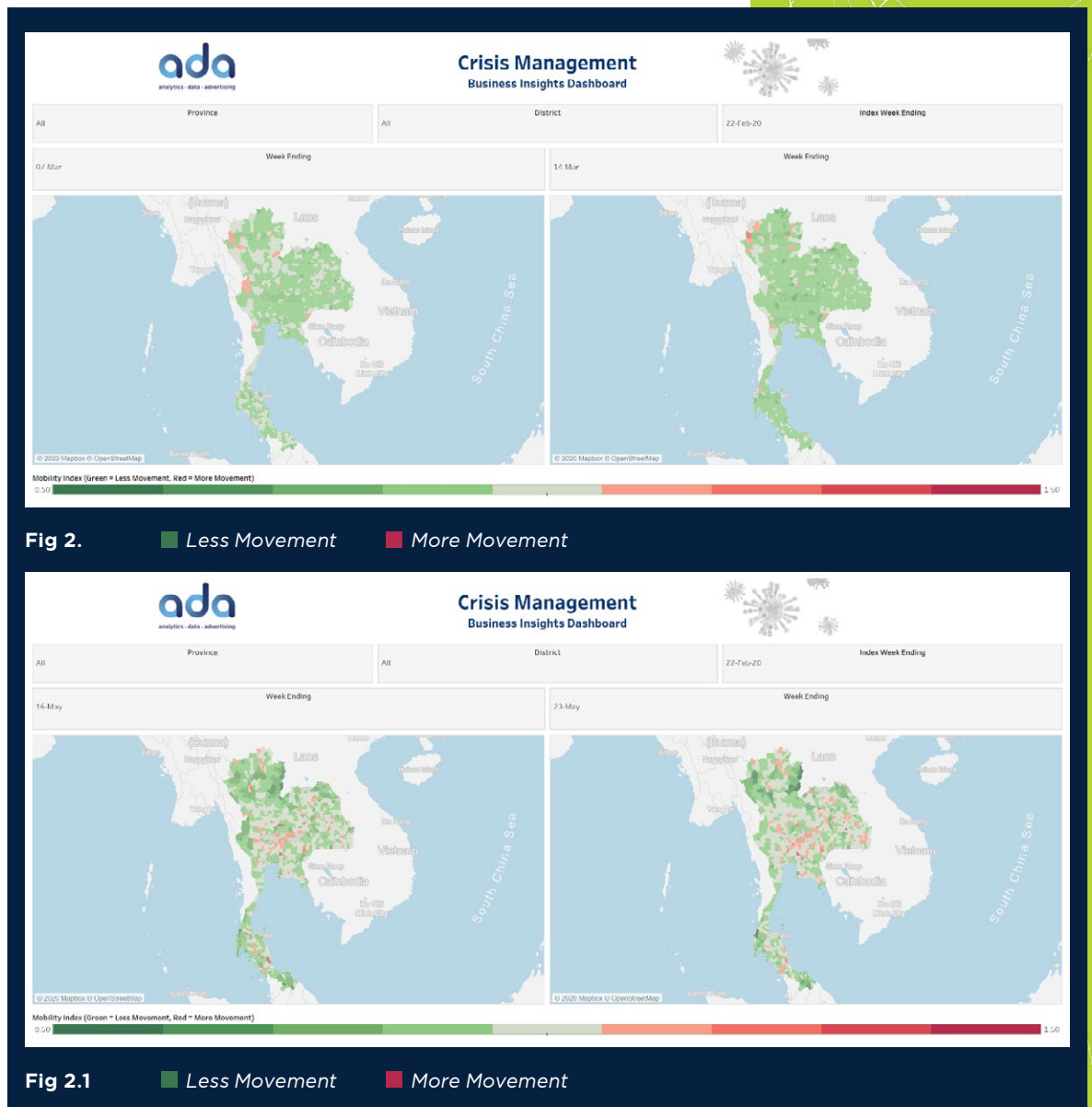
1. Who Survived COVID-19?
2. Accelerated Creative Process
3. Thailand's New Economy
4. Driving Digital Demand

Before we delve further, there is a need to understand how COVID-19 has affected mobility in Thailand. Using data from [XACT](#), our proprietary Data Management Platform (DMP), we built a Crisis Management Dashboard to get down to the granular level of details. We found that despite the first COVID-19 case in the beginning of the year and a looming outbreak, January and February saw fairly normal mobility trends.



**Fig. 1 and 1.1:** Between January to February 2020, just as the pandemic started, there was normal mobility trend around Thailand, represented by the light green areas.

However, mobility shifted quite drastically when the [first death was reported on March 1](#). The mobility index changed from light green to dark green to denote less movement in just one week – the first sign of activities slowing down. When the [Thai government announced a state of emergency starting from March 26](#), the mobility index turned to a darker green as there was then far lesser movement as the country comes to a sudden halt.

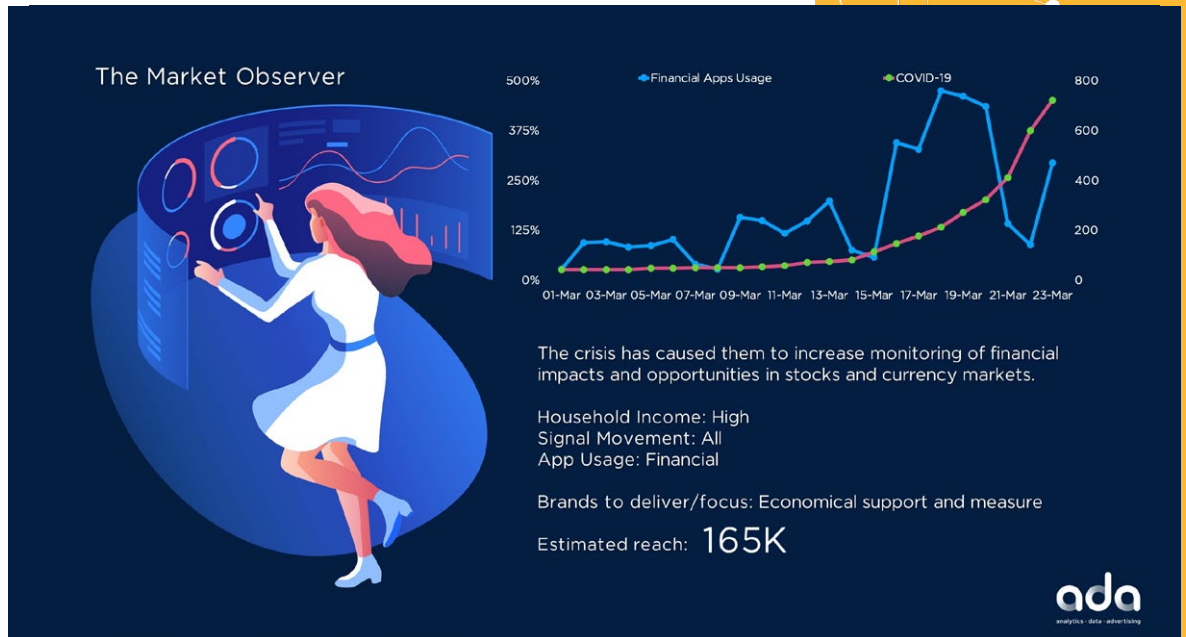


**Fig. 2 and 2.1: Effects of COVID-19 on mobility in stages between March to May – from the first death announced, to country lockdown, to easing of restrictions and curfew.**



# Who Survived COVID-19?

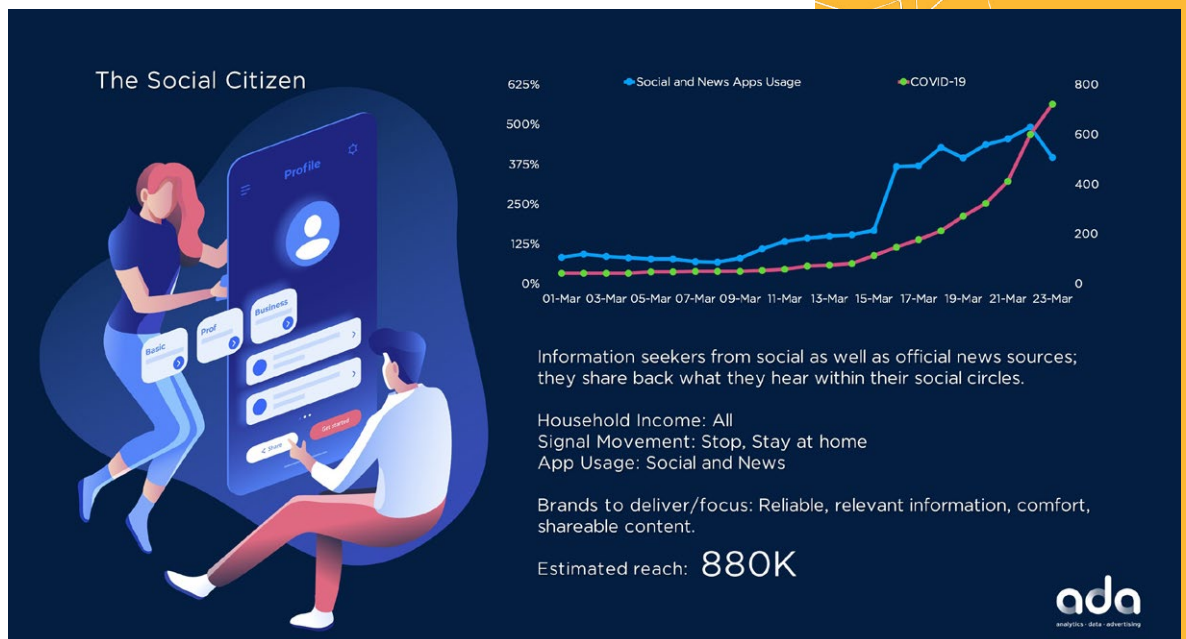
You may begin to wonder, why is all this important? Well, it is important because consumer behaviour changes in times of distress. This means that your customers have now shifted their priorities, and each country have their own unique set of “Crisis Personas” – these are 11 personas we found in Thailand who are adapting to the new normal, and some tips on how to catch their attention:



**Fig 3: The Market Observer** — The crisis has caused them to increase monitoring of financial impacts and opportunities in stocks and currency markets. They relate best to brands who can offer economical support.



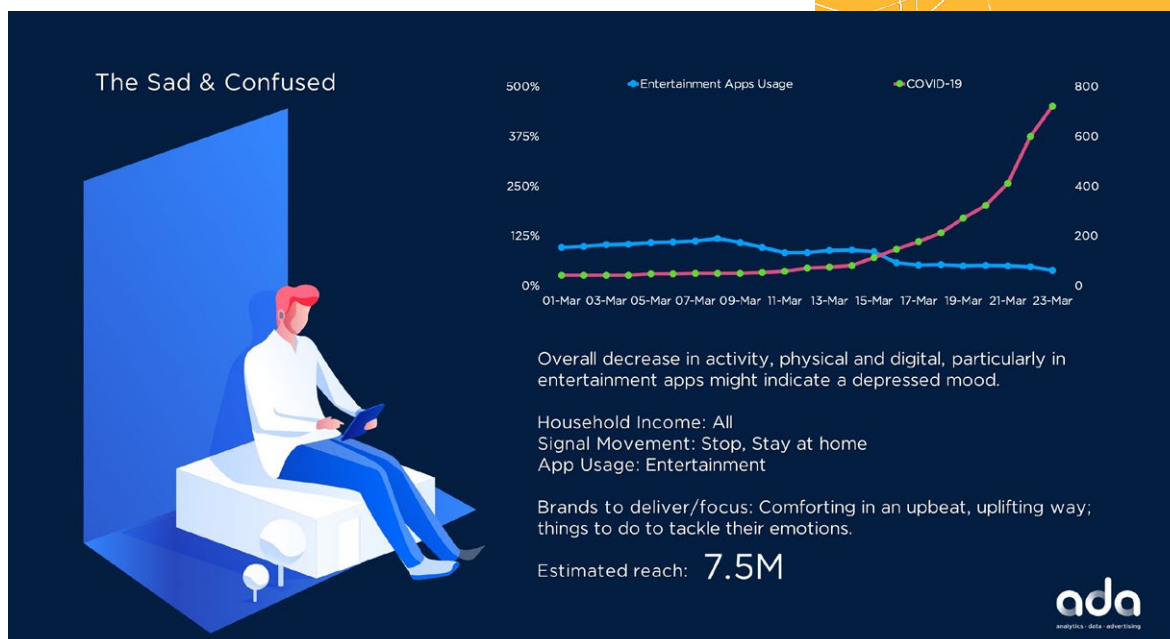
**Fig. 3.1: The Adaptive Shopper** — They've adapted to the new world and switched to new ways to procure what they want and need. Brands who can offer solutions, customer experience, peace of mind, and, reliability will resonate best.



**Fig. 3.2: The Social Citizen** — Information seekers from social as well as official news sources; they share back what they hear within their social circles. They look for reliable, relevant information, comfort, and shareable content.



**Fig. 3.3: The Bored Homebody** — Bored while staying at home, they kill time with entertainment, playing games, and watching movies. Brands who offer light-hearted, distracting, playful, and fun content will catch their attention.



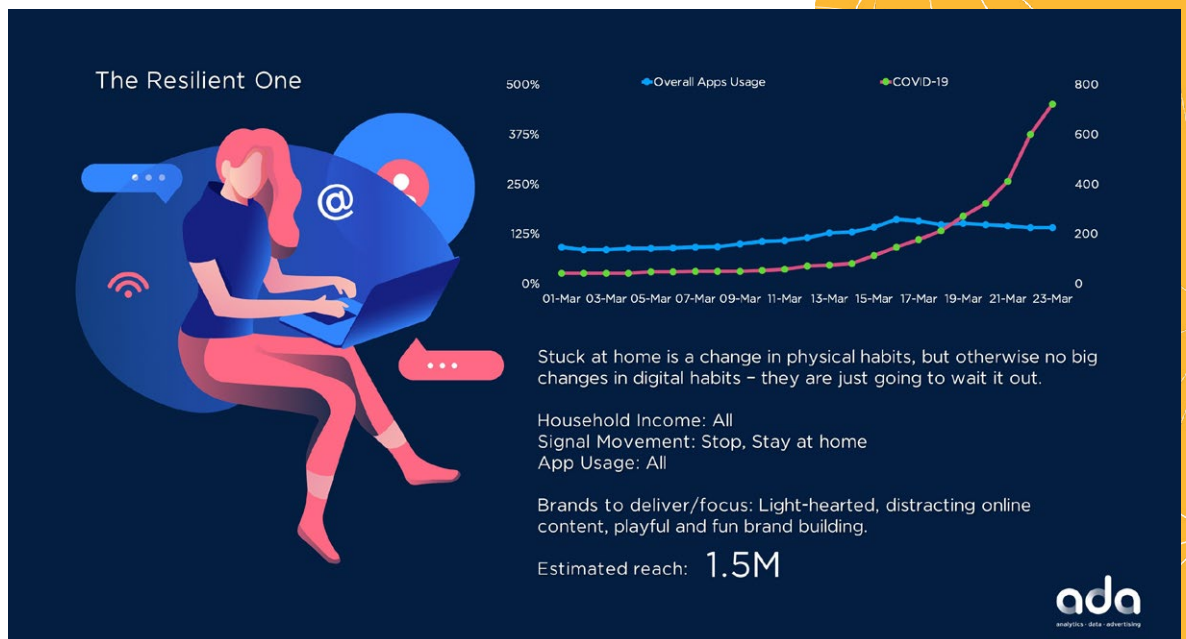
**Fig. 3.4: The Sad & Confused** — Overall decrease in activity, physical and digital, particularly in entertainment apps might indicate a depressed mood. They are looking for comfort in an upbeat, uplifting way; things to do to tackle their emotions.



**Fig. 3.5: The Health Nut** — With wellness being top of mind, they use health reminders, monitoring apps, but also mental health apps to stay upbeat. They are mostly interested in wellness, health, body and mind, inspirational, and uplifting information and content.



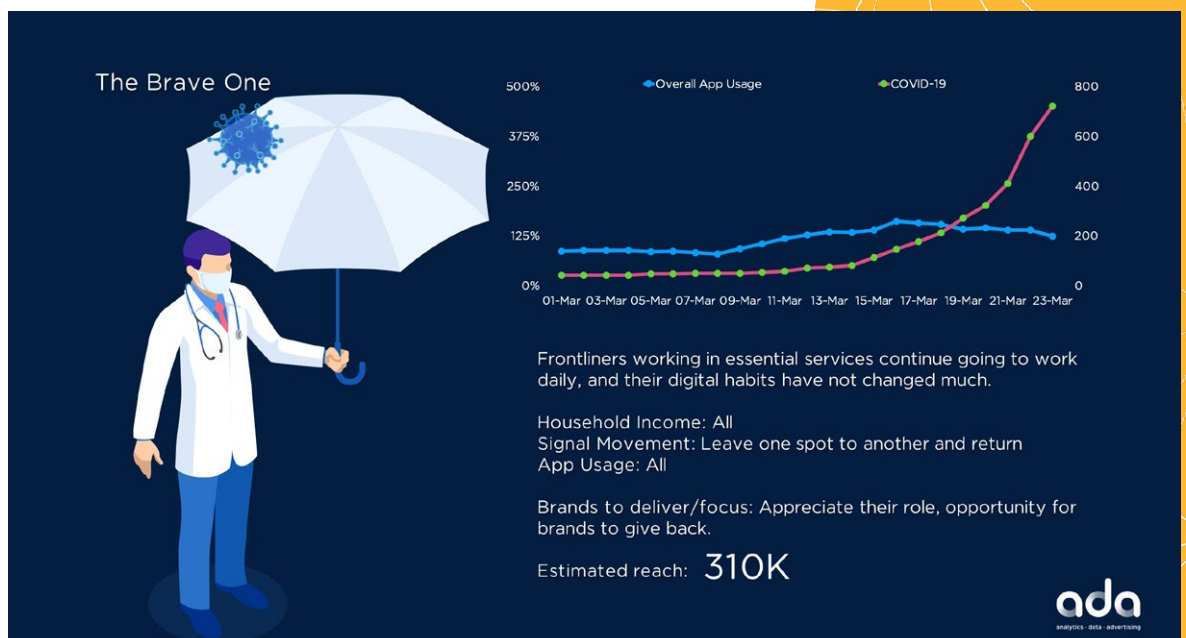
**Fig. 3.6: The Home Fitness Freak** — With restricted access to gyms, they turn to fitness apps – as do those who take this opportunity to get back in shape. They look forward to fitness tips, programmes, live workouts, and online training to stay on top of their game.



**Fig. 3.7: The Resilient One** — Stuck at home is a change in physical habits, but otherwise no big changes in digital habits – they are just going to wait it out. Brands who create light-hearted, distracting online content, playful, and fun brand building will resonate well with them.



**Fig. 3.8: The WFH Professional** — 'Working from Home' (WFH) requires adaptation from this now remote workforce as they increase their usage of work-related apps. They look for tips to stay productive, healthy, efficient while out of their office environment.



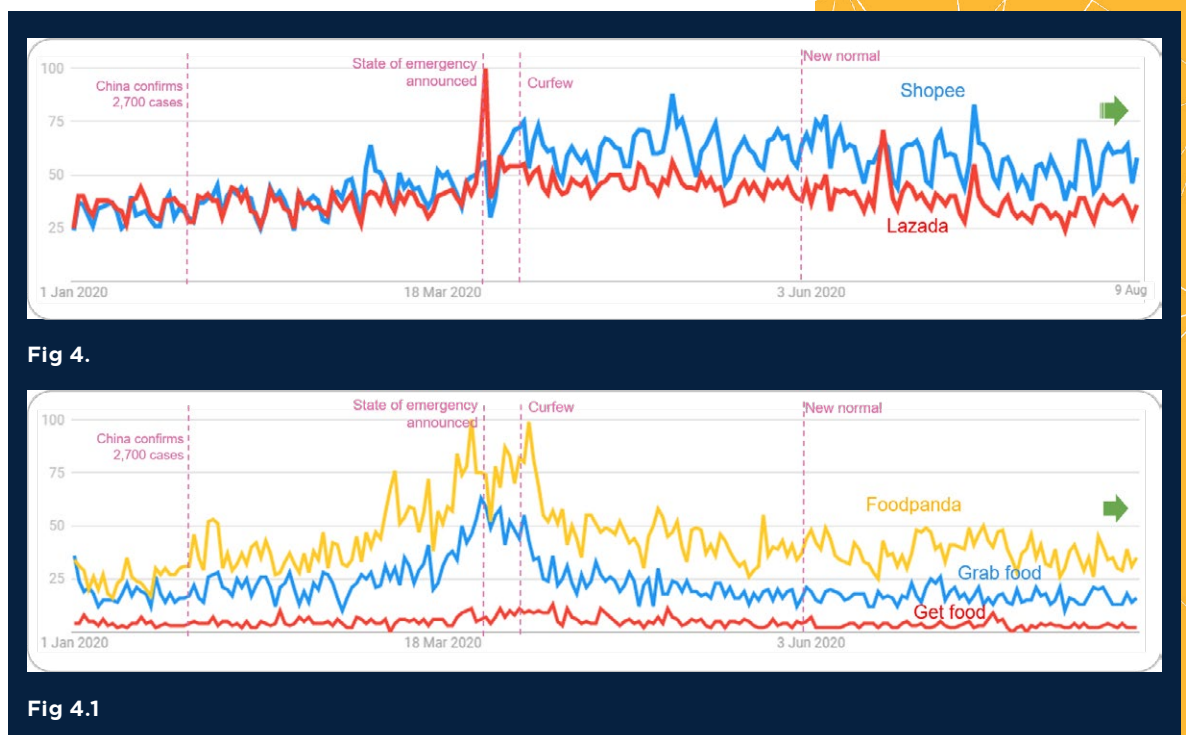
**Fig. 3.9: The Brave One** — Frontliners working in essential services continue going to work daily, and their digital habits have not changed much. This is an opportunity for brands to give back by showing appreciation to their roles.



**Fig. 3.10: The Yearning Traveler** — Forward looking, they are already thinking about their upcoming travels once the crisis is over and the borders reopen. Brands need to find ways to entertain the wanderlust as they look forward to planning their trips with good deals post-crisis.

With data analysed from **XACT**, these 11 personas make up 59% of Thailand's population of 'working adults' – a segment with the highest disposable income. Sathon, Bangkok is the most saturated area for working adults. After Bangkok (35%), the top districts with working adults include Chon Buri, Samut Prakan, Nonthaburi & Chiang Mai (making up 3-4% per district). Majority of Thailand's workforce is made up of the millennial generation between ages 25-34 years. Interestingly, the population of female working adults is 2% higher than the country's female population.

A quick check on Google search trends confirm that these personas have very much acclimated to the digital realm by shifting their offline shopping behaviours to online, as well as showing an increased demand for food delivery.



**Fig. 4 and 4.1: Google search trend on online shopping & food delivery.**



# Accelerated Creative Process

By understanding your customers' needs, you will then be able to curate better strategies and creative that speak directly to them. Say for example, you need to sell a USD 300 face cream - it helps to start by looking back into the data you have and using a framework - here is one that has worked well for us by taking the guesswork out of the creative process, and it was also recently discussed during a [webinar](#):



## Uncover the unconscious mind's 'real need'

Look to sentiments analyses on what consumers are really saying about a product, on which platforms, and who they are engaging with.



## Recalibrate for the target segment's 'why'

Take a deep dive into your target audience and their mindset, think about what you really know about them beyond surface demographics.



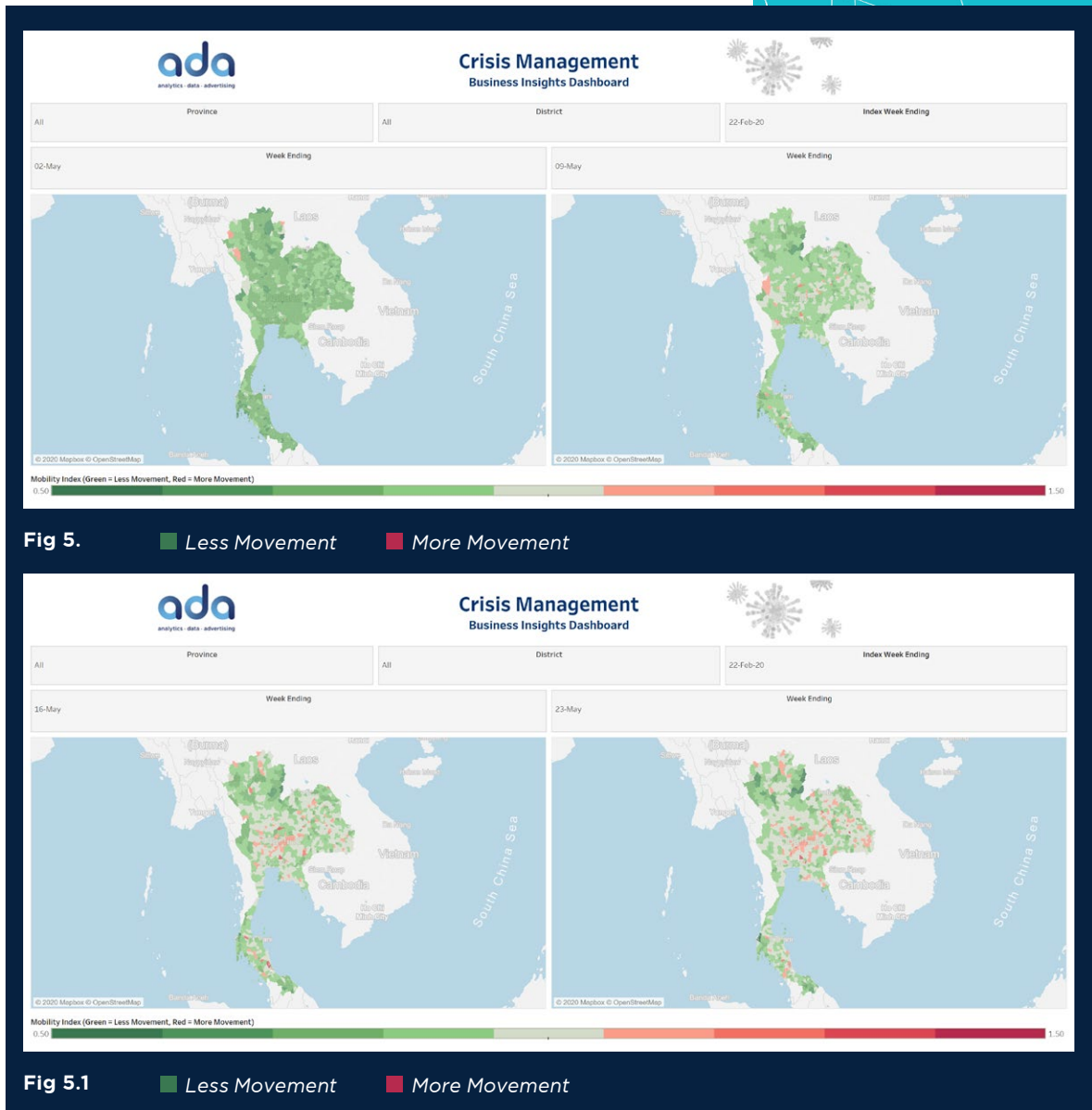
## Inform content tonality

Once you understand your target persona, it is time to catch their attention with a deal they cannot resist.

And voilà, you will then have unlocked the **Creative Expression** – the key to driving sales by using data-driven creatives. This is exactly how we helped our client, a [global premium skincare brand in Thailand grow their business by 490% at the height of the pandemic](#).

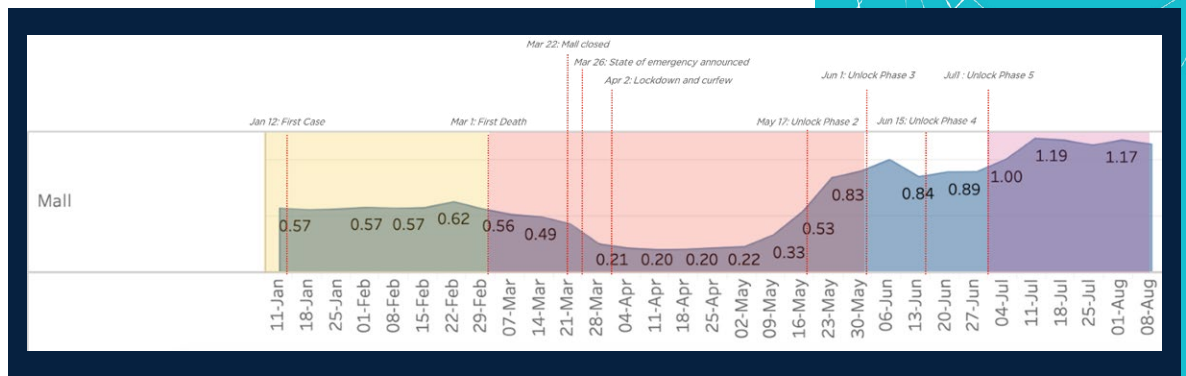
# Thailand's New Economy

As the number of COVID-19 cases stabilise, life too begin to normalise in May when some offices and businesses reopen, and the mobility index turns light green. When the Thai government announced the [second phase for easing restrictions starting 17 May](#), more movement is evident.



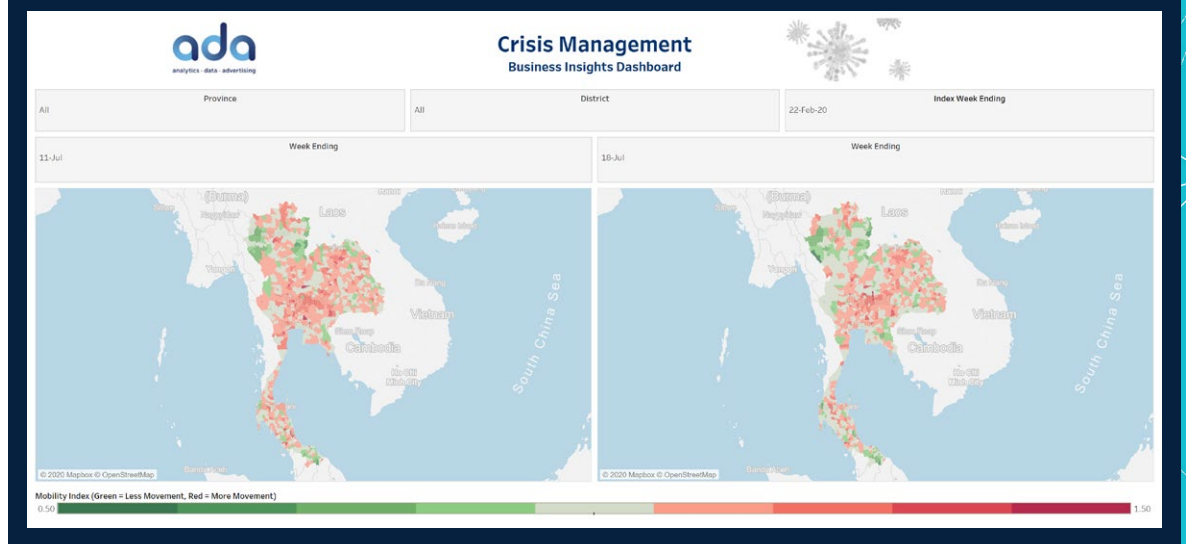
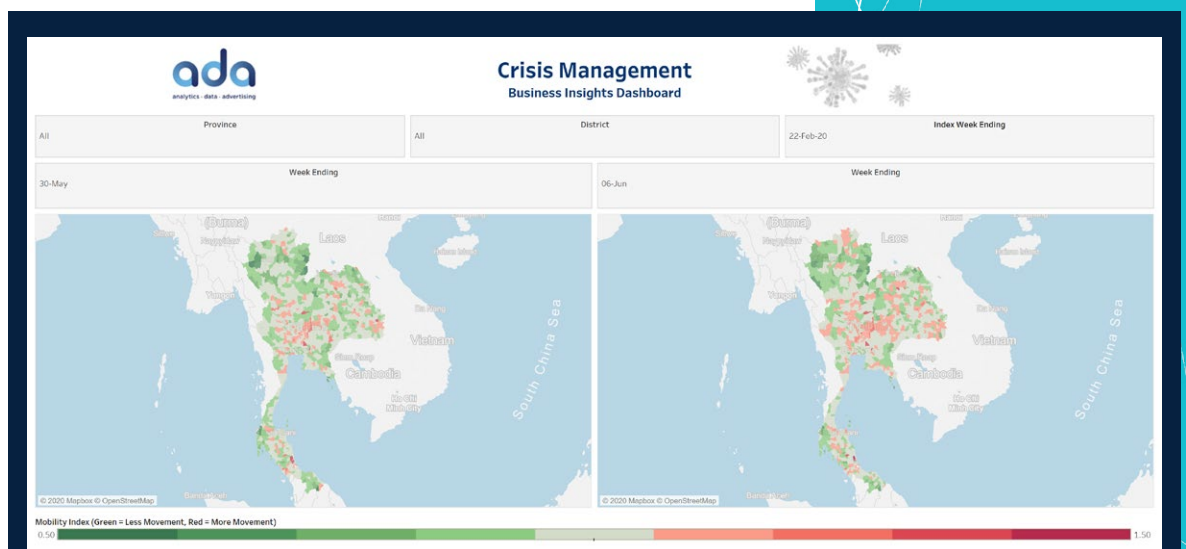
**Fig.5 and 5.1:** More movement is seen in May.

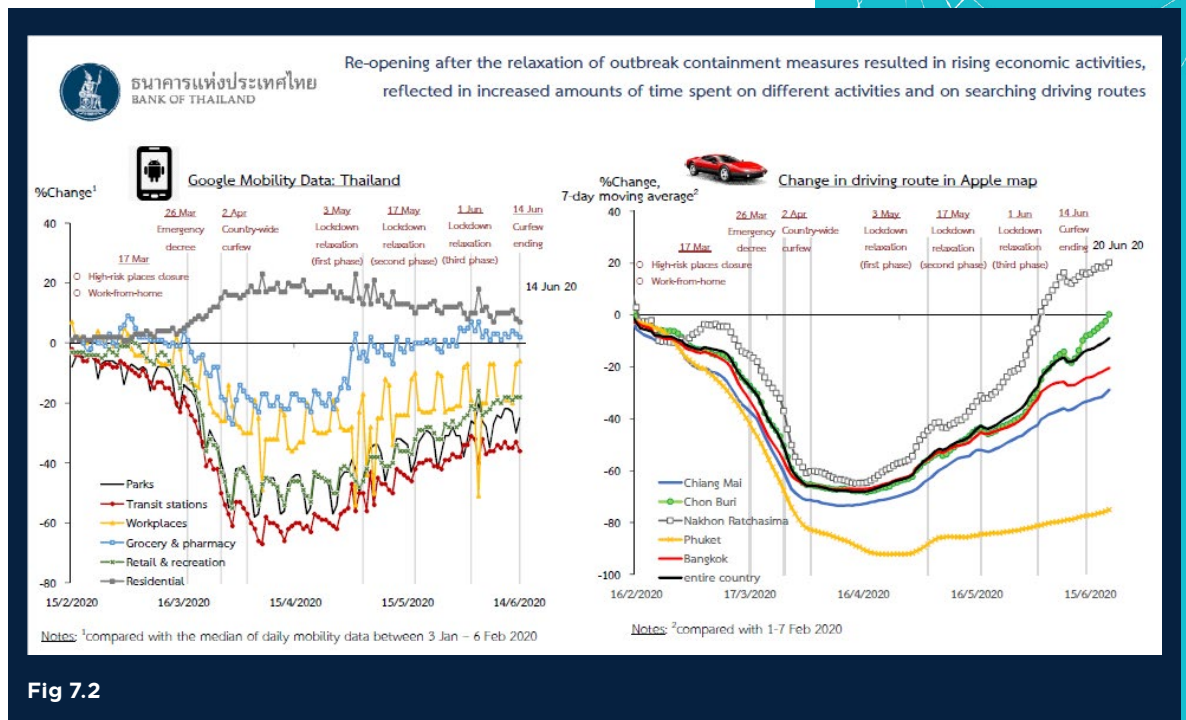
No doubt that footfall traffic to malls dropped during the country-wide lockdown. However, once phase two of eased restriction was announced, malls saw a whopping 200% increase in foot traffic – based on offline mobility behaviour from the average in the normal period (January – February) of 0.5 to 0.8 in May and almost doubled to 1-1.19 in July.



**Fig. 6:** Footfall traffic in malls based on offline mobility behaviour at the beginning of the pandemic, at the height of it, and as restrictions are eased.

The mobility trend continue upwards as more phases of easing restrictions are announced in June, and by July – almost 60 days with zero COVID-19 cases – citizens are rewarded with a substitute long holiday from July 4-7. Our mobility data echoes information that was released in a [press statement by Bank of Thailand back in June](#), further validating our findings.





**Fig. 7, 7.1, and 7.2:** As the government continues to ease restrictions, higher mobility is evident in June and July. ADA's mobility data echoes data released by Bank of Thailand.

So, more and more people are now able to go out, but what does that spell for the economy? According to the National Economic and Social Development Council (NESDC), the [Thai Economy declined by 12.2 % in the second quarter of 2020, compared with a 2.0 % contraction in the previous quarter.](#)

While COVID-19 has caused a limitation on the mobility of travel and exports, which play a critical role in driving the Thai economy, domestic demand and private sector investments are needed to boost the economy in the second half of 2020.

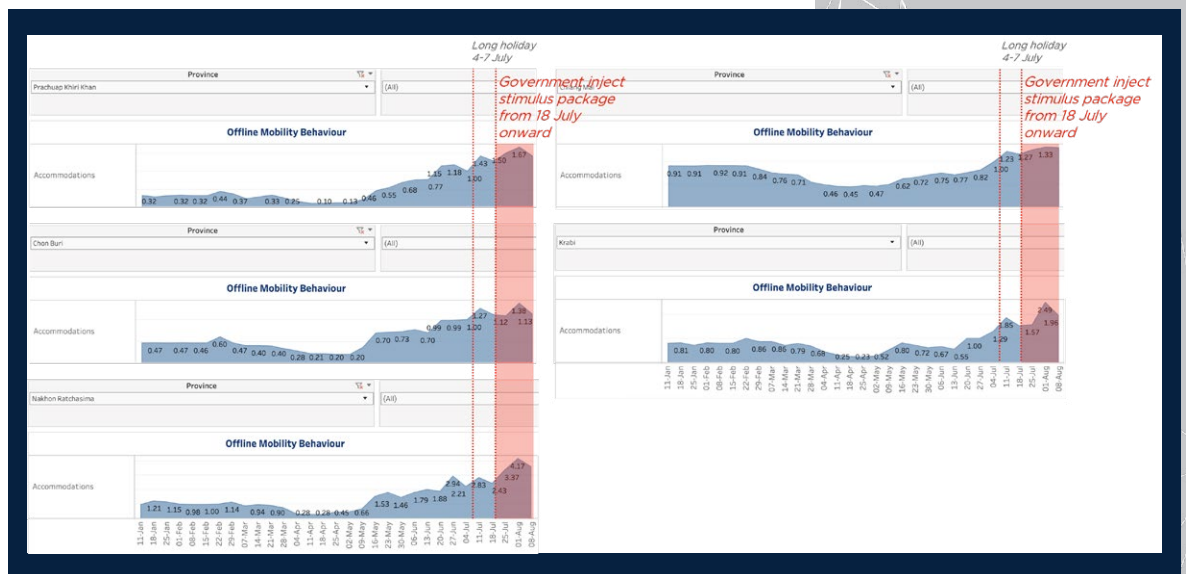
Given that all retail and service industries are back to a new normal from July onwards, top industries based on the [advertising industry's digital spend in creative, content, and media](#) – automotive (3 billion baht), beauty/skincare (2 billion baht), communications (1.9 billion baht), non-alcoholic beverages (1.3 billion baht), and banking (1.3 billion baht) – are speculated to spur the economy.



# Driving Digital Demand

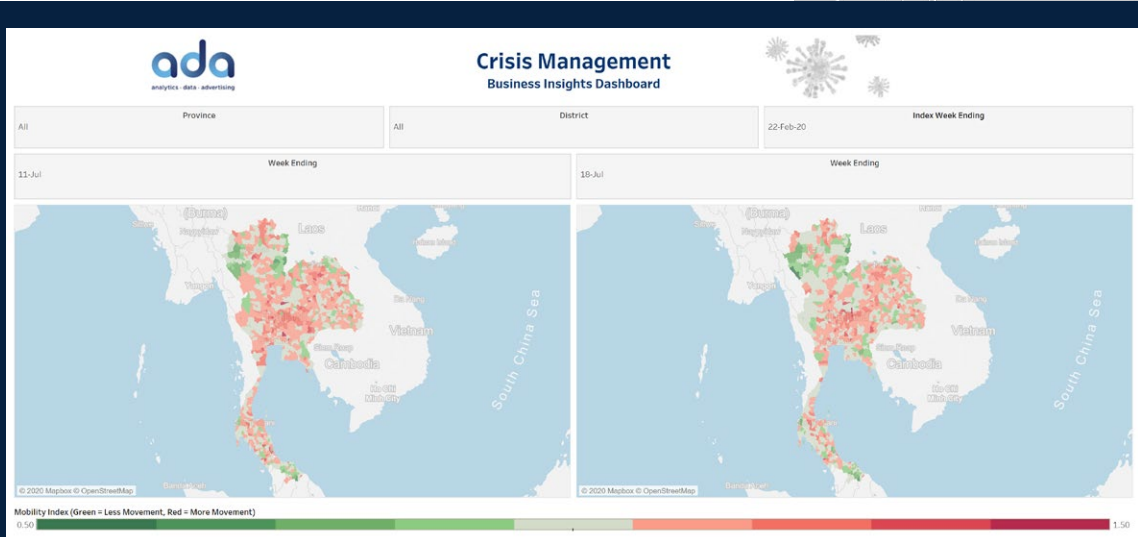
We have already seen that businesses can thrive even during a pandemic – and it is more apparent for two industries – beauty/skincare and automotive. If a global premium skincare brand that [depended on 80% physical sales, could pivot their sales strategy to achieve 490% growth in ecommerce sales in just one month](#), what exciting opportunities lie for the automotive industry?

A closer examination of the substitute long holiday weekend of July 4-7 reveals that the most popular tourism cities – Prachuap Khiri Khan (Hua Hin), Chon Buri (Pattaya), Chiang Mai, Krabi, and Nakhon Ratchasima – have peaked in mobility index, which means that Thai consumers are not afraid to travel within the country. They are further motivated (and rewarded) by the [government's stimulus package of 22.4 billion baht to stimulate domestic tourism](#). The subsidies will be available from July to October 2020 and will also include funding to support domestic trips for more than 1 million healthcare workers and volunteers from sub-district hospitals, as a sign of gratitude for their service in helping to combat the virus pandemic.

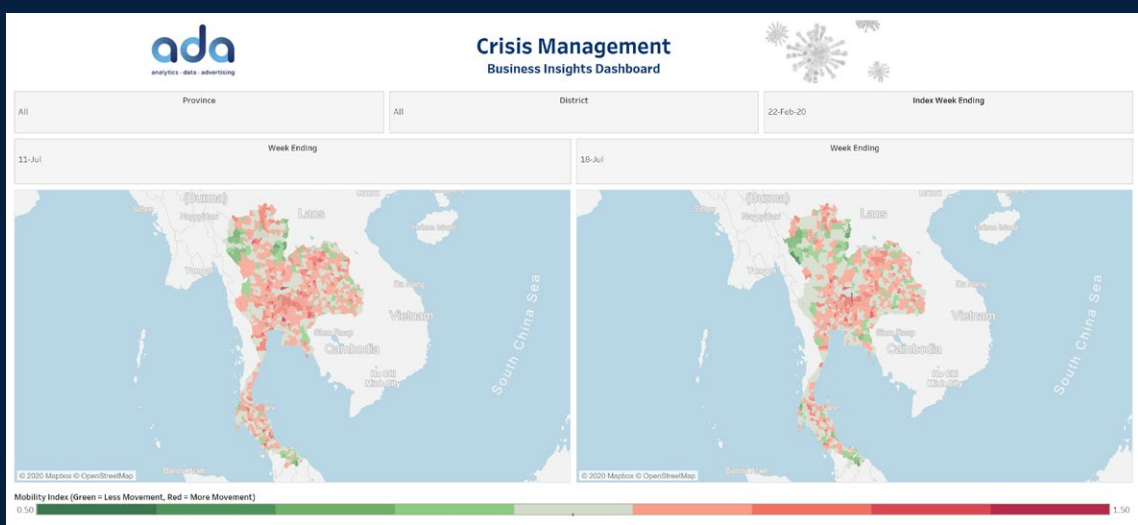


**Fig. 8:** Mobility surged after the Thai government announced the domestic tourism stimulus package worth 22.4 billion baht.

In July, the mobility index is higher than that from the beginning of the year, indicating that almost everything has returned to normalcy. One stark observation is the ['41<sup>st</sup> International Bangkok Motor Show' that attracted more than 1 million attendances from July 13-26](#). Bangkok's twice-postponed annual auto show was the country's first large-scale event since COVID-19 restrictions eased, and Thai consumers were eager to spend big.



**Fig 9.** ■ Less Movement ■ More Movement

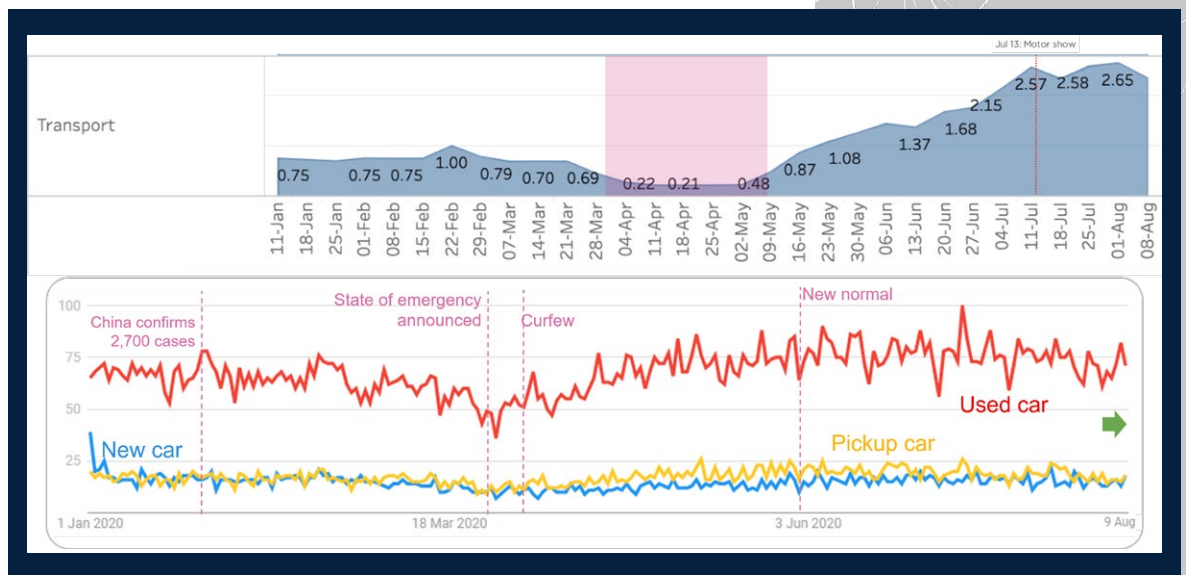


**Fig 9.1** ■ Less Movement ■ More Movement

**Fig. 9 and 9.1:** Mobility returned to higher than normal for the year in July thanks to various government efforts and Thailand's largest annual auto show.

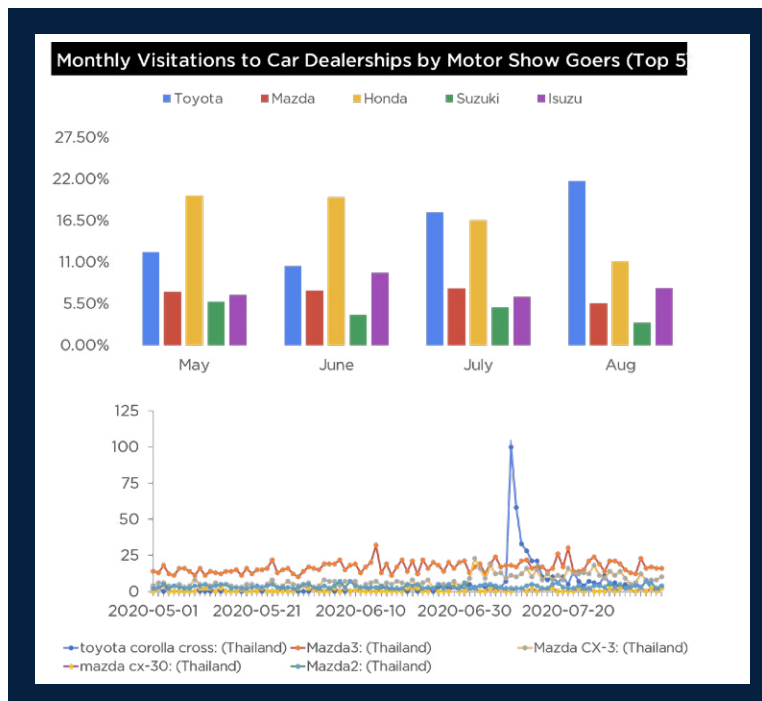
In Q1 2020, when the pandemic first struck, automotive showroom visits were at an all-time low, but bounced back slightly in May, in line with the second phase of easing restrictions. This is likely due to the unreliability of the Bangkok public transport system during the curfew. This scenario spurred the need for personal vehicles for greater flexibility, reliability, and mobility.





**Fig. 10:** Google search trends on car purchase correlates with easing of restrictions and the '41st International Motor Show'.

At the motor show, ADA used **XACT** to analyse the behaviour of attendees and observed some interesting patterns. Honda car dealerships were the most visited in the months preceding the motor show and was followed closely by Toyota. However, in July, Toyota dealership visitors overtook Honda's, and this continued well into August, even after the motor show. This might indicate that Toyota made a positive impact on visitors at the show with the unveiling of its latest model – the Toyota Corolla Cross – with 400 car bookings in five days and the first booking was made at the motor show.



**Fig. 11:** Car dealership visits before and after motor show by month and brand.

Despite a recent near-scare of a possible second wave of the pandemic, Thailand is still successfully returning to normalcy. With thanks largely due to the government's generous stimulus package, fierce nationalism, and identified personas of working adults; any business or marketer worth their weight in salt will consider a data-driven digital approach when planning not just their communications, but also their creative campaigns.

**ADA is here to help your business make better data-driven decisions today. Speak to us to find out more.**



### **Suppakit Limboonsong**

*Country Director, ADA in Thailand*

Suppakit is driven to help brands bring integrated marketing strategy to life. As Country Director of Thailand, Suppakit brings 16 years of experience in market research as well as media and advertising industry knowledge to the team.

He leads growth and business development for ADA in Thailand through integrated strategy and planning. Since joining ADA in 2017, Suppakit has built up the market's creative services offering, transforming the Thailand business into a one-stop integrated digital agency.

ADA in Thailand grew rapidly under Suppakit's leadership, working with a plethora of global brands and local blue-chip clients. Before joining ADA, Suppakit was General Manager at Spark Foundry (aka Mediavest).

## **CONTACT US**

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