

# Exploring Thailand's E-Commerce Market

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# Thailand's Overview

# 1.1

## Why Thailand?

- THAILAND, with its **population of 69 million**, stands at the heart of the ASEAN Economic Community.
- It has the **2nd largest economy in Southeast Asia**, with a strong consumer base.
- Excellent **connections with the fast-growing neighboring CLMV (Cambodia, Laos, Myanmar and Vietnam) countries**, the powerhouse economies of nearby China and India are also easily reachable from Thailand by virtue of its world-class infrastructure for air, land, sea and rail transportation.



# 1.1

## Why Thailand?



### Trade Spotlight

As of Jan 2021, Thailand's top 10 major trading partners in order from largest to smallest were China, Japan, USA, Malaysia, Vietnam, Australia, Indonesia, Singapore, South Korea and India.



### Location & Market Access

Ongoing national investment in and rapid development of Thailand's logistics systems including rail, road, water and airways, are helping to integrate the country's transportation system with those of other emerging economies. This brings vast opportunities for cross-border trade and investment.



### Digital Infrastructure

Thailand has been emphasizing its digital development for a number of years through its focus on the Thailand 4.0 economic model, which seeks to transform Thailand into a "value-based" digital economy.



### EEC

A flagship megaproject that aims to become the ASEAN-leading economic zone for industrial, infrastructure, and urban development. Spanning over 13,000 sq.km. across the three provinces of Chonburi, Rayong, and Chachoengsao.



### Competitive Cost

Prime office space in Bangkok, Thailand's capital, is an outstanding value. As compared to other leading cities in the region, Bangkok is nearly half of the cost of Ho Chi Minh City, only 40% of the cost of Seoul and Singapore, and a quarter of the cost of New Delhi, Tokyo and Beijing.



# Digital Thailand

## 2.

# Digital Thailand - Overview

### MOBILE CONNECTIONS



**90.66**

Million

vs. population  
129.7%

### INTERNET USERS



**48.59**

Million

vs. population  
69.5%

### ACTIVE SOCIAL MEDIA USERS



**55.00**

Million

vs. population  
78.7%

# 2.

## The Behaviors

### Use of mobile apps by category

83.4%

Shopping  
Apps

97.6%

Social  
Networking Apps

### Daily time spent with media

9H  
01M

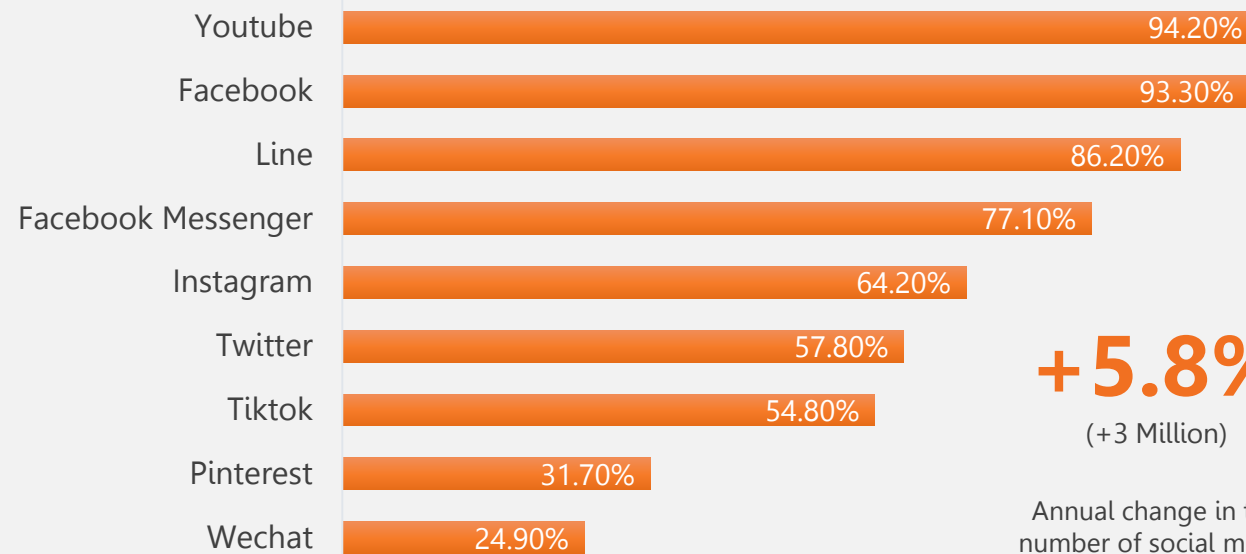
Using the  
internet

2H  
55M

Using social  
media



### Most-used Social Media Platforms



+5.8%

(+3 Million)

Annual change in the  
number of social media  
users

Remark: Percentage of internet users aged 16 to 64 that has used each platform in the past month



# Social Commerce & E-Commerce

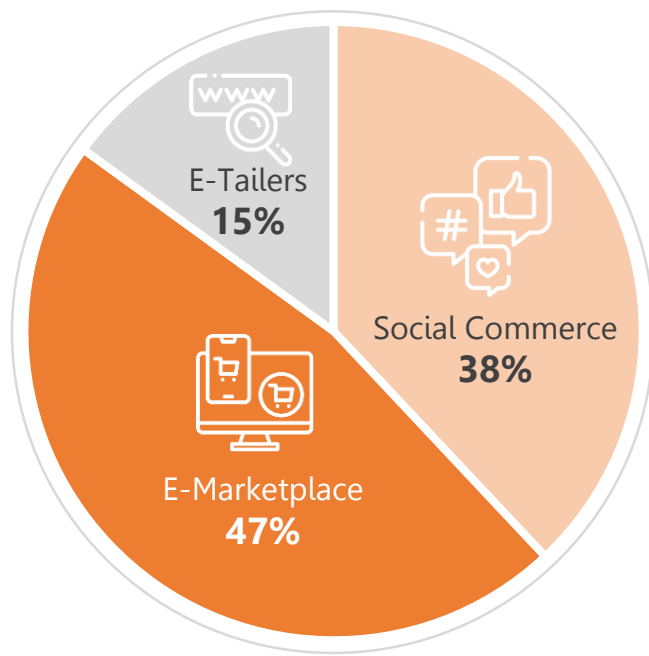


# 3.

## The Market Landscape

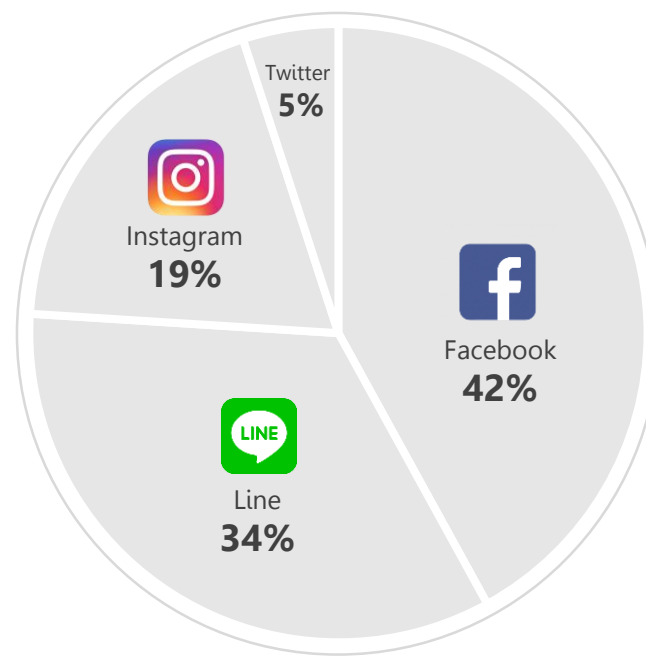
### Overall

The overall market is carried out into three shares in Thailand, E-Commerce is the biggest, followed by social commerce and E-Tailers.



### Social Commerce

Driven by the rise of online sales and the increasing consumers' behaviors using social media in their every day life.



### E-Market Place

Thailand's two largest e-commerce platform includes Lazada and Shopee.



# 3.

## E-Commerce Trend

- E-commerce boom amidst the ongoing pandemic, jumped to **81% market value<sup>1</sup>** from 2019 to 2020.
- More incoming products listed<sup>1</sup> on the popular marketplaces especially **Shopee, Lazada and JD Central** with **32%** increase from 174 million products in 2019 to 230 million products in 2020.
- 50% Rise of sellers<sup>1</sup>** on the platforms, carried out to be 37% domestic and **63% from** overseas (mainly from the potential market, China).

### Top 3 E-Commerce spent by category<sup>2</sup>

The total amount spent in consumer e-commerce categories in 2020



Fashion  
and Beauty

**\$710.7**

Million  
+35.1% YoY



Furniture and  
Appliances

**\$438.9**

Million  
+37.0% YoY



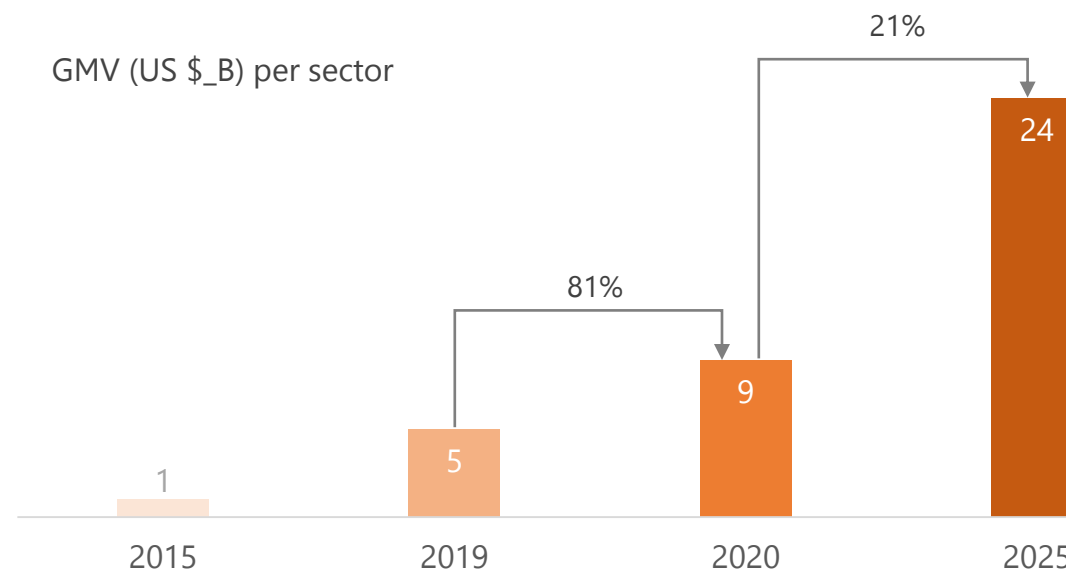
Video  
Games

**\$389.7**

Million  
+25.0% YoY

### Thailand's Surge in e-Commerce<sup>3</sup> offsets contraction in Travel

GMV (US \$\_B) per sector

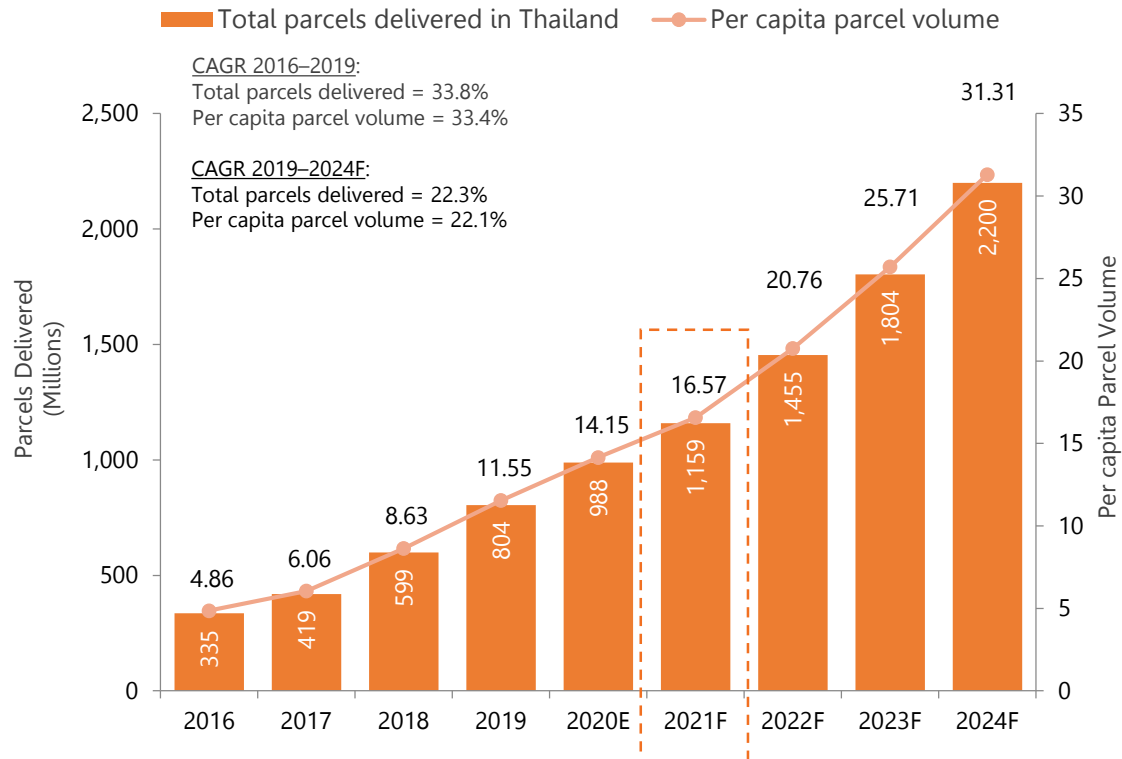




# Parcel Delivery & Payment Trend

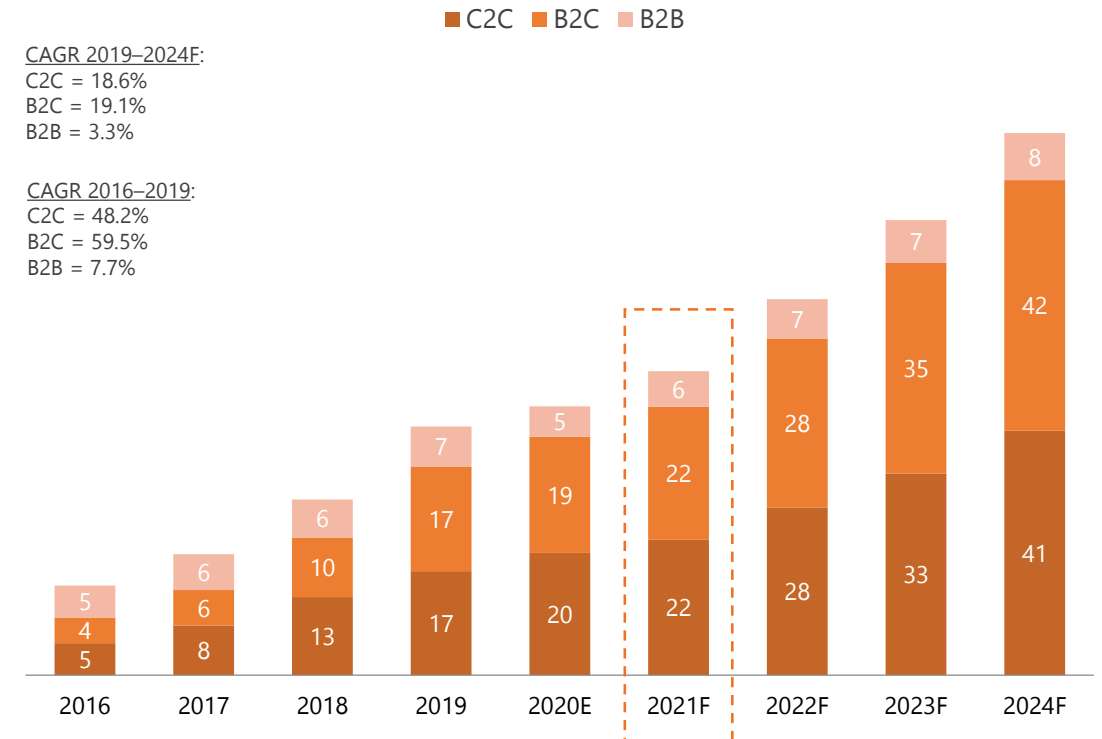
## 4.2 Parcel Delivery in Thailand

Size of the Express Delivery Industry, Total and per capita Parcels Delivered per year, 2016–2024F



Note: Data for both private and public parcels delivery companies.

Revenue Size of the Express Delivery Industry (THB billions) by Segment, 2016–2024F

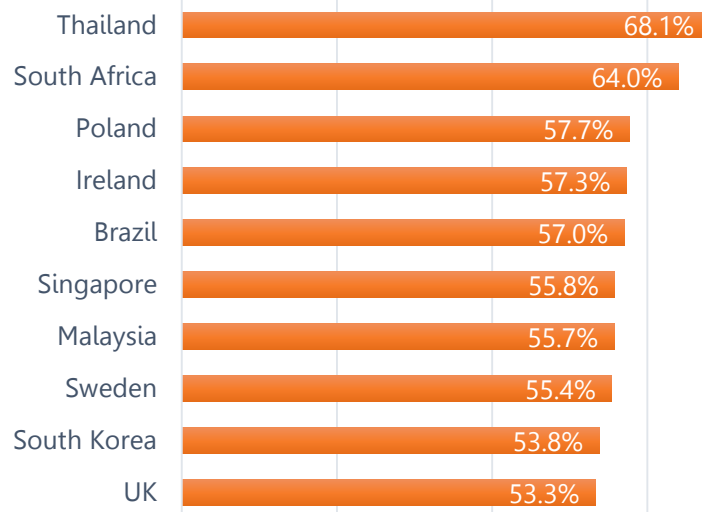


# 4.

## Digital Payments – Come Into Play

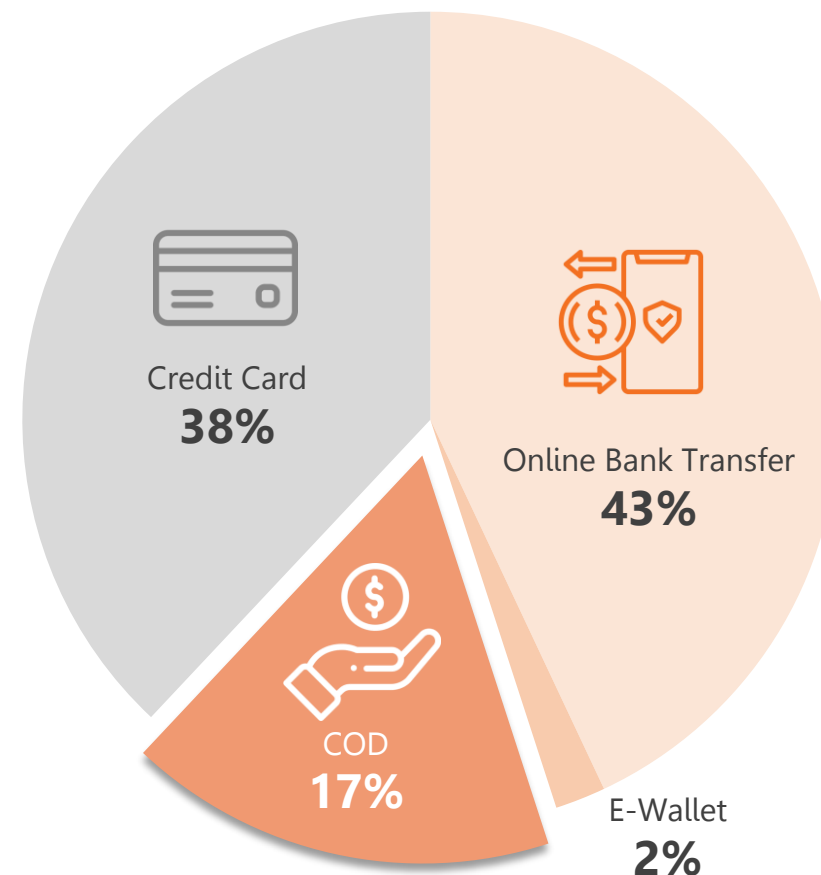
Thailand's use of banking and financial services apps<sup>1</sup>

68.1%



Payment methods frequently used for E-Commerce<sup>2</sup>

- Digital payments are **rising in use** and penetrating into a cashless society, the payments include money transfer via mobile-banking apps, debit and credit cards.
- With a grow spending on e-commerce, one of the 'becoming popular' payment method is **Payment-on-Delivery**, customers only need to pay the price for their products at the doorsteps (when receiving parcels from couriers).





# Kerry Express Thailand

# 5.

## Kerry Express – The Dominant Player

- Founded in 2006, Kerry Express (Thailand) Public Company Limited ("KEX") is **the leading and fast growing express delivery company<sup>1</sup>** and **the pioneer** of convenient and express delivery solutions in Thailand, offering a **comprehensive range of integrated parcel delivery services** to customers in the various segments.
- KEX has successfully debuted on the **Stock Exchange of Thailand** on 24 December 2020.

Stock Symbol:

**KEX**

Market Cap<sup>2</sup> (THB mn):

**70,905**

Fast Growing

Strong Network  
Natiowide

Industry-Leading Service  
Quality

Largest Payment-on-delivery  
Collector



**1,200,000**  
average parcels  
delivered per day



**15,000+**  
service points



**1,000+**  
distribution centres



**99.99%**  
next-day delivery service  
coverage within Thailand



**6.5bn+ (THB)**  
average monthly  
transaction value



**ALL 77**  
provinces in Thailand  
covered



**~20,000**  
fleet of vehicles under  
our management



**99%**  
of parcels delivered  
on time



**9**  
sorting hubs

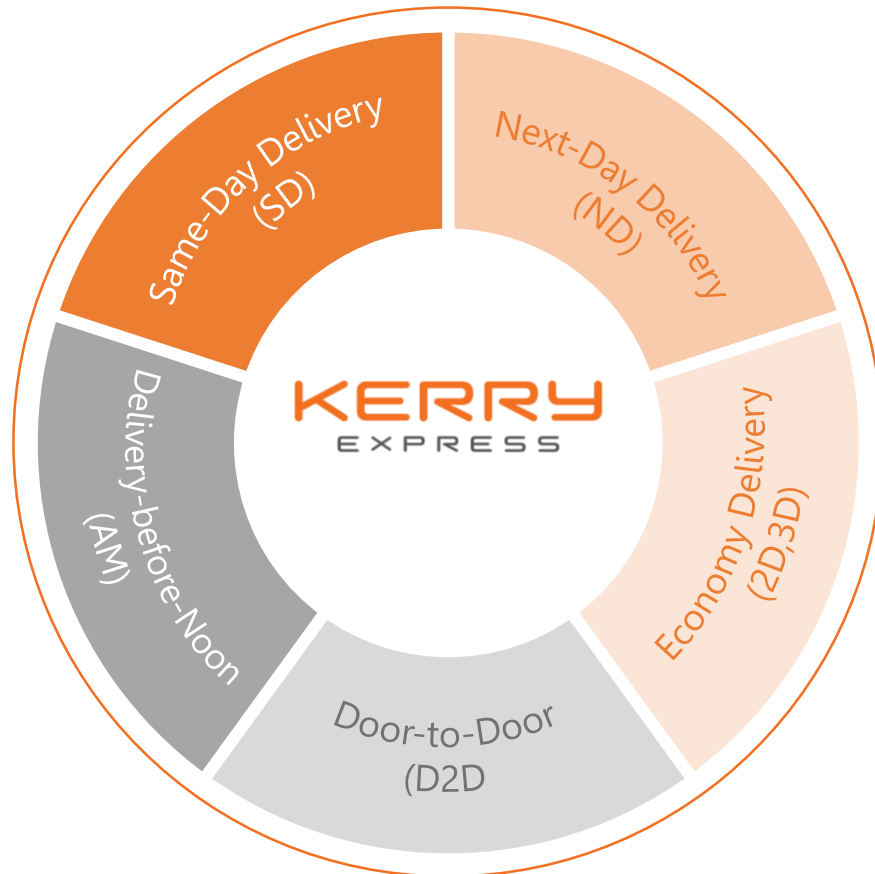


**<1.5%**  
of parcels  
returned

## 5.2

# What does KEX do?

## KEX's Service Offerings



## KEX's Business Segments

### C2C

Fastest growing segment of the Company with the **largest client pool** with No.1 Brand Thailand Award in Delivery/Logistics

### B2C

Serves the **largest e-commerce** platforms operating in Thailand



### B2B

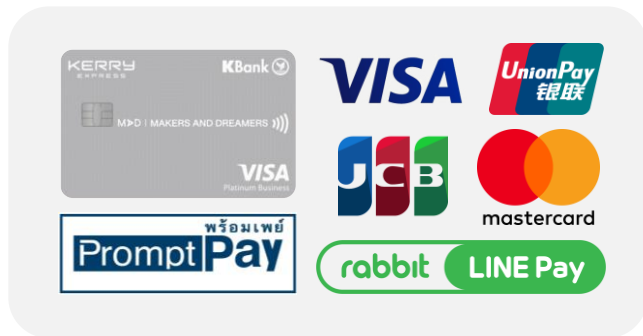
We are deep rooted in serving business customers from **small to large enterprises** and providing customized and value added services





# 5.3

## Payment Solutions



KEX offers multiple payment gateways serving customers with the utmost convenience including payments at the counters, payment-on-pickup and payment-on-delivery.



**Contactless** payment-on-delivery (by QR scanning)



**Largest** payment-on-delivery collector in Thailand in terms of transaction value



**First** private express delivery company to offer payment-on-delivery services



Handles an average monthly payment-on-delivery transaction value of **over THB6.5 billion<sup>1</sup>**

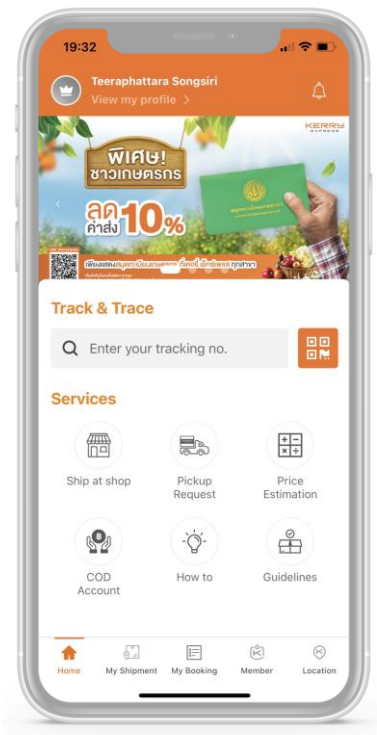


Accepts **Rabbit Line Pay** and **PromptPay** on delivery

# 5.4

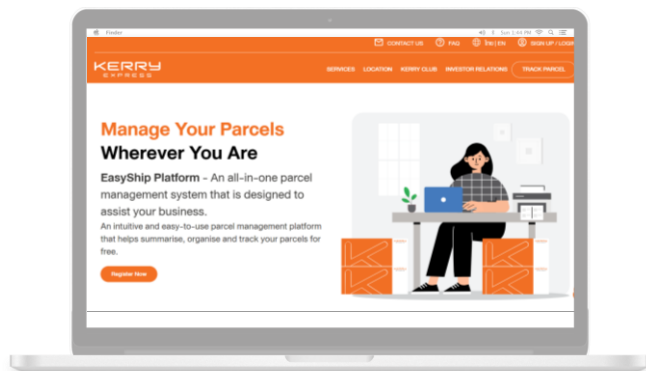
## KEX's Proprietary Technology

### Customer-oriented Platforms



### KE Application

Self-developed mobile application combines all services in just one tap for customers.



### EasyShip

Self-developed online platform for customers to manage parcels online like inputting recipient data, selecting delivery method, calculating delivery fees, and generating real-time shipment status.

### KEX's Operating Systems



- **POS/mPOS**

Installed at our service locations for staff to input delivery detail, calculate total fee, print a receipt with a unique QR code.



- **mPOD**

Proprietary proof-of-delivery mobile application for couriers which facilitates pickup, delivery and payment.



- **KES**

Self-designed solution covering shipping process such as booking, shipment status update and pending shipment management

# 5.5 Sorting Capacity

## Auto Sorting Systems

- Parcels are sorted and dispatched based on routing logic, through auto sorting system
- By scanning the unique QR code on the waybill, the system automatically sorts parcels according to their destination

Parcel Sorting  
Capacity

Parcels per day

**2,000,000**

Sorting facilities located in  
strategic areas

**9**



# THANK YOU

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KERRY EXPRESS (THAILAND) PUBLIC COMPANY LIMITED

