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## **Future of Food online delivery in Thailand**

**by Lin and Earn**

On this topic “The future of food online delivery service in Thailand”, authors have 4 main research questions. First, what is the market structure of the online food delivery service in Thailand? and who are the players? Second, what is the nature of the business? And How does it make profit? Third, how competitive are the current players? And last one, how likely is it for this industry to stay highly competitive? But the writers are focus more on the last two research questions.

To answer the research questions, authors used SCP framework to run the analysis and obtain the data from both primary and secondary data which in primary data part, this group also conduct the in-depth interview from food delivery drivers and restaurants who be part of this industry.

In the result part, author mention that the food online delivery industry in Thailand is under oligopoly market which have only four big firms: Grab, Line man, Food panda, and Get in the market. Surprisingly, Grab-food have the market share over 89.29% which can imply Grab is a dominate firm in the market. Food delivery is a two-sided market, so they will receive revenue from both two sides which are commission fee from drivers and restaurants, promotion and penetration pricing are the main competitive strategy in order for them to gain more market share. But they also have to use some fund to subsidies this is the reason why platforms have not created the profit yet. Author have preliminary conclude that the food delivery is highly competitive, but in the future, the main play in this industry hope to see fewer player left the industry, so they can control the price and make profit since it has a very high market power.

### **Part 2: Reflection on the paper**

I think this topic is interesting for people who might not familiar with this industry but for me as a customer of those delivery service I think the answers of those questions are quite predictable but I still feel interested to read this paper in order to check whether my prediction is correct or not and learn more about this industry and the strategies used by those firms.

I think they use many economic theories in this paper such as the effect network, first-degree price discrimination and third-degree price discrimination.

**Comment on Presentation:** the way they speak and the slide is easy to understand clearly on what they trying to say. Short but precise.