

# Insight

Thailand's changing consumer demographics and what they mean



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“**How we consume is driven by who we are.** A low income youth in the city will behave very differently from a middle income rural couple with kids.

**“Who we are” is evolving rapidly, driven by aging, rising incomes, and changing behaviour.** Aging is the most obvious demographic change. By 2020, there will be over 12 million elderly, representing 17% of the population. Incomes are rising, with the proportion of middle income households increasing to 30% of the working population. Behaviour is also changing: people are marrying later; divorcing more; children are moving out on their own.

**The objective of this report is to help businesses to identify opportunities and challenges which may arise from Thailand's changing consumer landscape. Part 1** of the report reviews key trends, past and prospective, of the main drivers: aging, incomes, and behaviour. **Part 2** pulls together these different trends to model how consumer demographics will change going forward. We incorporate 5 dimensions that are relevant: age; gender; income; geographic location (Bangkok, non-Bangkok urban, and rural); and household type (e.g., living alone, married with kids, etc.). We find that more and more of the population will reside in middle income but non-traditional households. We also identify potentially interesting newer consumer segments, e.g., lone women; empty and mixed nests. **Part 3** discusses implications. The impact on consumption obviously varies by sector. For example, because people living alone and couples without kids tend to spend more on housing and entertainment, the rapid rise of these two segments will help these sectors. But one general message is that there is a greater need to focus on specific opportunities as there is no obvious “rising tide” in the form of a sharp increase in the urban middle class as elsewhere in Asia. The implications extend beyond just consumption to the economy and society overall, in the form of reduced savings, slower growth, and a much changed work environment.”

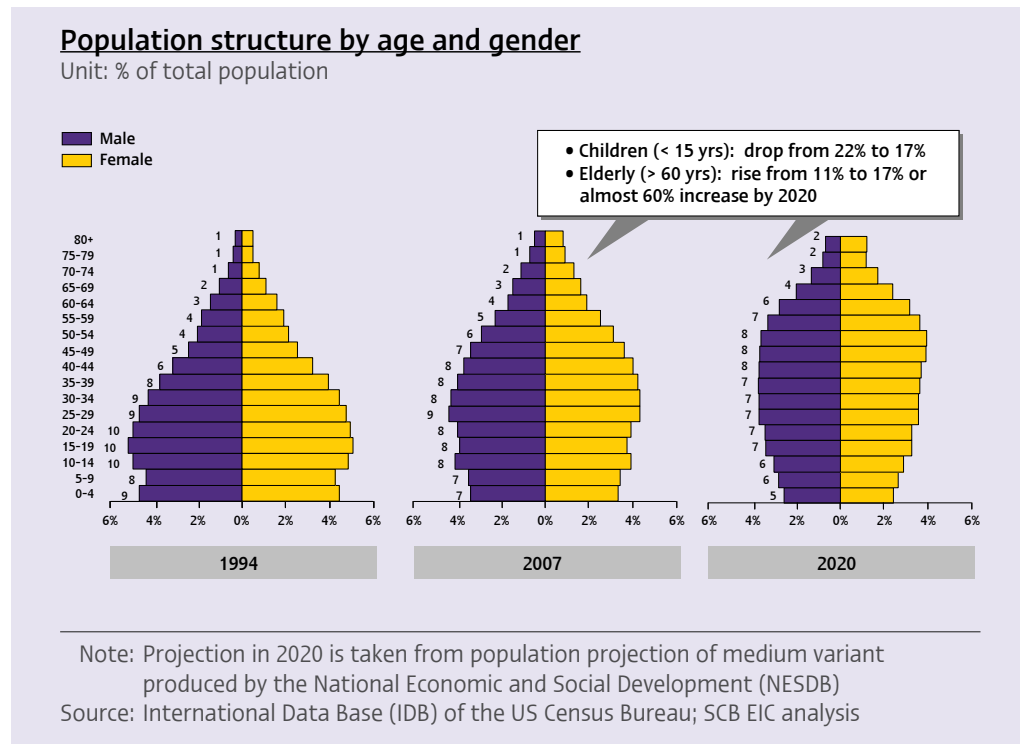


# 1 Key trends and drivers

## AGING

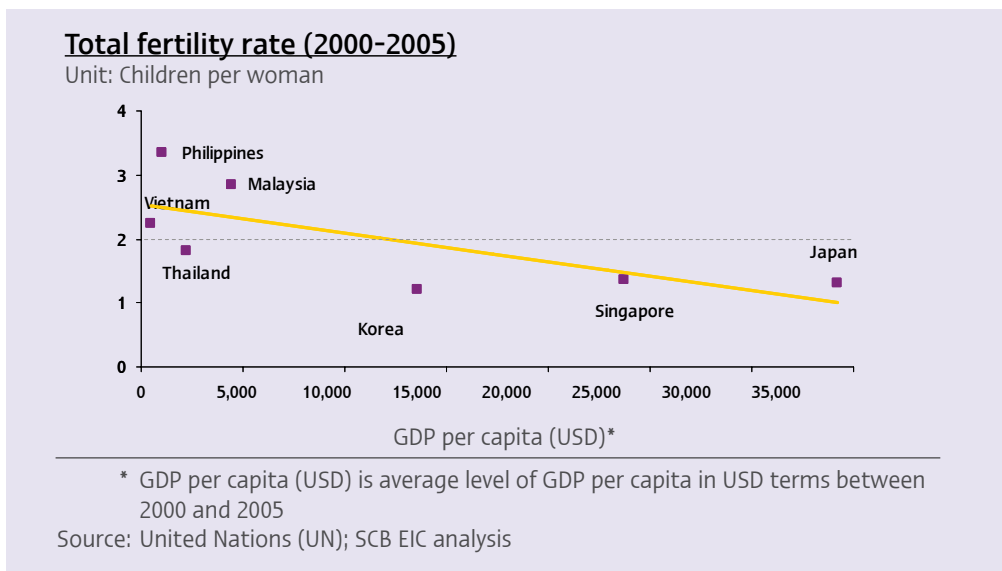
Among the more obvious and important demographic change is the rapid aging of the population in Thailand. Population pyramids show the distribution of the population by age cohort. In a young population, the distribution takes the form of a pyramid with a wide base and narrow top, reflecting the fact that there are many more young people than old. Such was the case for Thailand in 1994. By 2020, however, the Thailand's population "pyramid" resembles more of an urn, with a bulge in the 40-49 age cohort. Between 2007 and 2020, the proportion of children (age below 15) in the population drops from 22% to 17%, while the proportion of the elderly (age 60 or above) increases from 11% to 17%. While that does not sound much, it means over 12 million elderly people by 2020, a 60% increase. The aging population—coupled with the higher life expectancy for women—will also mean that by 2020 there could be up to 1.5 million more women than men!

### 1 Number of elderly (older than 60 years old) rose by 60% between 1994 and 2007



**The aging has been driven largely by Thailand's very low fertility.** As elsewhere, the aging of the population has been driven by higher life expectancy and lower fertility over time. Unfortunately, while our life expectancy is low like a poor country, our fertility is low like a rich one. Life expectancy (at birth) in Thailand still is not particularly good. It is below even that of Vietnam, which is at a much lower level of income and development. This is caused by a much higher death rate in Thailand compared to other countries, due largely to HIV/AIDS and injuries. What is particularly striking in Thailand is the very low level of fertility for its level of income. The total fertility rate, defined as the average number of children that would be born to a woman over her lifetime, in Thailand may drop from 2 (1990-1995) to only around 1.8 (2005-2010), closer to rich countries like Japan and Singapore and lower than comparators such as Malaysia. Absent immigration, a fertility rate below 2 is typically inadequate to keep the population from eventually declining in long run as a woman should have at least 2 children to replace herself and her spouse to maintain national level of population in long run.

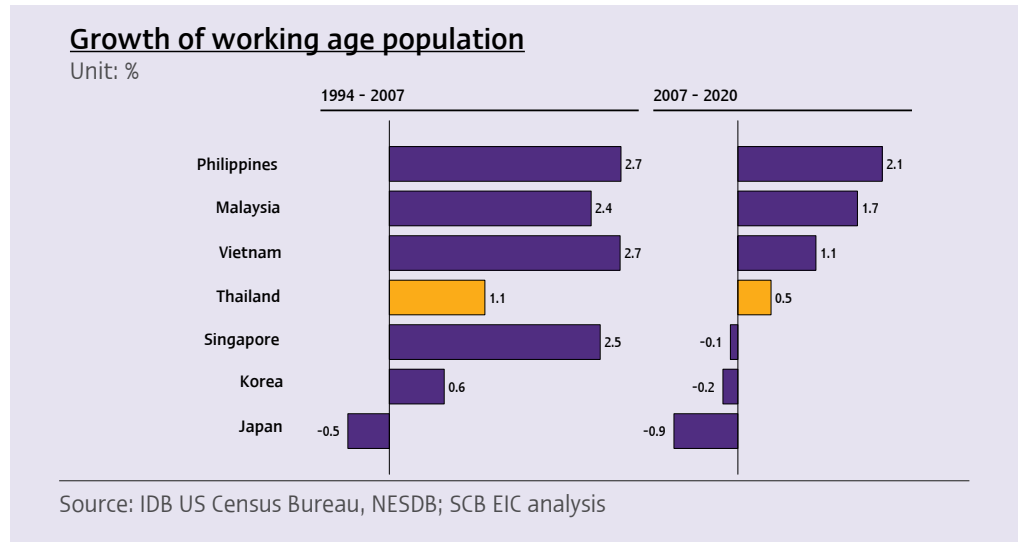
## 2 Total fertility rate of Thailand stood at 1.8 between 2000 and 2005, which is inadequate to keep the population from eventually declining in long run



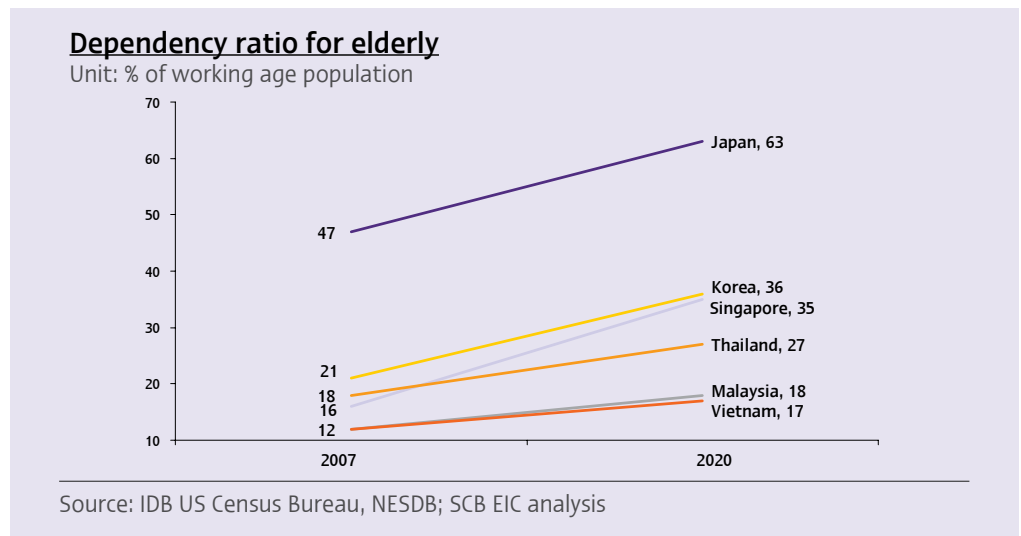
**Growth in the working age population will drop off sharply.** Economic growth often reflects demographics. Countries with a rapidly growing work force typically experience rapid economic growth, a phenomenon known as the “demographic dividend<sup>1</sup>.” In Thailand, however, the compound annual growth rate (CAGR) of the working age population (aged 15-60) will drop off from over 1% between 1994-2007 to only 0.5% between 2007-2020. The result will be a sharp increase in the ratio of elderly to working age population (or elderly dependency ratio). By 2020, there will be 27 elderly per 100 working age person in Thailand, a double from the level in 2007, which is a figure already comparable to those of developed countries.

<sup>1</sup> Demographic dividend is a rise in the rate of economic growth as proportion of working population increases

### 3 Growth of working age population of Thailand is well below those of Asian developing economies

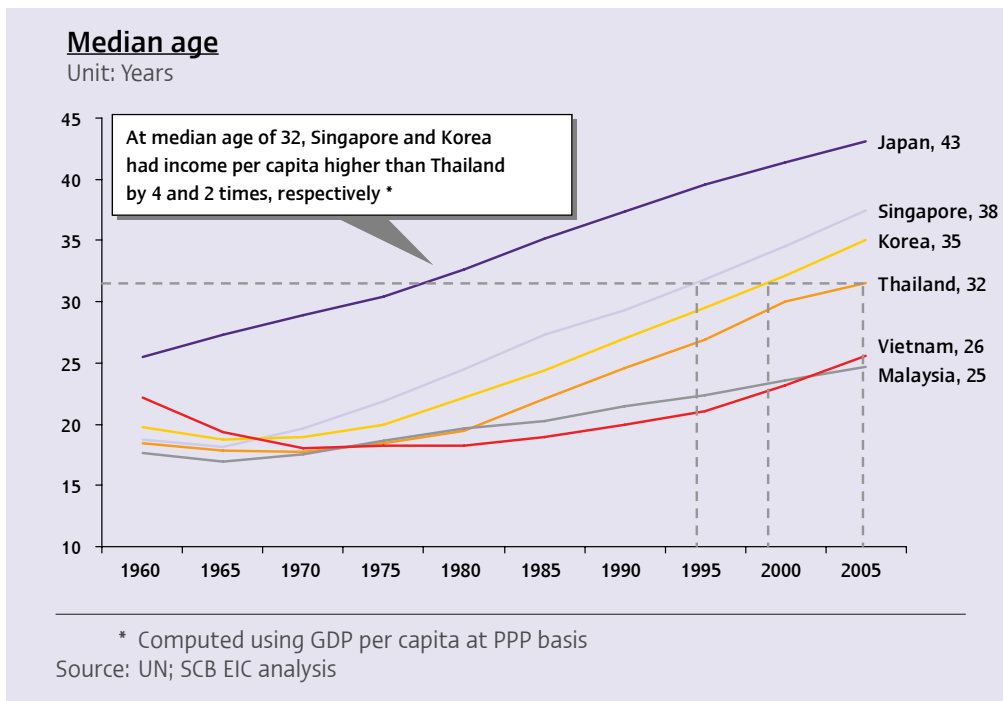


### 4 Dependency ratio for elderly is comparable to those of Asian developed economies



**We are aging prematurely, and we are not really prepared for it.** Thailand's rapid aging is particularly striking—and worrisome—for its income level. The median age in the population has increased rapidly to about 32. While lower than the current median age in Korea and Singapore, the latter two economies reached a similar median age at much, much higher levels of per capita income. We are running out of workers at a time when we have not yet acquired the skills, capital, and technology to really increase their productivity.

## 5 While median age of Thai population increased significantly, income growth has been lackluster



## CHANGING BEHAVIOUR

**It is not just aging, behaviour is also changing.** Figures 6 and 8 depict marital status by age in the Thai population in 2007. The “married” line, for example, shows that about 50% of those aged 20-29 were married, while over 70% of those aged 30-39 were married. While it is a snapshot at one moment in time, it does provide an indication of the typical Thai “life cycle<sup>2</sup>.” The average Thai tends to get married in his or her 20s. If they divorce, it tends to happen in their 40s. By their 70s, many are widowed. By their 80s, if they have managed to survive, they are most likely to be women. What this life cycle clearly implies is that in looking at behaviour changes, it is critical to control for age. As the population ages, for example, one would naturally expect a higher proportion of the population to be married even if each individual is increasingly likely to marry later (or not at all). Identifying behaviour change therefore requires looking at changes in status for each age group. This is what we do below. (See Annex 1: What the data tell us) We identify at least four behaviour changes which will have a significant impact on Thailand's consumer demographics.

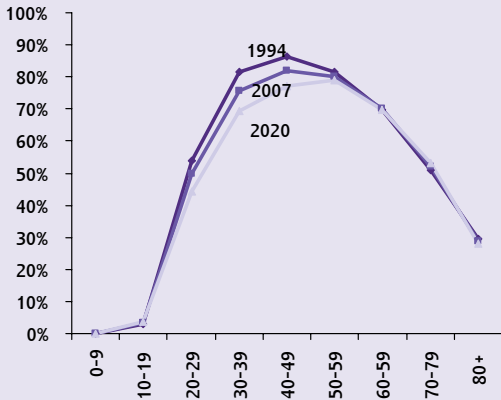
<sup>2</sup> The data should be interpreted in conjunction with the 2007 Thai population pyramid in Figure 1 to get a sense for the absolute numbers for each group. For example, in 2007, most Thais were in their 20s (see the age bulge in the population), which is also the age group that registered the largest increase in proportion of population married. This implies that most Thais in 2007 got married in their 20s. While those in their 40s have a slightly higher proportion of divorced compared to those in their 30s, the share of the population in their 30s is much higher. In 2007, only a little over 1% of the population was over 80, but 60% of them were women as men have a shorter life expectancy.

# 4 behaviour changes

## 6 Marrying later

### Marriage

Unit: % of total population by age cohort

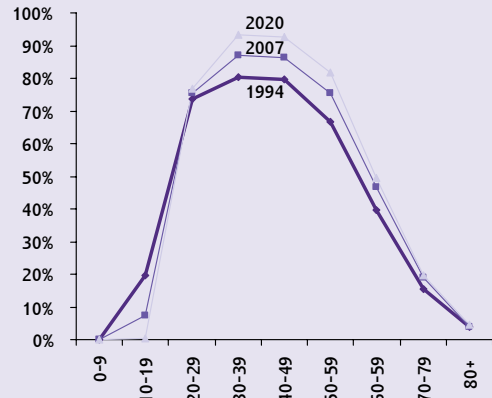


Source: National Statistical Office (NSO); SCB EIC analysis

## 7 Working more

### Working women

Unit: % of female population by age cohort

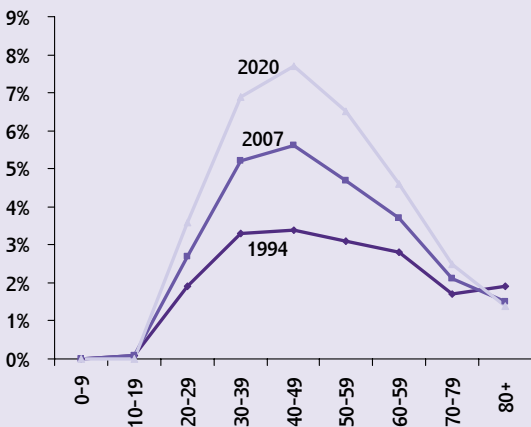


Source: National Statistical Office (NSO); SCB EIC analysis

## 8 Divorcing more

### Divorce

Unit: % total population by age cohort

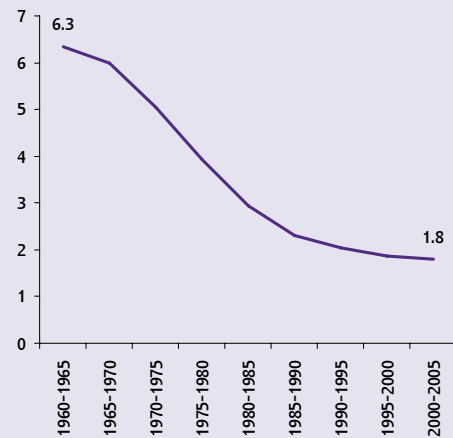


Source: National Statistical Office (NSO); SCB EIC analysis

## 9 Having fewer kids

### Total fertility rate

Unit: Children per woman



Source: UN; SCB EIC analysis

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**Marrying later.** People are clearly getting married later. The proportion of those in their 20s who were married, for example, dropped from around 55% in 1994 to 50% in 2007. We expect this to drop further to 45% by 2020.

**Working more** (at least the women). While the proportion of men working has not changed much, the proportion of women working has increased markedly. Unlike elsewhere, the biggest increase will not be from new entrants as the proportion of young women working has already been very high for quite some time in Thailand. As much as 74% of women in their 20s were already working as far back as 1994. As a result, this proportion is not likely to increase by much more, only to around 77% in 2020. By contrast, the number of older, working women will jump dramatically as the “stock” of past female job entrants age and stay in the workforce. This is one of the most significant changes in consumer demographics happening here. The proportion of women working in their 30s and 40s increased by over 6 percentage points between 1994 and 2007, and we expect an even larger increase by 2020<sup>3</sup>. The Thai housewife is becoming an endangered species. We expect the number of non-working females in their 30s and 40s to drop to only about 0.7 million individuals, representing less than 8% of their age group.

**Divorcing more.** The proportion of people in their 40s who are either divorced or separated has increased from 3% to 6% between 1994 and 2007, and we expect this to increase to at least 7% by 2020. These figures imply a marked increase in the divorce or separation rate. There were 30 divorces per 100 marriages in 2007, up from only 10 in 1994.

**Fewer kids.** Not surprisingly, with late marriages and both spouses working, people are having fewer kids as indicated by the drop in the fertility rate discussed above. But even among couples with children, children are also increasingly moving out on their own as evidenced by the increasing number of households without children living with them. We estimate population in married without kids households at 9 million in 2020, up from around 6 million in 2007. Around 40% of couples in married without kids households have children, but their children have already moved out to live on their own in 2007.

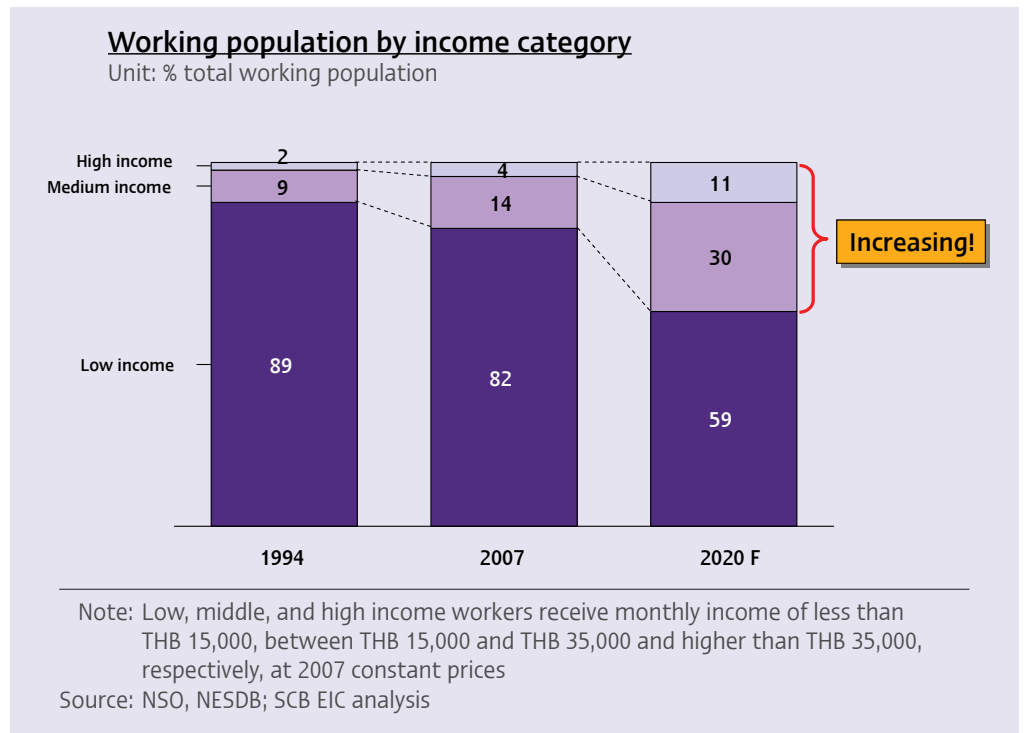
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<sup>3</sup> Working women are also becoming better educated, as evidenced by educational attainment indicators and reflected in the significant drop in the proportion of women aged 10-20 who work.

# INCOME

**Incomes are rising.** GDP per capita has increased by about 40% in real terms between 1994 and 2010. To be sure, this increase has not been equitably distributed as inequality in Thailand remains stubbornly high. While the poorest 20% of Thai population receive only around 4% of overall income, the richest 20% receive as much as around 55% between 1994 and 2007. But income levels have increased, and poverty has dropped. More and more households have and will continue to cross into middle and higher income thresholds, and their consumption patterns will change accordingly. Figure 10 shows proportion of working population in different categories of income. Proportion of working population with middle and high income is likely to increase from 14% to 30% and 4% to 11%, respectively. Working population with low, middle and high income are those with monthly income below THB 15,000, between THB 15,000 and THB 35,000, and higher than THB 35,000, respectively. Here, income categorization is based upon minimum salary required to apply for credit cards. (THB 15,000 for gold cards and THB 35,000 for platinum cards).

## 10 Working population with medium and high income has been increasing

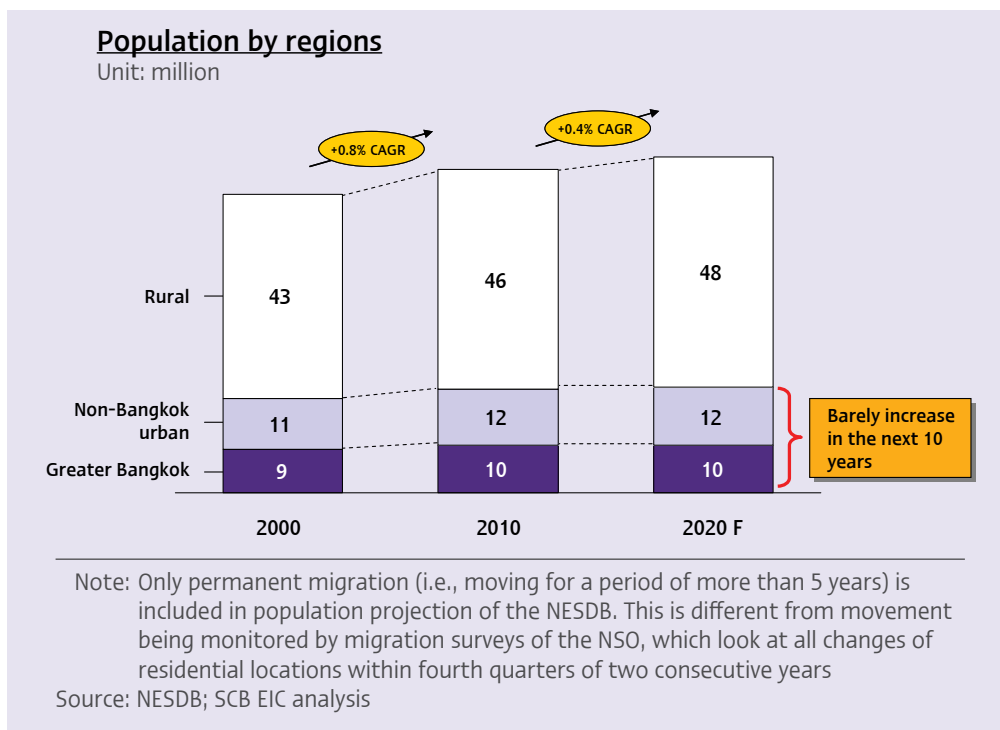


# MIGRATION

**Stalled urbanization.** One trend that is conspicuous for its absence is migration and urbanization. Rural-urban migration has been an essential part of virtually every development story. But in Thailand, this trend seems to have slowed down prematurely. According to migration surveys produced by the National Statistical Office, Bangkok (including central region) experienced net outward migration of around 2% p.a. between 2004 and 2008<sup>4</sup>. While it may be surprising to those living in the huge sprawl of Bangkok, Thailand stands out for its low level of urbanization for its level of income. Much undoubtedly has to do with overcongestion in Bangkok and the lack of other cities. But the very stark result is that based on fertility and migration patterns, the population in Greater Bangkok and 8 regional centers (non-Bangkok urban) will hardly increase over the next 10 years. Population growth—what little there is—will occur almost exclusively in rural areas.

**Not only rural-urban migration but international migration is also an important determinant of Thai demographic structure; however, information on immigration is limited and a number of immigrant workers are often underreported.** Only a portion of immigrant workers in Thailand is legally registered<sup>5</sup>.

## 11 Population in Greater Bangkok and non-Bangkok urban areas increases only slightly



<sup>4</sup> Migration data is taken from migration surveys produced by the National Statistical Office, which also provides a database on regional population, which contains data produced by the Department of Provincial Administration, Ministry of Interior

<sup>5</sup> According to an estimation by a human right group, immigrant workers may stand at around 2-4 million or 5%-10% of Thai population (Wall Street Journal, 2<sup>nd</sup> March 2010)

# 2 The changing Thai consumer landscape

We pull together the above different trends to form an integrated picture of how the consumer landscape is changing. We work off data from the 1994, 1998, 2002, and 2007 (latest available) socioeconomic household surveys to project out how the consumer landscape will evolve going forward. We identify at least 5 dimensions of consumer demographics that are relevant: age; gender; income; geographic location; and household type. These 5 dimensions are driven by trends in the 4 drivers described above, i.e., aging; income growth; migration; and behaviour change. (Gender is driven by probability and aging). The methodology we use is based partly on the Australian Bureau of Statistics and is described in detail in **BOX: EIC Thai consumer demographic model and methodology**.

Our objective is to create a tool to help businesses to identify opportunities which may arise from changing consumer demographics. The resulting consumer demographic “map” is described in Figure 12. The high level of granularity means that consumers can be classified into over 4,000 categories, e.g., they can be identified as belonging to any one of 3 locations; 4 income groups; 5 household types; etc. Much of the value and insight will be sector-specific, i.e., what will be of interest to those in one sector will require a different “cut” of the data than those in another sector. We will be exploring more fully the implications of the changing consumer demographics for various, specific sectors in forthcoming reports. Here we discuss some of the more general results of the analysis. Brief summary output tables are provided in the **Annex 2: Proportion of population by household types, geographic locations and income categories**.

## 12 Five main demographic dimensions

Demographic dimensions	Categories	Details
1 Age	9 ranges	0 – 9 yr    30 – 39 yr    60 – 69 yr 10 – 19 yr    40 – 49 yr    70 – 79 yr 20 – 29 yr    50 – 59 yr    80+ yr
2 Gender	2 genders	Male and female
3 Geography	3 locations	Greater Bangkok, non-Bangkok urban, and rural
4 Income	4 levels	Low income, medium income, high income and not working
5 Household structure		
5.1 Marital status	4 status	Married, single, widow, and divorced (separated)
5.2 Household types	5 types	Single person, married couple without kids, married couple with kids, single parents, and non-nuclear family

Source: SCB EIC analysis

# BOX: SCB EIC Thai consumer demographic model and methodology

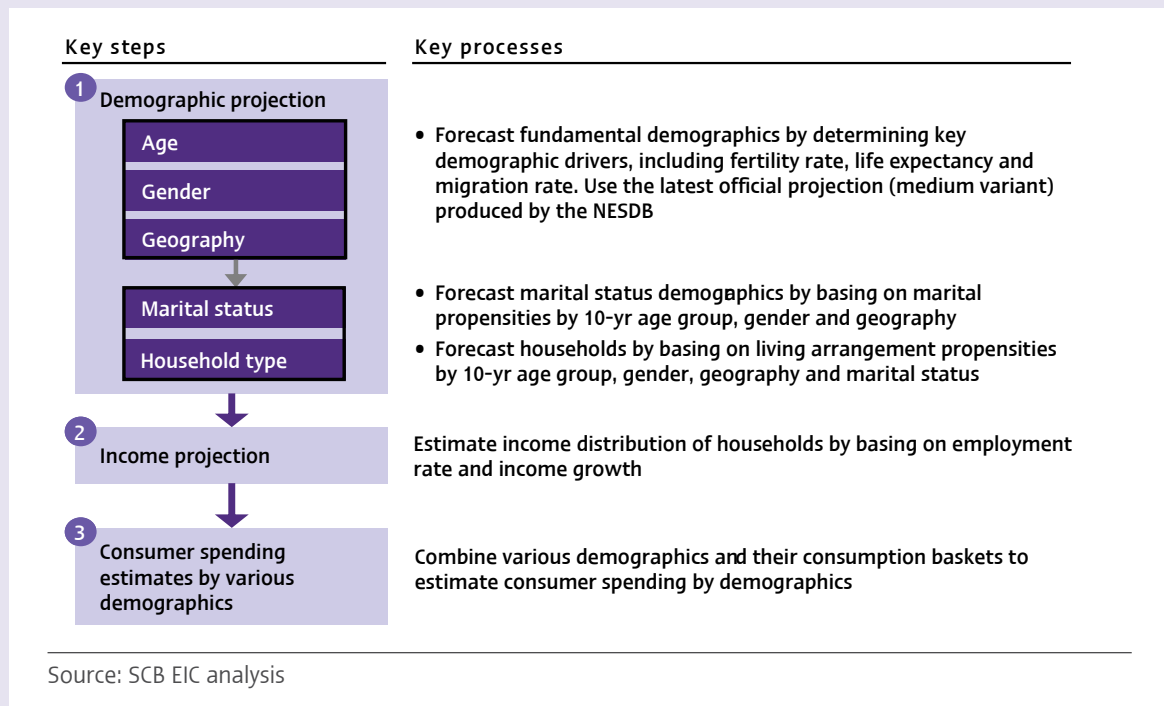
**Our Thai consumer demographic model is based partly on a methodology employed by the Australian Bureau of Statistics and it consists of three main projections: (1) demographic structure, (2) income, and (3) consumption. (See figure 13 for further details).** Our projection of demographic structure is built upon the latest population projection produced by the National Economic and Social Development Board (NESDB), which can already project population by age, gender and geographic locations. In income projection, we assume average long-term growth rate of Thailand at 5%

**Our model employs a bottom-up approach.** We project marital status for population within each age, gender and geographic categories, prior to computing marital structure for the whole Thai population. For example, our model projects number of 40-49 years old, divorced women, living in Greater Bangkok, at 0.11 million (1.1

x 10%) in 2020, as the NESDB projects number of 40-49 years old women, living in Greater Bangkok, at around 1.1 million, and we estimate that around 10% of them are divorced in 2020.

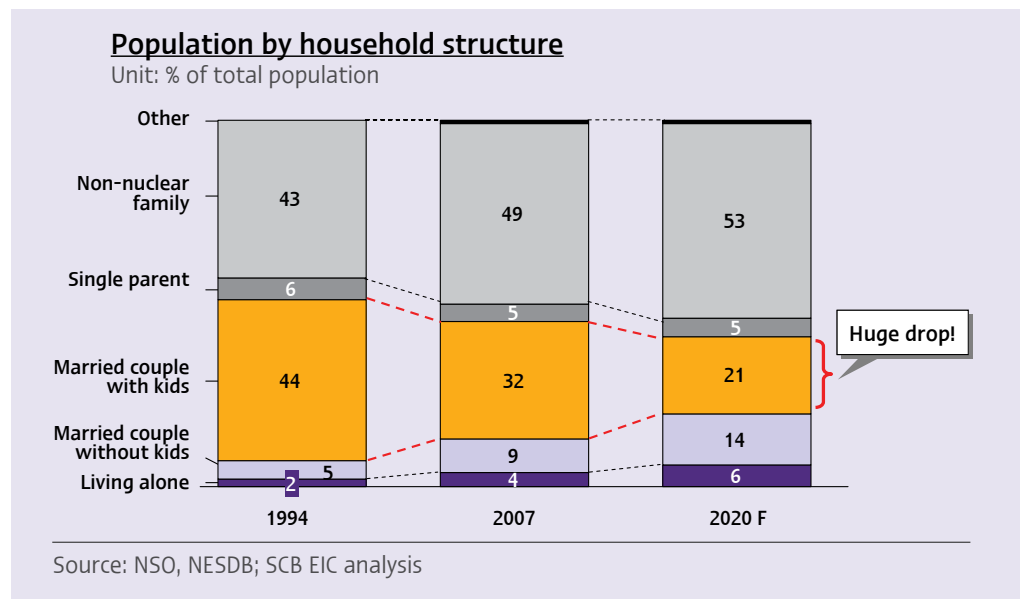
It is more complicated to project household types as it represents another layer built upon marital structure. We project household types for population within each age, gender, geographic, and marital categories, prior to computing household structure for the whole Thai population. For example, our model estimates number of 40-49 years old, divorced women, who live by themselves in Greater Bangkok, at around 0.03 million (0.11 x 27%) in 2020, according to our marital projection above, and our estimation that around 27% of 40-49 years old, divorced woman, who live in Greater Bangkok, stay in single-person households in 2020.

## 13 SCB EIC Thai consumer demographic model

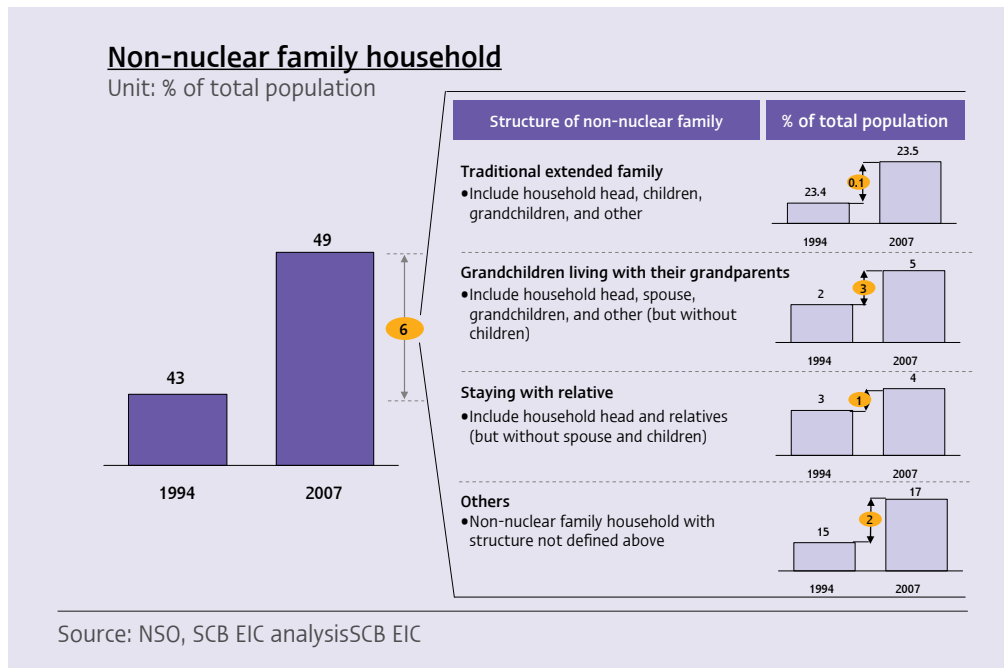


**More and more of the population will reside in non-traditional households.** The “classic” household—a married couple with kids—accounts for a steadily diminishing share of the population, down from over 44% of the population in 1994 to 32% in 2007 and to below 21% in 2020. By contrast, the share of the population living alone or married without kids has increased significantly and is projected to account for 6% and 14% of the population by 2020, respectively. But the lion’s share of the population will reside in non-nuclear family households. Such households can take myriad forms such as traditional extended households, grandparents living with their grandchildren, and relatives living together. Although traditional extended household is the largest within non-nuclear family households, the expansion of non-nuclear family is not because of traditional extended households, but because of households with children living with their grandparents (but without their parents), and relatives living together (without spouses and children) between 1994 and 2007. (See figure 15).

## 14 More and more of the population will reside in non-traditional households



## 15 Expansion of non-nuclear family household is largely driven by households that grandchildren live with their grandparents



### Middle income and rural households will also account for the largest increases in the population.

As discussed previously, most of the population will continue to reside in rural areas. As a result, much of the increase in middle income households occurs in rural and non-Bangkok urban areas, and is driven largely by non-traditional households (non-nuclear, living alone, and married without kids).

### Also of interest is the identification of new consumer segments and possible "microtrends."

Aging, income growth, and the like are the broad, easily recognizable trends affecting the landscape. But detailed data may allow us to identify possible microtrends. The term is courtesy of Mark Penn, the Clintons' well-known pollster, and refers to "an intense identity group, that is growing, which has needs and wants unmet by the current crop of companies, marketers, policymakers, and others who would influence society's behaviour<sup>6</sup>." We describe some of the growing segments we think are interesting.

#### Lone women.

The rise in divorce and separation rates and longer life expectancy will result in many more divorcees and widows. Because men tend to die off sooner and have a higher tendency to remarry, there tend to be fewer divorced males and widowers. In 2020, number of lone women is estimated at 5.6 million: widows of 3.8 million and divorced women of 1.8 million.

<sup>6</sup> From Penn (2007), *Microtrends: the small forces behind tomorrow's big changes*: "There are no longer a couple of megaforges sweeping us all along. Instead, America and the world are being pulled apart by an intricate maze of choices, accumulating in 'microtrends'—small, under-the-radar forces that can involve as little as 1% of the population, but which are powerfully shaping our society...It's that in order to truly know what's going on, we need better tools than just the naked eye and an eloquent tongue. We need the equivalent of magnifying glasses and microscopes, which in sociological terms are polls, surveys, and statistics." Penn is well-known for identifying Soccer Moms, "busy suburban women devoted to their jobs and their kids, who had real concerns about presidential policies," as a key group during the 1996 Presidential campaign. "Until that campaign, it was generally thought that politics was dominated by men who decided how their households would vote. But the truth was, in 1996, most male voters had already made up their minds by the campaign...[Soccer Moms], not their husbands, were the critical swing voters."

### **Women bosses.**

As the female workforce ages, there will naturally be dramatic increases in the number of women in senior positions. Given their better educational attainment, many will be bosses. Female accounts for larger proportions of admission into top-10 countries than male in 9 out of total 10 faculties (five of them are associated with natural sciences, while the rest are associated with arts and social sciences) in 2004, up from only 2 out of 10 faculties back in 1974.

### **Second marriage households.**

Divorced men have a higher tendency to remarry. The age pattern of divorced men and women over time also suggest that divorced men tend to marry women who have not previously been married. This is indicated by a higher proportion of women divorced by age cohort than the proportion of men, for example, proportion of men divorced in their 40s is only 4%, as compared to 7% for women.

### **Empty nests.**

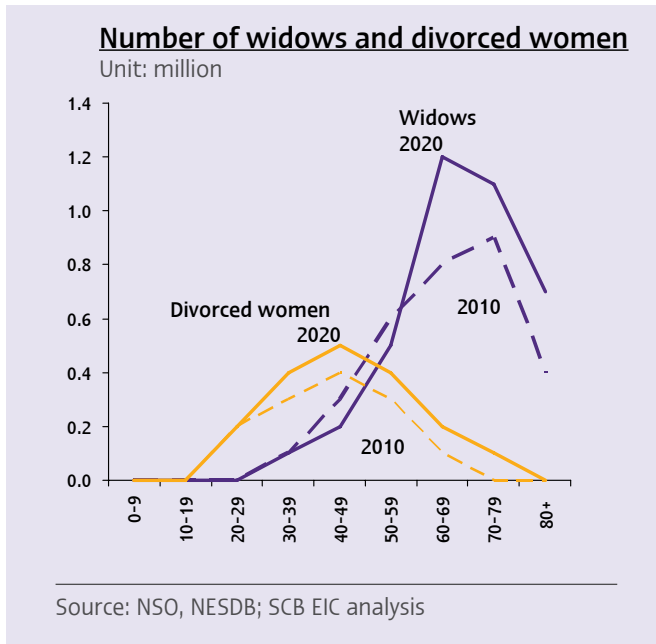
Households without kids are on the rise. These reflect families whose kids have moved out as well as couples that do not have kids. Around 40% of married couple without kids households are families, whose kids have already moved out. Around 60% of married couples, which do not have kids, are older than 40 years old, with low chance of giving birth.

### **Mixed nests.**

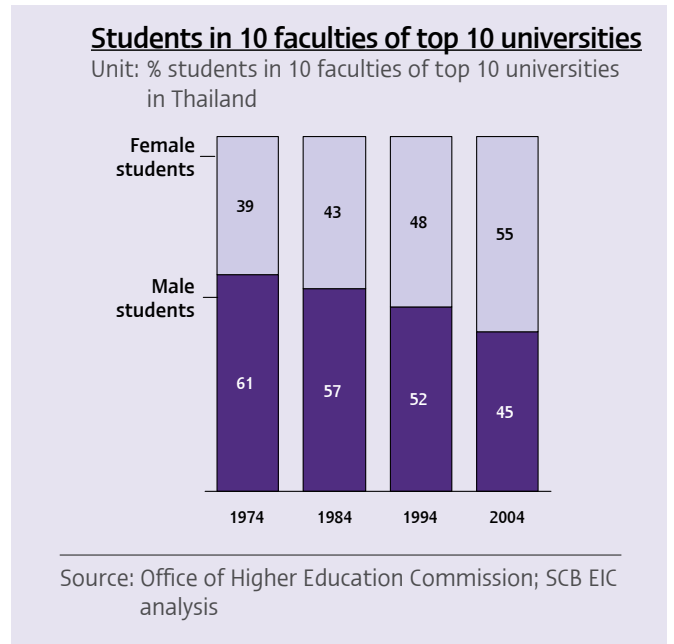
The rise of divorced couples, widows, and couples without their own kids and the like have led to new, highly varied household arrangements. The data indicate the rise of non-nuclear households which are different from the traditional extended family setup, e.g., children living with their grandparents, and relatives living together.

# BOX: Microtrends in Thailand

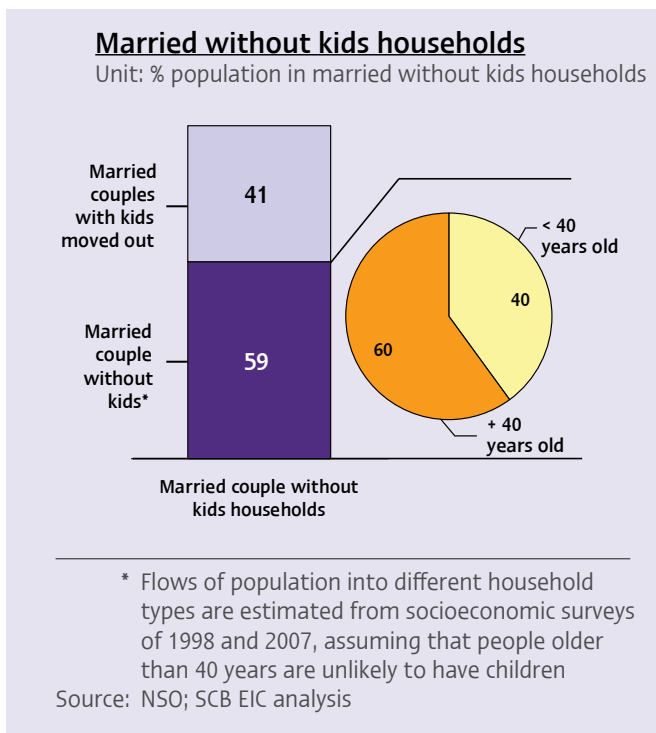
## 16 Lone women



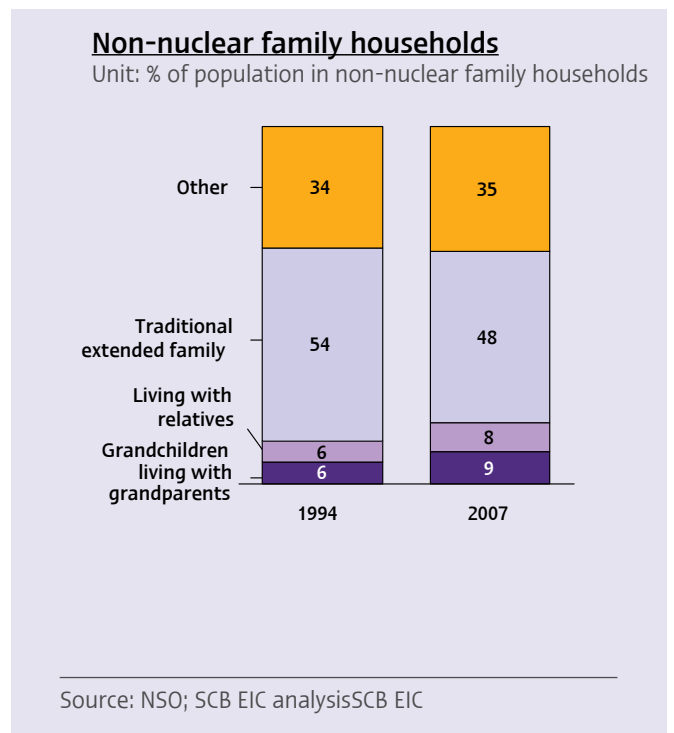
## 17 Women bosses



## 18 Empty nests



## 19 Mixed nests



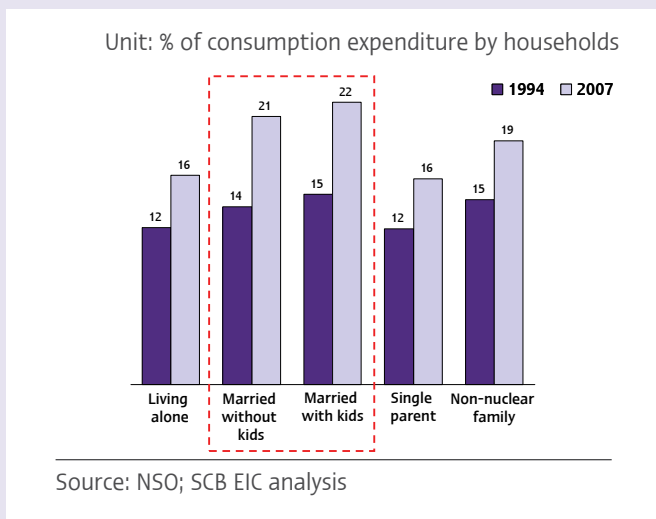
# 3 Implications

**Some consumer implications are obvious.** The number of elderly will increase by 4.5 million while the number of kids will drop by 2.5 million by 2020. Sectors and businesses that cater to the former (e.g., hospitals) will obviously tend to benefit more than those that cater to the latter (e.g., schools). But it also has implications within any given sector. Take consumer electronics. The trend there has been towards adding more and more features into smaller and smaller packages. But elderly people will prefer fewer, simpler features in larger, easier to handle packages.

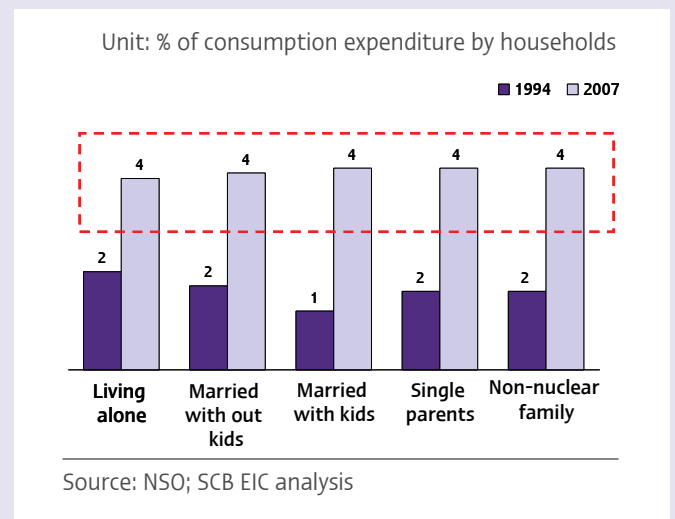
**Changing household structures will affect consumption patterns across sectors quite differently.** Married households tend to spend more on transportation than other households. By contrast, communication expenditure shares do not vary by type of household. People living alone as well as those married without kids tend to spend more on housing and entertainment. Since both these segments are growing rapidly, spending in these categories is likely to outperform. The continued rise of these two segments will also affect housing demand as they not surprisingly have a markedly higher appetite for apartments and condominiums. (See BOX: How different households spend differently).

## BOX: How different households spend differently

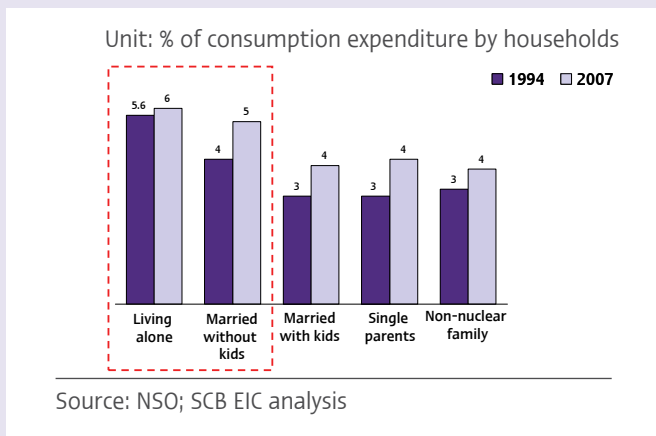
### 20 Expenditure on transportation



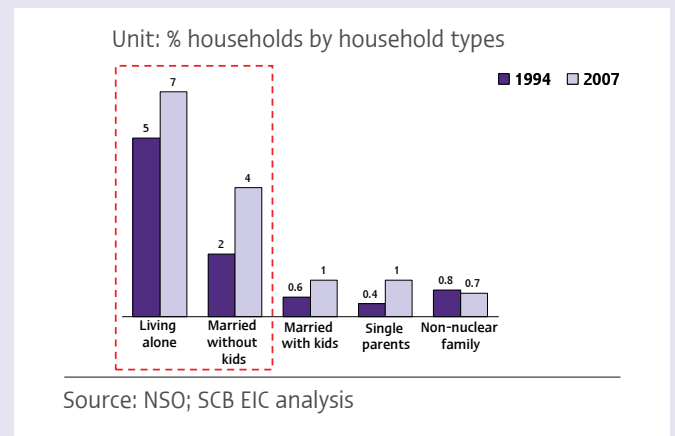
### 21 Expenditure on communication



### 22 Expenditure on entertainment



### 23 Apartments and condominiums

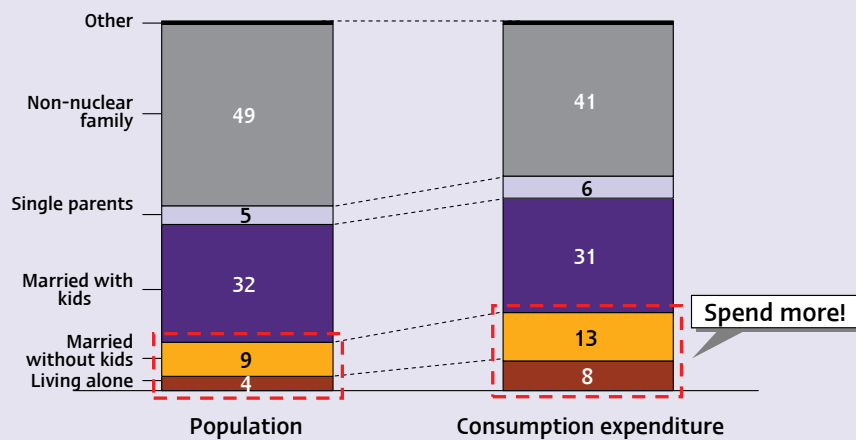


**Need to focus on specific opportunities as no obvious “rising tide.”** The apparently stalled urbanization means that the usual driving force for consumption throughout much of Asia—the rise of the urban middle class—is not as prevalent here.<sup>7</sup> China is the classic example, where the sharp rise in the population adopting the urban middle class lifestyle—with its demand for cars, appliances, services, and the like—will drive consumption growth for quite some time. Without such a strong “rising tide” in Thailand, it will be incumbent on businesses to focus on more specific, but perhaps less obvious, opportunities. These include opportunities that arise from the various new households and consumer segments cited previously. These segments may not be that large, but they often have high spending power. People living alone or those that are married without kids, for example, account for only 13% of the population but 21% of total spending. Both segments of the population are also expected to grow rapidly. How to cater to the needs of these segments—as well as the other microtrends discussed in the preceding section (e.g., empty nests; mixed nests)—is both a challenge and an opportunity for businesses.

## 24 Living alone and married couple without kids households spend more

### Proportion in population and consumption expenditure

Unit: % of population and consumption expenditure



Source: NSO; SCB EIC analysis

<sup>7</sup> Bulls may argue that the low level of urbanization in Thailand is an opportunity as it represents potential upside. The upside is clearly there. The problem is that the stalled urbanization is happening for a reason. If the underlying reason does not get addressed, then the potential upside remains just that: potential.

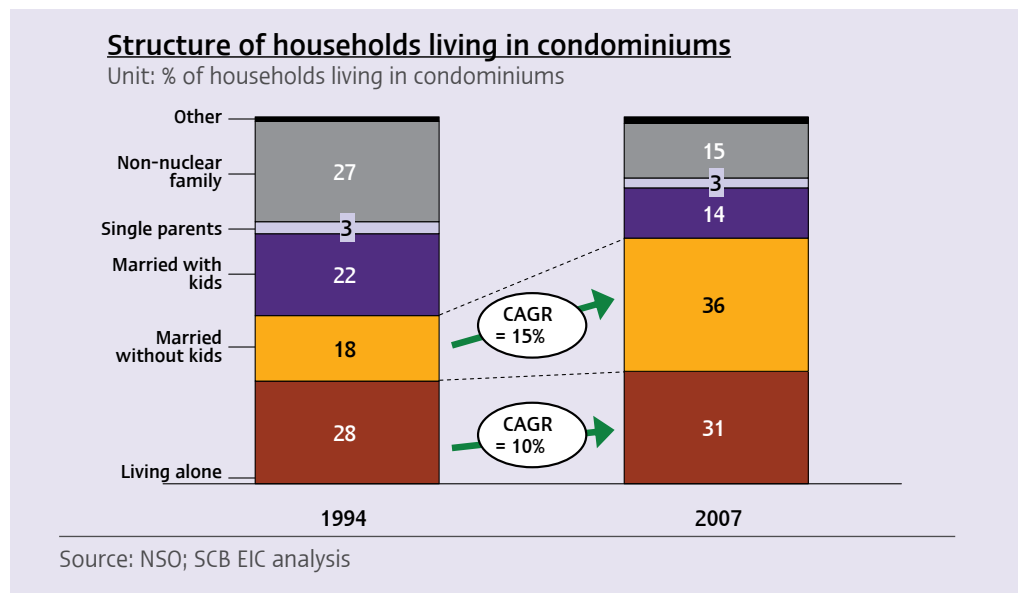
**Business management needs to understand Thailand's changing consumer demographics, so that they would be able to readily adjust to challenges and to seize emerging opportunities, which cannot be simply gauged by usual economic indicators.**

Take real estate sector within Greater Bangkok as an example. Popularity of condominium has increased over past years as number of households living in Bangkok condominium nearly tripled between 1994 and 2007, according to various socioeconomic surveys. In 2007, around 13% of households lived in condominium, a proportion only surpassed by single-detached and town houses. Interestingly, Bangkok condominium is increasingly dominated by married without kids households. In 2007, married without kids households occupied 36% of Bangkok condominium, surpassing occupancy by single-person households, which used to dominated Bangkok condominium in 1994 at 28%. A number of single-person and married without kids households, living in condominiums, grew at CAGR of 10% and 15%, respectively, between 1994 and 2007.

**It is no longer a simple choice between single-detached houses and condominium in real estate sector, but closer specified types of accommodations to better serve emerging consumers.**

Married without kids households already dominated Bangkok condominium and we expect this type of household to expand further. Therefore, real estate businesses in Bangkok should target themselves more towards married without kids households, rather than single-person households, by providing more space with 1-2 bedrooms (or even duplex unit), a kitchen and sufficient parking lots, and locating close to lifestyle malls or offering retail areas located in the ground floor, rather than small studios close to sky trains.

**25 Married without kids households dominate condominiums**



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**But the implications of changing demographics go well beyond just consumption patterns to the economy and society overall.** Overall household savings drop as a population ages. Many sectors are still operating in a manner predicated on inexpensive and plentiful labor. With “business as usual,” overall long-term economic growth will moderate as labor force growth slows sharply in the years ahead. There will be increased demand for immigrant labor from the region, with all the associated social issues that this raises. How will we care for the elderly and fund our retirees? The sharp rise in the dependency ratio means that our current pay-as-you-go, defined benefit social security retirement scheme is destined to go bust at some point as there will be fewer and fewer workers to fund more and more retirees.

**Businesses will need to adapt to changes in the workplace.** As the work force ages, older workers will need to get increasingly used to working for younger bosses. Increasingly, given their better educational attainment, these bosses will also be women.

**Macroeconomic indicators are hard to predict with much accuracy. The world is inherently too uncertain and non-linear. But demographics are something we can predict with some degree of confidence. We therefore ignore them at our peril.**

# Annex 1: What the data tell us

Databases	Benefits and limitations
Population projection produced by the National Economic and Social Development Board (NESDB)	Population projection model of the NESDB can project Thai population by age, gender, and geography, and it has three main drivers, which are total fertility rate, life expectancy at birth and migration. The model still faces numerous limitations. For example, it only takes permanent migration (i.e. moving for a period of longer than 5 years) into account, while migration flows being monitored by migration surveys of the NSO include all migration. Therefore, migration assumptions being input into the population projection model cannot be formulated according to actual past data. Beside that population projection of the NESDB assumes international migration to be negligible.
Household socioeconomic surveys prepared by the National Statistical Office (NSO)	There are surveys on structure, income and expenditure of Thai households. We regroup population data by age, gender and geographic locations to evaluate and project marriage and living arrangement propensities for our demographic projections. These surveys face numerous limitations. Although socioeconomic surveys are currently being conducted on an annual basis, average lag time for dissemination is larger than 1 year. Furthermore, available data enable researchers to drill down to only provincial, not district level, and only household, not personal expenditure. Furthermore, some categories of expenditure are not detailed enough for business analysis (e.g., no information on types of passenger cars which each households own).
Asia demographic data prepared by the United Nations	This database includes demographic statistics (such as total fertility rate, and median age) of various countries all over the world. We use this database to compare demographic structure of Thailand with other countries in Asia.
Labour force surveys prepared by the NSO	These are surveys of working conditions of Thai population. Included statistics are education attainment, and level of labour force and employment by industry. Socioeconomic surveys are utilized in this report, but not labour force surveys, for consistency purposes.

We are being surrounded by demography, which contains varieties of terminologies. To prevent confusion, the following table defines demographic terminologies being discussed in this report.

Terminologies	Definition
<b>Geographic locations</b> <ul style="list-style-type: none"> <li>- Greater Bangkok</li> <li>- Non-Bangkok urban</li> <li>- Rural</li> </ul>	<ul style="list-style-type: none"> <li>- Bangkok, Samut Prakan, Pathum Thani, and Nonthaburi</li> <li>- Khon Kaen, Udon Thani, Nakhon Ratchasima, Chiang Mai, Phuket, Songkhla, Chon Buri, and Rayong</li> <li>- Other provinces</li> </ul>
<b>Marital status</b> <ul style="list-style-type: none"> <li>- Married</li> <li>- Single</li> <li>- Widow</li> <li>- Divorced or separated</li> </ul>	<ul style="list-style-type: none"> <li>- People with married status</li> <li>- People who never marry before</li> <li>- People with spouses already passed away</li> <li>- People who divorced or separated from their spouses</li> </ul>
<b>Household types</b> <ul style="list-style-type: none"> <li>- Non-nuclear family</li> <li>- Married couple with kids</li> <li>- Married couple without kids</li> <li>- Living alone</li> <li>- Single parents</li> </ul>	<ul style="list-style-type: none"> <li>- Members may also include parents, grandchildren, and relatives, in addition to household head, spouse and children</li> <li>- Household head, spouse, and children</li> <li>- Household head and spouse, without children (their children may move out of their households already)</li> <li>- Single-person household</li> <li>- Children living with only one parent</li> </ul>
<b>Income level</b> <ul style="list-style-type: none"> <li>- Low level</li> <li>- Middle level</li> <li>- High level</li> </ul>	<ul style="list-style-type: none"> <li>- People with monthly income less than THB 15,000</li> <li>- People with monthly income between THB 15,000 and THB 35,000</li> <li>- People with income more than THB 35,000</li> </ul>

## Annex 2: Proportion of population by household types, geography, and income

Proportion of population by household types, geography and income from household socioeconomic surveys prepared by the National Statistical Office for 2007

Unit: %

Income	Geography	Household types						Total
		Living alone	Married with out kids	Married with kids	Single parents	Non-nuclear family	Other	
High income	Greater Bangkok	0.0	0.0	0.2	0.0	0.2	0.0	0.4
	Non-Bangkok urban	0.0	0.0	0.0	0.0	0.1	0.0	0.1
	Rural	0.2	0.3	0.4	0.1	0.5	0.0	1.5
Middle income	Greater Bangkok	0.1	0.1	0.5	0.1	0.7	0.0	1.5
	Non-Bangkok urban	0.1	0.1	0.3	0.1	0.3	0.0	0.9
	Rural	0.5	0.8	2.0	0.3	2.1	0.0	5.7
Low income	Greater Bangkok	0.3	0.8	1.0	0.1	1.4	0.0	3.6
	Non-Bangkok urban	0.2	0.6	1.3	0.2	2.1	0.0	4.4
	Rural	1.6	4.7	12.0	1.8	17.9	0.1	38.1
Not working		1.1	1.9	14.1	2.6	24.0	0.1	43.8
Total		4.1	9.3	31.8	5.3	49.3	0.2	100.0

Note: "Not working" include individuals who are housewives, students, children, elderly, disabled, not looking for job, and unemployed

Proportion of population by household types, geography, and income in 2020, generated from SCB EIC Thai consumer demographic model

Unit: %

Income	Geography	Household types						Total
		Living alone	Married with out kids	Married with kids	Single parents	Non-nuclear family	Other	
High income	Greater Bangkok	0.1	0.2	0.7	0.1	0.9	0.0	2.0
	Non-Bangkok urban	0.1	0.2	0.2	0.1	0.4	0.0	1.0
	Rural	0.5	0.8	0.7	0.2	1.3	0.0	3.5
Middle income	Greater Bangkok	0.3	0.7	1.0	0.2	1.6	0.0	3.8
	Non-Bangkok urban	0.3	0.6	0.6	0.2	1.6	0.1	3.4
	Rural	1.0	1.9	2.3	0.5	5.3	0.2	11.2
Low income	Greater Bangkok	0.2	0.6	0.6	0.1	0.9	0.0	2.4
	Non-Bangkok urban	0.4	1.1	1.0	0.3	3.2	0.1	6.1
	Rural	1.5	4.3	5.6	1.1	14.5	0.2	27.2
Not working		1.8	3.1	8.6	2.2	23.5	0.2	39.4
Total		6.2	13.5	21.3	5.0	53.2	0.8	100.0

Note: "Not working" include individuals who are housewives, students, children, elderly, disabled, not looking for job, and unemployed

# SCB EIC summary main forecasts

April 2010

Key indicators	2009 Share (%)	Unit	Actual	SCB EIC forecasts					Consensus		BOT	
				2009	10Q1	10Q2	10Q3	10Q4	2009	2010	2009	2010
<b>Real GDP growth</b>		% YOY	-2.3%	6.3%	4.5%	3.4%	2.8%	4.2%	-3.4%	4.7%	-2.7%	3.3-5.3%
<b>Demand-side</b>												
Private consumption	53%	% YOY	-1.1%	3.7%	3.2%	2.8%	2.2%	3.0%	-1.4%	3.0%	-(1.0-2.0)%	3.5-5.5%
Public consumption	10%	% YOY	5.8%	2.8%	2.5%	3.5%	1.1%	2.5%			5.0-6.0%	1.0-2.5%
Investment (GFCF)	21%	% YOY	-9.0%	4.9%	3.7%	3.0%	1.8%	3.3%	-9.7%	5.7%		
Private investment	15%	% YOY	-12.8%	5.8%	4.6%	3.7%	2.2%	4.0%			-(12.0-14.0)%	9.5-11.5%
Public investment	6%	% YOY	2.7%	2.0%	1.5%	1.5%	0.6%	1.4%			2.0-4.0%	-0.1 to 1.0%
<b>Supply-side</b>												
Agriculture	9%	% YOY	-0.6%	-1.5%	0.0%	1.6%	3.2%	0.9%				
Manufacturing	39%	% YOY	-5.1%	10.1%	5.8%	3.5%	2.9%	5.4%				
Services	52%	% YOY	-0.3%	5.1%	4.1%	3.6%	2.7%	3.9%				
<b>External sector</b>												
Export growth (USD)		% YOY	-14%	22%	21%	13%	10%	16%	-17%	18%		
Import growth (USD)		% YOY	-25%	40%	31%	19%	13%	24%	-25%	21%		
Current account		USD bln	20.3	6.1	1.6	3.6	2.7	14.0	14.2	12.4	19.5-21.5	8.0-11.0
<b>Key rates</b>												
Headline inflation		% YOY	-0.8%	3.9%	3.5%	2.7%	2.7%	3.2%	-0.8%	3.5%	-0.9%	3.0-5.0%
Core inflation		% YOY	0.3%	0.4%	1.1%	1.4%	1.3%	1.1%			0.3%	1.3-2.3%
Policy rate (RP-1D) (end period)		% p.a.	1.25%	1.25%	1.50%	1.75%	1.75%	1.75%				
Exchange rate (period average)		THB/USD	34.3	33.0	32.4	32.3	32.2	32.5				
Exchange rate (end period)		THB/USD	33.2	32.8	32.3	32.2	32.0	32.0				
<b>Oil prices –WTI (period average)</b>		USD/bbl	61.7	77.6	80.3	81.0	81.3	80.1				
<b>Oil prices –WTI (end period)</b>		USD/bbl	74.5	78.0	82.0	80.0	82.0	82.0				

Source: Consensus Economic; Bank of Thailand; SCB EIC forecasts

as of March 2010

as of January 2010

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