

**What are the reasons that Thai consumers aged more than 45 years old are less likely to use E-commerce platforms?**

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# Agenda



Objective

Research Questions

Industry Background

Methodology

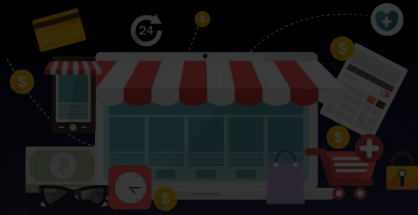
Result

Conclusion & Suggestion

# Objective



to address and explain why many Thai middle-aged adults, are resistant to the ever growing popularity of e-commerce, and also details possible strategies to overcome bias and reluctance in middle-aged consumers, and attract more users of this age group to utilise e-commerce platforms.



# Research Questions



## RESEARCH QUESTIONS

- How online purchase was done by Thai middle-aged consumers? And how often?
- What are the channel(s) that most Thai middle-aged consumers purchase goods online?
- What are the barriers that prevent Thai middle-aged consumers from purchasing products/services online?
- What product category that Thai middle-aged consumers normally(or wish to) purchase online?
- What are the strategies that E-commerce platform can apply in order to overcome bias and reluctance in middle-aged consumers, and attract more users of this age group?



# Thai E-Commerce Industry Background



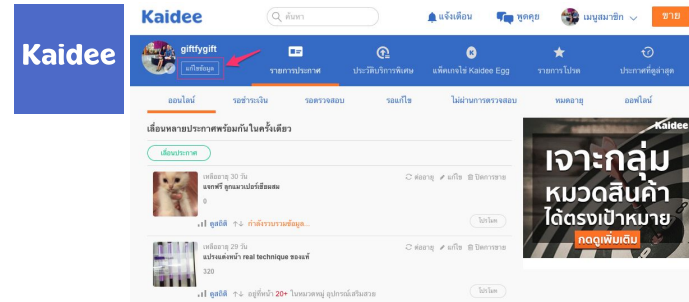
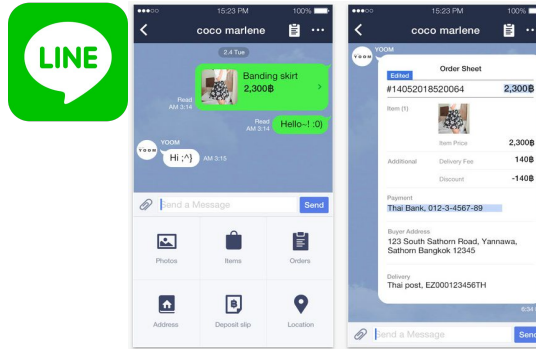
# E-commerce platforms in Thailand are commonly divided into 3 main categories:

## 1) Consumer-to-Consumer (C2C)

This business model facilitates the transaction of products or services between individuals

Social commerce, such as Facebook, Line, are considered to be C2C. Sellers list items online, and when buyer and seller have initiated conversation, the purchasing transactions will be done after that

Popular examples in Thailand:



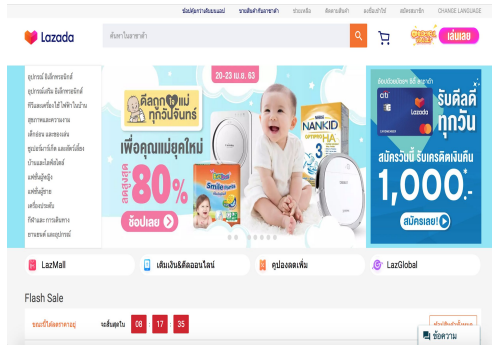
## 2) Business-to-Consumer (B2C)

This business refers to a transaction of products or services made online between the brand (a business) and the end consumer

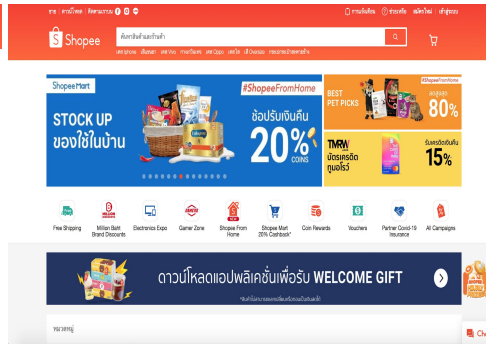
Consumers have high expectations for official brand sites such as multiple payments options and flexible return policies.

### Popular examples in Thailand:

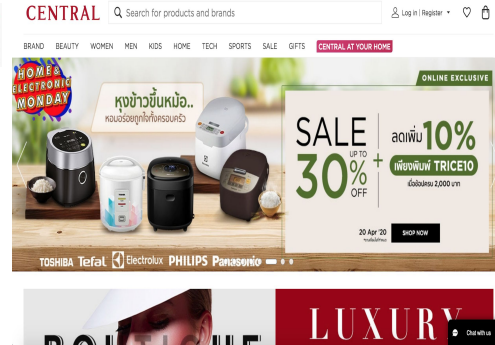
Lazada



Shopee



CENTRAL ONLINE  
central.co.th

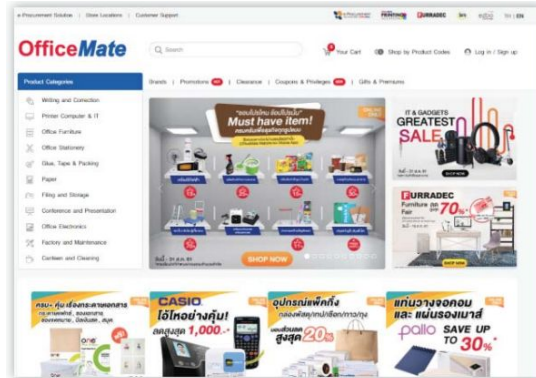


### 3) Business-to-Business (B2B)

B2B commerce the web shop is normally used as a platform for placing orders, while payments are carried out as invoice to invoice - in other words, via bank transfer

Popular examples in Thailand:

**Office  
Mate**



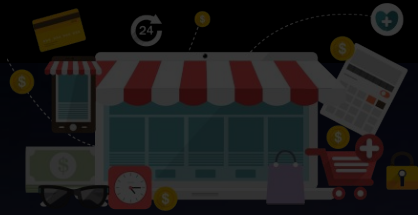


In 2018, there were a large growth in Thailand's e-commerce market, over **25%** compared to 2017



## What we can interpret from this growth?

- It reflects the changing consumer and business preference towards online channels quickly infiltrating day to day life



# Methodology

# Online surveys

## Categorize data into tables and charts

## Analyze the factors that affect middle-aged behavior

The Summary table of Demographic Characteristics

Characteristics	Categories	Frequency (N)	Percentage (%)
Gender	Male	313	79.24%
	Female	82	20.76%
Age	46-50 years old	48	12.15%
	51-55 years old	92	23.29%
	56-60 years old	202	51.14%
	61-65 years old	37	9.37%
	more than 65 years old	16	4.05%
Income level (Monthly income)	Less than 20,000 THB	78	19.75%
	20,000 - 35,000 THB	76	19.24%
	35,001 - 50,000 THB	59	14.94%
	50,001 - 65,000 THB	42	10.63%
	65,001 - 70,000 THB	14	3.54%
	70,001 - 85,000 THB	20	5.06%
	85,001 - 90,000 THB	10	2.53%
	more than 90,000 THB	96	24.30%
Level of Education	Some high school	6	1.52%
	High school graduate	10	2.53%
	Vocational Certificate or High Vocational Certificate	113	28.61%
	Bachelor Degrees	200	50.63%
	Master Degrees	60	15.19%
	Higher than Master Degrees	6	1.52%

- More than half of the respondents were male (313 respondents and 79.24%)
- The largest number of respondents are those whose age range from 56 to 60 (202 respondents and 51.14%)
- 96 respondents (24.30%) having a monthly income more than 90,000 Baht
- Bachelor Degree segment dominated with 200 respondents (50.63%)

### The Summary table of Online Shopping Behavior

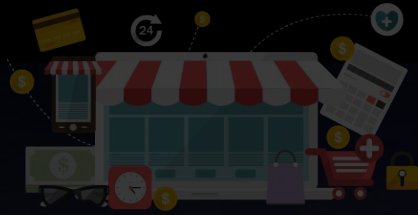
How online shopping is done		Age										Total
		46-50 (12.36%)		51-55 (22.80%)		56-60 (51.92%)		61-65 (9.34%)		more than 65 (3.57%)		
		Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	
Directly contact the sellers and then transfer money to them	Never	6	13.33%	13	15.66%	34	17.99%	5	14.71%	2	15.38%	60
	Sometimes	38	84.44%	56	67.47%	129	68.25%	25	73.53%	9	69.23%	257
	Always	1	2.22%	14	16.87%	26	13.76%	4	11.76%	2	15.38%	47
Shop online via E-Commerce platforms or websites	Never	6	13.33%	8	9.64%	19	10.05%	8	23.53%	1	7.69%	42
	Sometimes	20	44.44%	43	51.81%	114	60.32%	16	47.06%	9	69.23%	202
	Always	19	42.22%	32	38.55%	56	29.63%	10	29.41%	3	23.08%	120

- More middle aged people had an online purchase experience through e-commerce platforms or website, comparing to the purchase by direct contact to the sellers and then transfer money to them

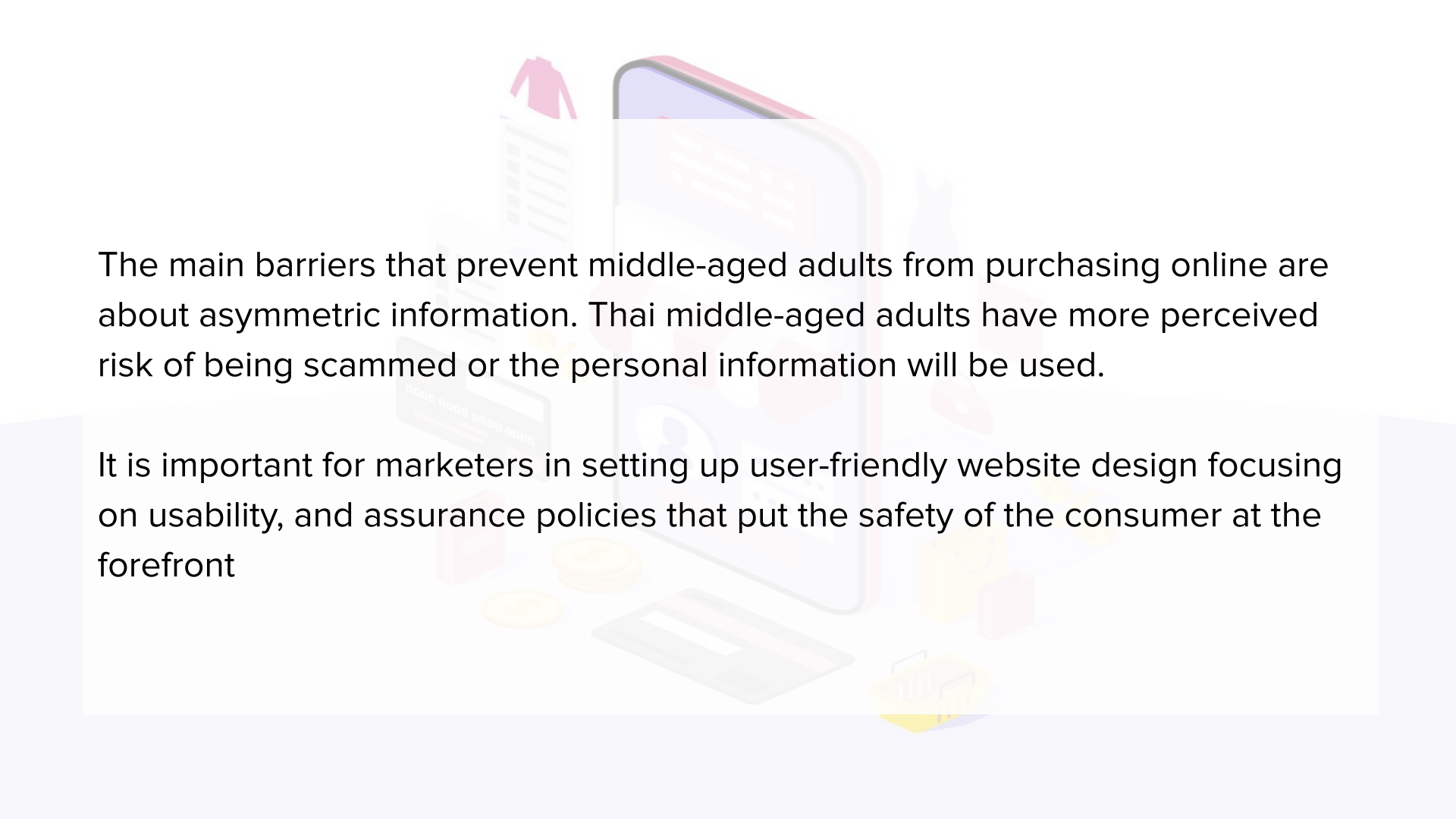
The Summary table of middle-aged consumers' Perception and Attitude toward Online Shopping

What factors prevent you from purchasing goods online	Score										Total Score
	5		4		3		2		1		
	Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	Frequency (N)	Percentage (%)	
Complexity of application installation and sign up process	73	5.72%	92	7.20%	115	9.01%	84	6.58%	31	2.43%	<b>1,277</b>
Difficulty in utilising and navigating E-commerce platform	65	5.09%	101	7.90%	118	9.23%	84	6.57%	27	2.11%	<b>1,278</b>
Complexity of payment process	80	6.32%	80	6.32%	110	8.69%	91	7.19%	34	2.69%	<b>1,266</b>
Lack of trust in online payment system	83	6.37%	88	6.76%	123	9.45%	65	4.99%	36	2.76%	<b>1,302</b>
Perceived risk of sharing personal information	150	9.72%	123	7.97%	70	4.54%	39	2.53%	13	0.84%	<b>1,543</b>
Fear of fake products	176	10.84%	126	7.76%	59	3.63%	29	1.79%	5	0.31%	<b>1,624</b>
Quality of products do not match with the photo and product description	164	10.21%	131	8.15%	67	4.17%	29	1.80%	4	0.25%	<b>1,607</b>
Product picture and description are ambiguous	113	7.40%	158	10.35%	86	5.64%	33	2.16%	5	0.33%	<b>1,526</b>
Cannot inspect or try the product before purchasing	148	9.47%	133	8.51%	72	4.61%	33	2.11%	9	0.58%	<b>1,563</b>

- The most influencing factor that prevent the middle-aged consumers from online shopping is fear of the fake products. Followed by fear that the product quality do not match with the photo or product description, the need to inspect or try the products before purchasing, and the perceived risk of sharing personal information

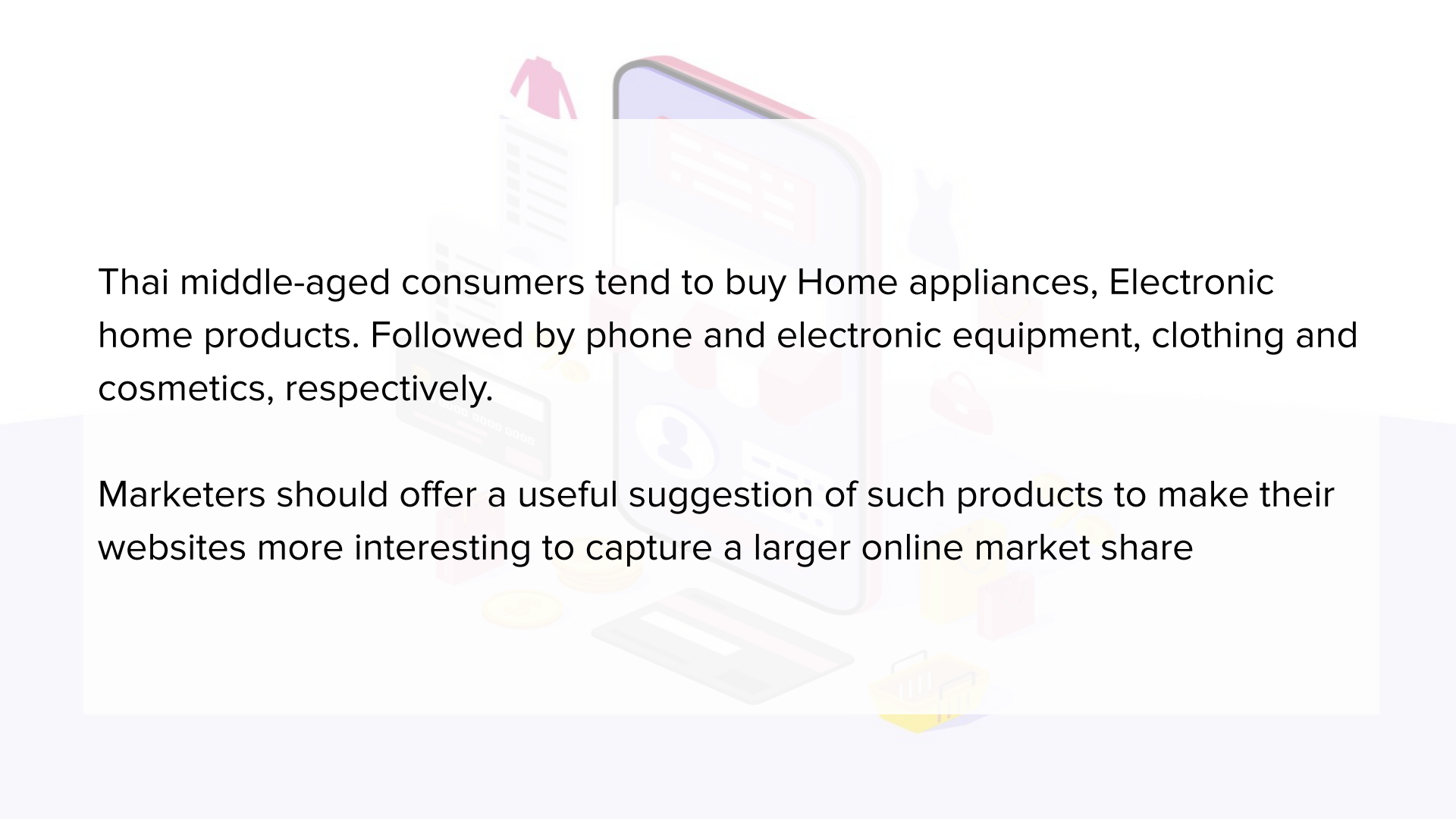


# Conclusion & Suggestion



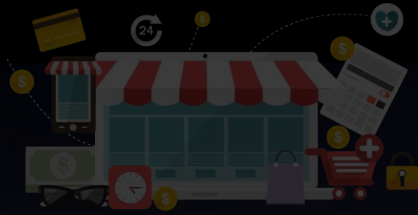
The main barriers that prevent middle-aged adults from purchasing online are about asymmetric information. Thai middle-aged adults have more perceived risk of being scammed or the personal information will be used.

It is important for marketers in setting up user-friendly website design focusing on usability, and assurance policies that put the safety of the consumer at the forefront



Thai middle-aged consumers tend to buy Home appliances, Electronic home products. Followed by phone and electronic equipment, clothing and cosmetics, respectively.

Marketers should offer a useful suggestion of such products to make their websites more interesting to capture a larger online market share



**THANK YOU**

