

## Thai News Update: 2 April 2018

### **1. Airport Rail Links Get B112bn**

**Source: Bangkok Post ([Link](#))**

The government is committed to investing up to 111.9 billion baht in high-speed railways linking the three main airports -Don Mueang, Suvarnabhumi and U-tapao -- to serve the government's flagship Eastern Economic Corridor (EEC) scheme. Nathporn Chatusripitak, a spokesman for Deputy Prime Minister Somkid Jatusripitak, said the new high-speed railway will be developed under the public-private partnership scheme, with the government paying the first 3.57 billion baht for land appropriation and the remaining 108.33 billion in 10 years after the trains begin operation. The build-operate-transfer project is valued at 224.54 billion baht and comes with a 50-year concession. Mr Nathporn said the private partners will be tasked with investing in civil works, signalling systems, trains, property development and maintenance. The railway involves extending Bangkok's present Airport Rail Link (ARL), which runs to Suvarnabhumi in Samut Prakan, to connect to Don Mueang in Bangkok and U-tapao in Rayong. The entire route will be about 220 kms long and reach a maximum speed of 250 kilometres per hour. The route comprises nine high-speed stations: Don Mueang, Bang Sue, Makkasan, Suvarnabhumi, Chachoengsao, Chon Buri, Sri Racha, Pattaya and U-tapao.

### **2. Nai Lert Injecting B3bn Into Hospitality**

**Source: Bangkok Post ([Link](#))**

Nai Lert Group plans to spend 3 billion baht to invest in hotels, residences and related tourism businesses over the next three years. Naphorn Bodiratnangkura, group managing director, said the group plans to build a tower on Wireless Road in Bangkok, consisting of a 60-room hotel and a 100-unit residence. This project is expected to cost 2 billion baht, and construction is scheduled to start sometime in the middle of next year, finishing in 2020. Nai Lert is also interested in entering a new segment related to the tourism industry: intensive training courses for butler services. In addition, the group is likely to open a high-end coffee house in Bangkok and reinvest in commuter coaches or buses to serve exclusive guests in the future. The Nai Lert Butler project has been created to offer hoteliers, business owners, hotel management and hospitality professionals in

Thailand the opportunity to learn about butler services that meet British standards. Gary Williams, principal of the British Butler Institute, will help coach and transfer intensive knowledge and experience to Thailand.

### **3. Thai Airlines Flying High**

**Source: The Nation ([Link](#))**

With continuing high competition in the airline business, all Thai firms are adding or expanding routes both domestic and overseas to meet the strong demand growth. The move comes as the Tourism Authority of Thailand forecasts the number of tourists expected to visit the country will grow by more than 8 per cent this year from last year's 35 million. All aviation firms are also targeting double-digit sales revenue growth over last year. With Thailand aiming to be the aviation hub for the Asean region, Kasikorn Research Centre has forecast Thai aviation industry's total revenue will hit Bt300 billion by the end of this year. Four Thai aviation firms listed on the Stock Exchange of Thailand have reported total revenue of Bt276.67 billion for the end of year 2017 or up 6.84 per cent |from Bt258.95 billion in 2016. Thai Airways International (THAI) is predicting a cabin factor of around 80 per cent this year, and is targeting total revenue growth in the double digits from the launch of its new route to Vienna, Austria, and a planned new route to Okinawa, Japan, said Viroj Sirihorachai, THAI vice president for the revenue management |and commercial services department. The challenge remains for Thai Aviation firms to expand into new domestic and overseas routes that are also being eyed by other aviation firms, including low-cost airlines from Vietnam, China, Japan, Indonesia, Malaysia, Singapore, South Korea, Taiwan and Hong Kong.

### **4. Myanmar Seeks Closer Thai Business Ties**

**Source: The Nation ([Link](#))**

Though Myanmar received only US\$123 million (Bt3.84 billion) from Thai investments in the previous fiscal year ending on March 31, the nation's investment body foresees a significant inflow of Thai businesses over the next few years. Aung Naing Oo, secretary of Myanmar Investment Commission and director-general at the Directorate of Investment and Company Administration, said Thai investments would grow from this year on, thanks to closer cooperation between the

countries in both public and private sectors. “Thai investments in Myanmar fluctuate wildly from year to year. In 2016-17 fiscal year, we approved \$423 million in Thai investments. But we could not get more than one-third of that amount last year. Now it is time to grow further,” he said. Statistics also show the fluctuation. Myanmar received \$236 million from Thai investments in 2015-16 fiscal year while it approved only \$166 million in 2014-15 fiscal year. Maung Maung Lay, vice president of Union of Myanmar Federation of Chamber of Commerce and Industry, said Myanmar businesses are eager to grow in parallel with their Thai peers. “Our lands are linked, and the people are connected. We share common goals, similar aspirations, identical features, etc. We can grow together, sharing values and prosperity,” he said.

## **5. Retail’s Future Lies In Big Data About Customers**

**Source: The Nation ([Link](#))**

The expansion of distribution channels to physically cater to shoppers in front of their homes, along with enhancing Big Data analysis to capture purchasing behaviour of individual shoppers, have recently emerged as two major new strategies by major retailers. Controversy has followed as major retailers struggle to increase sales and market share, including by violating consumer’s lives in search of insight into their lifestyles. Kiatanantha Lounkaew, a lecturer at the Faculty of Economics, Thammasat University, said that the 4.0 era wave is sweeping through the retail business landscape in Thailand. He pointed to two recent notable examples – Big C’s experimental mobile retail truck and the takeover of tarad.com by TCC Group, a parent company of Thai Beverage (ThaiBev) and also owner of Big C Supercenter. Kiatanantha said that what is seen today is the upgraded version of Sam’s brainchild. Big C’s retail truck benefits from the company’s formidable market power over its suppliers. Thus, products can be offered to meet local demands at a lower cost. In addition, the integrated digital back office permits the use of sales data to make predictive analysis on what kind of products should be offered at each locality. This is where “Big Data” comes in handy. With Big C megastores serving as distribution nodes, logistics costs can be minimised.