

About Me



- **Director, Ardent Capital**
 - 16 investments made in the region
- **Head of Ardent Ventures**
- **Previously:**
 - Central Retail Group Thailand
 - Two F&B Companies
 - Bonobos (NYC)
 - Lehman Brothers
- MBA, Stanford; BA, Brown University











Agenda



1) Why Thailand

2) Thailand Market Overview

3) Current Thai Startup Ecosystem

4) Growth and Opportunities



Why Thailand



- Reasonable legal setup (BOI is a great structure)
- Corruption in private sector is low
- Reasonable payments infrastructure
- Good credit card and banking penetration in the population
- Reasonable logistics (transport and traffic are OK)
- High mobile phone penetration (> 100% saturation)
- High smartphone penetration
- High quality mobile broadband
- Large market
- Closed language market, price premium on exit







Goldilocks Principle for SEA



- We do not start in Singapore
 - the market is too small
 - the exits are too small
 - It proves little, experience not relevant to the rest of SEA
 - Too easy, too many competitors
- We do not start in Indonesia
 - it is too difficult as a first market, with too many challenges
 - · Legal, infrastructure, ownership, payments, staffing
- We start in Thailand
 - because it is difficult, but not too difficult
 - Lessons learnt are applicable to rest of region
- After Thailand
 - Indonesia
 - Then Philippines, Malaysia, Singapore, and Vietnam





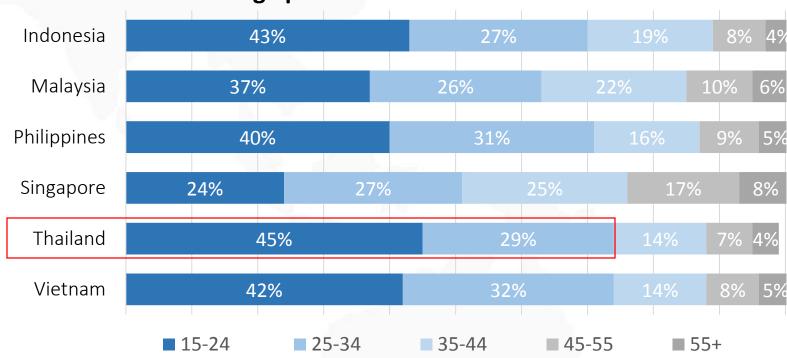


Thailand Market Overview: Young



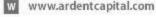
74% of Thais are younger than 34

Age profile of ASEAN netizens



Source: UBS report "ASEAN E-commerce" at 13 June 2014 / Global Demographics



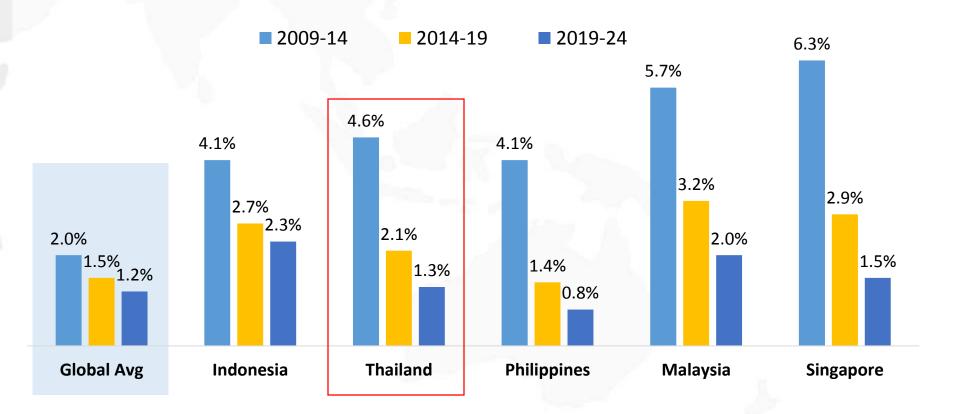




...and Becoming Richer



Income per capita is growing fast enough to drive rising affluence, much faster than global average



Source: UBS report "ASEAN E-commerce" at 13 June 2014 / Global Demographics / Macquarie Research 2014





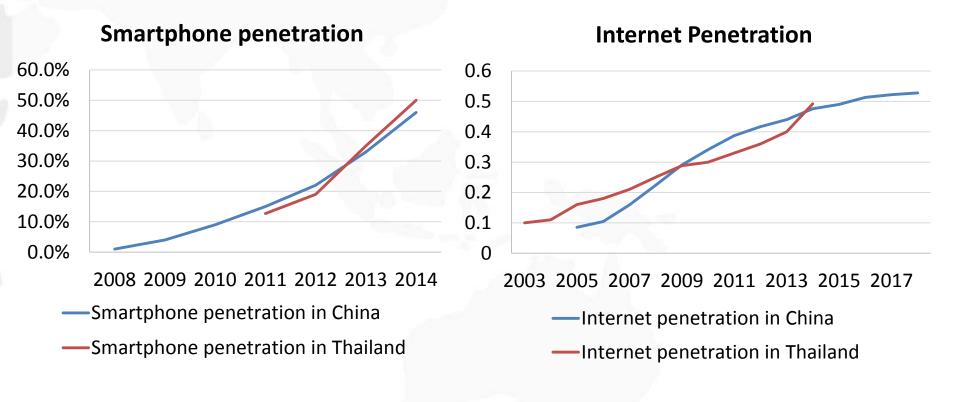




Online Penetration: Thailand vs China



Thailand requires 1.5 vs 3 years to reach the same online penetration level as China's post 3G



Source: CNNIC, UBS estimates







LINE is Phenomenal



Of 600M+ LINE users around the world, Thai is the third largest



Key LINE Stats from Thailand

- 29M+ users in Thailand alone
- Came out of no where in June 2011, now rivalling FB
- Largest direct to consumer channel in the country, largest active reach
- AIS
 - 200k+ registrations on AIS account within 24 hours
 - 60M+ uses of AIS stickers in one day
- **BigC**
 - 500k LINE friends
 - 350% increased in web traffic
 - 2,000% increased in call center traffic
 - All this within 3 months after launched (July 2014)







Key Facebook Stats from Thailand







Source: Syndacast 2014



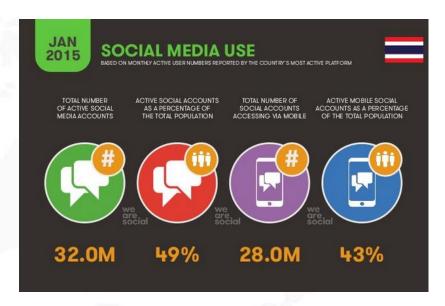
Line and Instagram Shaping M-Commerce





Social Media in Thailand

- Dubbed Instagram capital of the world in 2013
 - Siam Paragon Mall most instagrammed place
- Thais spend around 4 hours a day online w/ mobile
 - 3 hours 46 minutes of that on social media
- **Instagram-Line-Commerce Phenomenon**
 - Browse on Instagram, purchase via Line



https://www.techinasia.com/line-instagram-ecommerce-thailand/





Overview of Thai Startup Ecosystem



Incubator Accelerators















Co-working Space





















Institute





Source: Thumbsup

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Events and Workshops















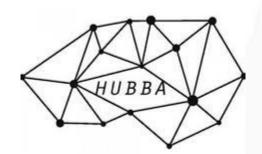
















Learn Graphic Design, Code and Social Media

Source: Thumbsup, Forbes









Thailand's Attractive Lifestyle









- Bangkok was the world's second most visited city in 2014
- +4M expats living in Thailand
- Tropical climate, access to world's top islands and beaches
- Low personal income taxes
- Need for niche talent leads to expat recruitment in tech
 - Lazada, Zalora, Rocket Internet, True, aCommerce all hire expatriate workers to fill specialized slots
 - For most startups, Thai language is a bonus but not needed



Many Activities Since 2014



Ookbee got Series B funding from transcosmos







Taamkru got \$620K led by 500 Startups









M&S Partners

Wongnai got more funding to expand into Hair and Beauty Salon



Anywhere to Go got funding led by 500 Startups





Pomelo gets \$1.6M early stage funding to spread Korean fashion in SEA



(Venture) is initially this has not not 2. Stype of his rider Toire America 500 Startupe, and Parts of initialize America colors to s which bis anspection as foreign, and are arranged "in participation," in they yell, the edit, well. size a round in the mundred of thousands before property raries 4. With more investors standing to take the region period





Many Activities Since 2014



aCommerce Raises \$10.7M to Serve SEA



WearYouWant got Series A funding for expanding from Thailand to SEA







Drivebot success to raise funding at Indiegogo within 6 days



Page 365 got funding from Galaxy Ventures



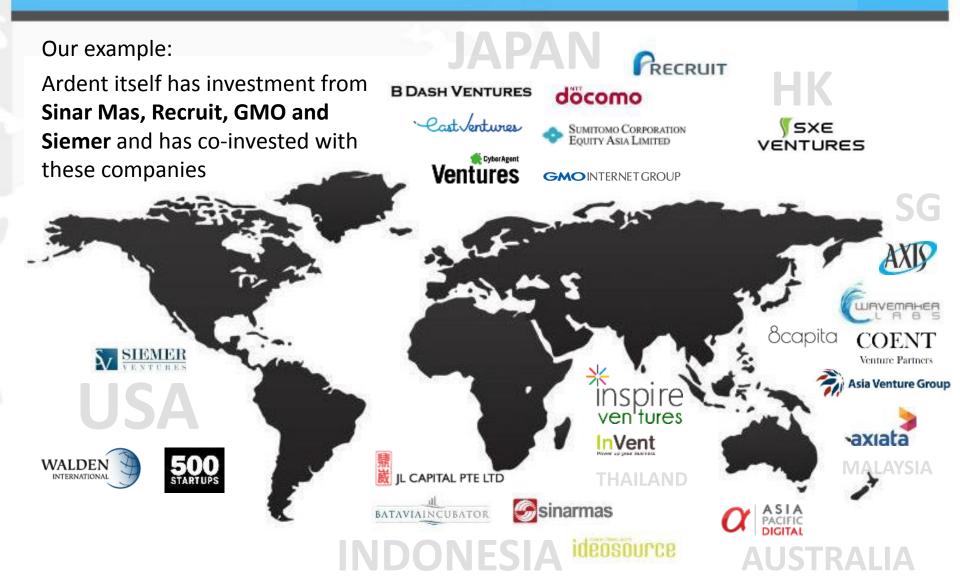




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Interests from International Investors







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Our View: The Next Big Online Businesses



eCommerce: B2C, C2C marketplace and B2B

Transports and logistics

Online/Mobile payment

Fin Tech



Big Players are Paving the Way



- 2012 and before
 - true had WHOVEPING!
 - had ShopAt 7.com
 - Nosted AIS Startup
- Feb 2013: dtac hosted dtac accelerate
- May 2013: true launched True MART
- May 2013: true hosted
- Jan 2014: launched Cdiscount.com in ASEAN
- Mar 2015: Plaunched Central Electronic launched













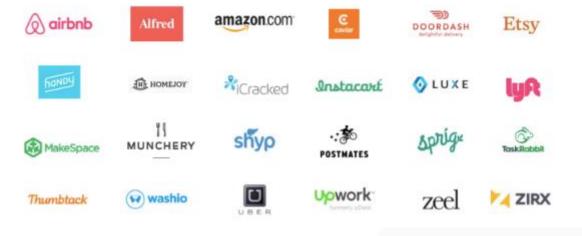
Trends Happening in the US

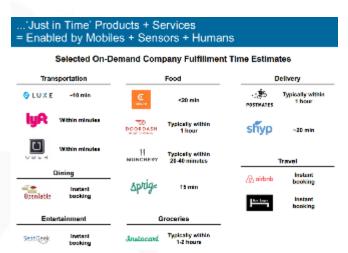


Sharing economy: marketplace + on-demand fulfilment for everything?

2nd Generation Online Platforms / Marketplaces for Services Rising = Optimizing for Mobile Internet Devices + On-Demand Local Delivery

Many Mobile-Enabled Urban Millennials Believe = Should Get What They Want (Products / Services / Work) When They Want It







Global Trends



Asian messaging leaders may move into becoming Central Communicatio n Hub with commerce, transportation, payment services

Messaging Platforms – Asia In-Country Leaders = Developing Evolving Playbooks...

Developer Platform	KakaoDevelopers	WeChat API	Line Partner (2012)
User Stories / Moments	Kakao Story (2012)	WeChat Moments	Line Home (2012)
Taxi Services	Kakao Taxi (2015)	Taxi services w/ Didi Dache (2014)	Launched taxi service in Tokyo (2015)
Food Delivery	*	Partnership with Foodpanda (2014)	Launched beta in Thailand (2015)
QR Codes	✓	QR code identity (2012)	✓
Media	Kakao Topic (2014)	✓	✓
Commerce	Kakao Page (2013)	Delivery support w / Yixun (2013)	Line Mall (2013)
Games	Game Center (2012)	(2014)	(2011)
Stickers	(2012)	Sticker shop (2013)	(2011)
Payments	KakaoPay (2014)	(2013)	Line Pay (2014)
Video Calls / Chat	×	1	Video call update (2013)
Voice Calls	Free VoIP calls (2012)	WeChat Phonebook (2014)	✓
Group Messaging	✓	✓	✓
Messaging	✓.	✓	✓
Primary Country	Korea	China	Japan
Launch	March 2010	January 2011	June 2011
Name	KakaoTalk	WeChat	LINE
	TALK	%	LINE

Key Takeaways



- Young (74% of demographics)
- Increasing purchasing power
- Tech savvy
- Social media is everything (high concern on social status)
- Plentiful resources in ecosystem and growing
- Dream lifestyle
- Capital available
- Many activities since 2014 from nothing (6 out of 9 are eCommerce related)
- Less competition and huge opportunities









Thank You

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