

Voluntary Report – Voluntary - Public Distribution

Date: February 03,2021

Report Number: TH2021-0011

Report Name: Social Media Marketing for Thailand's Food Industry

Country: Thailand

Post: Bangkok

Report Category: Promotion Opportunities, Market Promotion/Competition

Prepared By: Ornkamol Puranabhandu

Approved By: Eric Mullis

Report Highlights:

Social media marketing has become an indispensable part of business strategy in the food industry.

Social Media in Thailand

Thailand is a fast-growing market for social media marketing. According to the Digital Advertising Association of Thailand (DAAT), more than 52 million users (75% of the population) were connected to the internet in January 2020, with a similar number of people on social media platforms. The DAAT also highlighted that social media users increased by 2.3 million between April 2019 and January 2020, an almost 5% growth, with average usage close to three hours a day. Facebook, YouTube, Line, Instagram, Twitter, and Tik-Tok are the top six most-used social media platforms in Thailand.

Social media has had a tremendous impact on the foodservice industry. Not only is social media the main tool foodservice operators use to communicate with their customers, but it has also become an indispensable part of their business strategy. Most foodservice operators have been stepping up their social media marketing efforts in response to changes in consumer behavior. Every meal is now on Instagram, chefs have become celebrities and TV stars, and food bloggers and influencers can be found everywhere. Moreover, consumers are no longer using social media just for browsing or for finding information on products; they are using social media to make decisions and purchase products. Changes in how consumers are dining and in the digital landscape have led to new marketing opportunities for Thailand's foodservice operators.

Facebook

Facebook is the most popular platform for social media marketing in Thailand. More than 70% of restaurants (not including street-food outlets) do their marketing on social media, and 91% of those on social media use Facebook as their main platform. Facebook allows restaurateurs to create the most robust platform for engaging their customers. Restaurateurs can create a business profile, get reviews and feedback, share content and promotions, and advertise. Facebook is the platform that Thais consistently use to search for new restaurants, cafés, and bakeries, and more than 55% of consumers consider online reviews when choosing where to eat.

Facebook Live has become a popular tool to promote and sell products during the COVID-19 pandemic. Facebook indicated that usage of the Facebook Live platform in Q2 of 2020 increased up to 26.8% and continues to increase. Moreover, Facebook Groups are also another channel to establish relationships and gain brand loyalty as the system allows merchandisers to have private communities. Facebook expects that Facebook Groups will grow in popularity in 2021 and will reach up to fifteen million groups. Last but not least, Facebook introduced "Facebook Shops" in early 2020 to support all businesses impacted from COVID-19. The feature provides a platform for businesses to sell their products, including showcasing their product catalog and processing the payment. Lastly, Facebook marketing is considered as one of the most impactful for advertising. Advertisements run on Facebook are far more visible than on any other social media platform in Thailand. There are 30 million Facebook users in Thailand of which 28 million are active on mobile devices and 19 million log on every day. In addition, purchasing ads to create visibility on Facebook is also recommended to drive more traffic to the business Facebook page.

YouTube

YouTube is the second most impactful marketing platform in Thailand. Every day, a huge percentage of the population goes to YouTube ready to watch and engage with the videos and communities they love. Almost 8 billion unique Thai visitors visit YouTube per month, an average of 2.15 million daily visitors. YouTube advertising expenditures in Thailand increased from 3 billion baht in 2018 to 6 billion baht in 2020. YouTube is the most suitable social media platform to convey information about products such as product stories or educational information. YouTube is revolutionizing the food world by creating opportunities for up-and-coming chefs and restaurants. Many chefs have become celebrities, and some restaurants grow in popularity overnight.

Instagram

Instagram is another popular social media platform in Thailand. There are 13 million Instagram users in Thailand with 51% of them accessing the application daily. Although Instagram only allows several photos or 15 second videos for each post, Instagram achieves a greater number of engagements per follower comparing to Facebook. Consequently, Instagram creates huge opportunities to market and brand. Businesses, including restaurants, can use visually stimulating marketing campaigns to attract the attention of consumers and create brand awareness. Instagram is booming among Thai millennials (18 to 35 years old). They especially use Instagram as a tool to browse food images to decide where to eat instead of using Google or Facebook. In the past, word of mouth was significant, but now, the number of Instagram followers, likes, and good photos could determine the popularity of a business.

The usage of Influencers, Videos, and General Posts

The growth of “influencers” on Facebook, YouTube, and Instagram has accelerated in the last few years. In 2020, most companies, including food and beverage, fast-moving consumer goods (FMCG), beauty, e-commerce, automotive, and retail, chose to utilize influencers via social media because it creates more engagement that is easier to track and is cheaper than traditional marketing. The study from the Thailand Media Association showed that 70% of Thai teenage YouTube subscribers trust influencer opinions over traditional celebrities because they sense a connection with the influencers they follow. Choosing the right platform with the right influencer depends on the product and the target audience. According to the DAAT, the most successful influencers on Instagram were either micro-influencers (1,000 to 30,000 followers) or macro-influencers (100,000 to 150,000 followers). Facebook is slightly different, with influencers who have between 5,000 to 15,000 followers performing the best.

Video production is another important component to social media marketing. In 2020, according to Business Insider, global consumer internet video traffic accounted for 80% of all consumer internet traffic. In addition, video marketing on Facebook receives 135% more organic reach than photos. Video marketing is very versatile with formats including short videos, live videos, educational videos, video advertising, shoppable videos, and virtual events. Short videos are very common and can be found in various platforms such as Tik-Tok and Instagram Stories. Short videos were very popular in 2020 among Thai millennials or Generation Z.

General posts are also important for social media marketing as they develop the image of the brand. Marketers need to make sure that content is not duplicated and contains enough variety of entertaining

post, inspirational posts, educational posts, story-telling posts, and discount/sales posts. The strength of a brand can depend on the quality and variety of the posts on social media. The company's pages on social media have become the main touchpoint for their customers to find information on products and services. Operators also gain valuable insights regarding their customers from the page itself. Some businesses are able to conduct product research entirely from the activity on their social media platform.

The most effective way for restaurateurs or food retailers to do marketing via the social media channel is to choose the right social media platform and pick the best influencer for their brand and products. Photos and videos are also important as they generate traffic to their official webpage.

End of Report

Attachments:

No Attachments.