

Thailand



Thailand's digital infrastructure has spearheaded growth in social media and internet usage that has had a positive effect on streaming revenues, with the market picking up in 2018 for the first time in five years

After years of decline, recorded music revenue in Thailand grew for the first time in five years in 2018, with faster network speeds and greater mobile penetration helping to drive streaming revenues. Streaming income in Thailand increased from \$20.7m in 2017 to \$28.7m last year, helping overall music income to jump 17.5%, according to local music:)ally sources.

"We've seen a big pick-up in streaming revenue in Thailand over the last couple of years, with the market almost doubling in value," says Karl Kongkham, the MD of Warner Music Thailand. "The infrastructure is improving, with faster network speeds

and greater mobile penetration. This love adopting new technology, they've really gravitated to streaming music and they're more willing to pay for these services than ever before."

The development of Thailand's once-poor digital infrastructure under the Industry 4.0 scheme has undoubtedly helped, with the number of internet users in Thailand rising from 28m to 47m between 2014 and 2018. Gautam Talwar, MD of Spotify, Southeast Asia, says that his company is optimistic about Thailand's digital infrastructure. "Access to the internet has increased; the Ministry Of Digital Economy installed Wi-Fi receptors in 24,700 villages around the country to

THAILAND



STATS



Population 68.6m*



GDP (purchasing power parity) \$1.236tn*

GDP real growth rate 3.9%*

GDP per capita (PPP) \$17,900*



Internet users 38m

Per cent of population 61.3%



Broadband connections 8.2m

Broadband - subscriptions per 100 inhabitants 12*



Mobile phone total subs. 121.5m

Sources: CIA World Factbook
* 2017 estimates



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**- Karl Kongkham,
Warner Music Thailand**

apparently "using mobile phones to listen to streaming music at a rate 93% higher than the global average".

Another particularity of the Thai market includes its love for local viral music, as Talwar explains. "We've seen that Thailand is one of our most engaged markets when it comes to searching for local viral music – for example, songs from local TV shows. Spotify created a playlist for this, Hit & Viral, which has become one of the most popular playlists in Thailand," he says. Talwar adds that lyrics are also very important to Thai music listeners, with the streaming market dominated by "urban users,

Thailand

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Spotify Wrapped 2019 Thailand Top Lists

MOST STREAMED ARTISTS		MOST STREAMED MALE ARTISTS		MOST STREAMED FEMALE ARTISTS		MOST STREAMED LOCAL ARTISTS	
1	BTS	1	Post Malone	1	Ariana Grande	1	Polycat
2	BLACKPINK	2	Shawn Mendes	2	Taylor Swift	2	The Toys
3	Polycat	3	Ed Sheeran	3	Ink Warunton	3	Lipta
4	Post Malone	4	The Toys	4	Billie Eilish	4	Whal & Dolph 5. Stamp
5	Ariana Grande	5	Khalid	5	Camila Cabello		

MOST STREAMED GROUPS		MOST STREAMED TRACKS		MOST STREAMED ALBUMS	
1	BTS	1	Camila Cabello, Shawn Mendes - 'Señorita'	1	Post Malone - Hollywood's Bleeding
2	BLACKPINK	2	Post Malone, Swae Lee - 'Sunflower'	2	Shawn Mendes - Shawn Mendes
3	Polycat	3	MEYOU - ภาพวาด	3	BTS - Love Yourself 結 Answer
4	The Parkinson	4	BLACKPINK - 'Kill This Love'	4	BLACKPINK - KILL THIS LOVE
5	Bodyslam	5	Wanyai - เจ็บจนพอ	5	The Toys - SUN

anyone from students to 30-50-year-olds".

Spotify, Joox and Apple Music dominate the music subscription market in Thailand, with one notable local service in True ID. Joox reported more than 3bn song plays in Thailand in 2018, according to the Bangkok Post, a 50% increase from 2016. All three international services are relatively cheap: Spotify Premium and Apple Music cost 129 Baht (\$4.27) per month or 199 Baht (\$6.58) for a family account, while Joox VIP costs 69 Baht a week (\$2.28), 129 Baht per month or 1,099 Baht (\$36.34) per year.

Kongkham says that around 3.5m people in Thailand use a music streaming service

at the moment (excluding YouTube), with approximately 700,000 paying to subscribe to one of the three major streaming services. "To put that in context, our overall population is around 70m," he adds. "There's no reason why streaming penetration here can't go as high as it is in markets such as Sweden and Korea where it's more established."

It will be interesting now to see the impact of YouTube Music, YouTube's own music subscription service, which launched in Thailand in November 2019. YouTube itself is hugely popular: a Chartmetric study of YouTube views for one week in May 2019 found that Thai capital Bangkok was "the

second most YouTube-hungry city in the world for that week, accumulating over 38m views", behind only Mexico City. A recent Google study – to be treated with a pinch of salt, perhaps – found that YouTube "is truly a part of the cultural fabric" in Thailand, which, along with Indonesia, has the highest proportion of users who watch YouTube on mobile.

Also striking is the popularity of domestic music in Thailand. Joox claims that 89% of Thai users listen to Thai music over international music, while

Chartmetric noted the popularity of Bangkok-bred rapper YOUNGOHM and Bangkok punk rock act Labanoon in its study. Meanwhile, Universal Music recently announced that Thai pop artist Jannine Weigel would be the "marquee signing" to its new RedRecords venture with AirAsia Group.

"There is a thriving local music scene in Thailand and streaming services such as Spotify have helped local musicians rise to the top and created a legitimate revenue stream for the creator community there," says Talwar. "Streaming services such as Spotify can also act as a key marketing and promotional channel for the artists to reach their core fanbase."

Kongkham says he is "really optimistic and excited about the future of the digital music industry in Thailand". "People here love local music and really connect with Thai artists while embracing international artists across a wide variety of genres," he says. "We're stepping up investment in our local roster, creating great new music

that's attracting listeners to streaming services. It's helping create a virtuous cycle of growth.

"But we're not complacent, we've got to keep identifying new opportunities to place our artists' music and add value to their careers. It's a fast-changing business and we've got to stay at the cutting edge of it." 😊

YOUNGOHM

