

Regulatory Policy and Market Status of OTT in Thailand

Mr. Pasu Srihirun

Executive Director of Policy Analysis
Bureau Acting Assistant Secretary
General, Academic Cluster

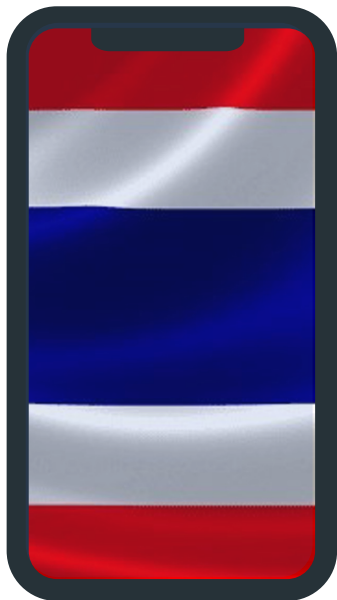
the Office of the National Broadcasting and
Telecommunications Commission





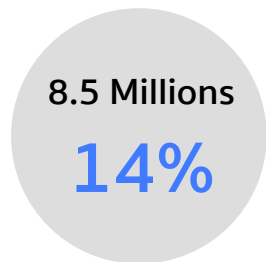
Thailand Population

ALL 12+ NA

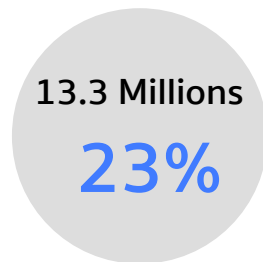


TOTAL THAILAND POPULATION
ALL 12+ NA
58,241,000 Persons

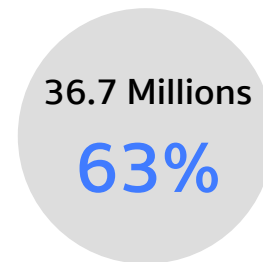
AGB Nielsen : Thailand CMV 2022-3 (Jul21-Jun'22)



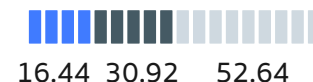
BANGKOK



URBAN UPCOUNTRY



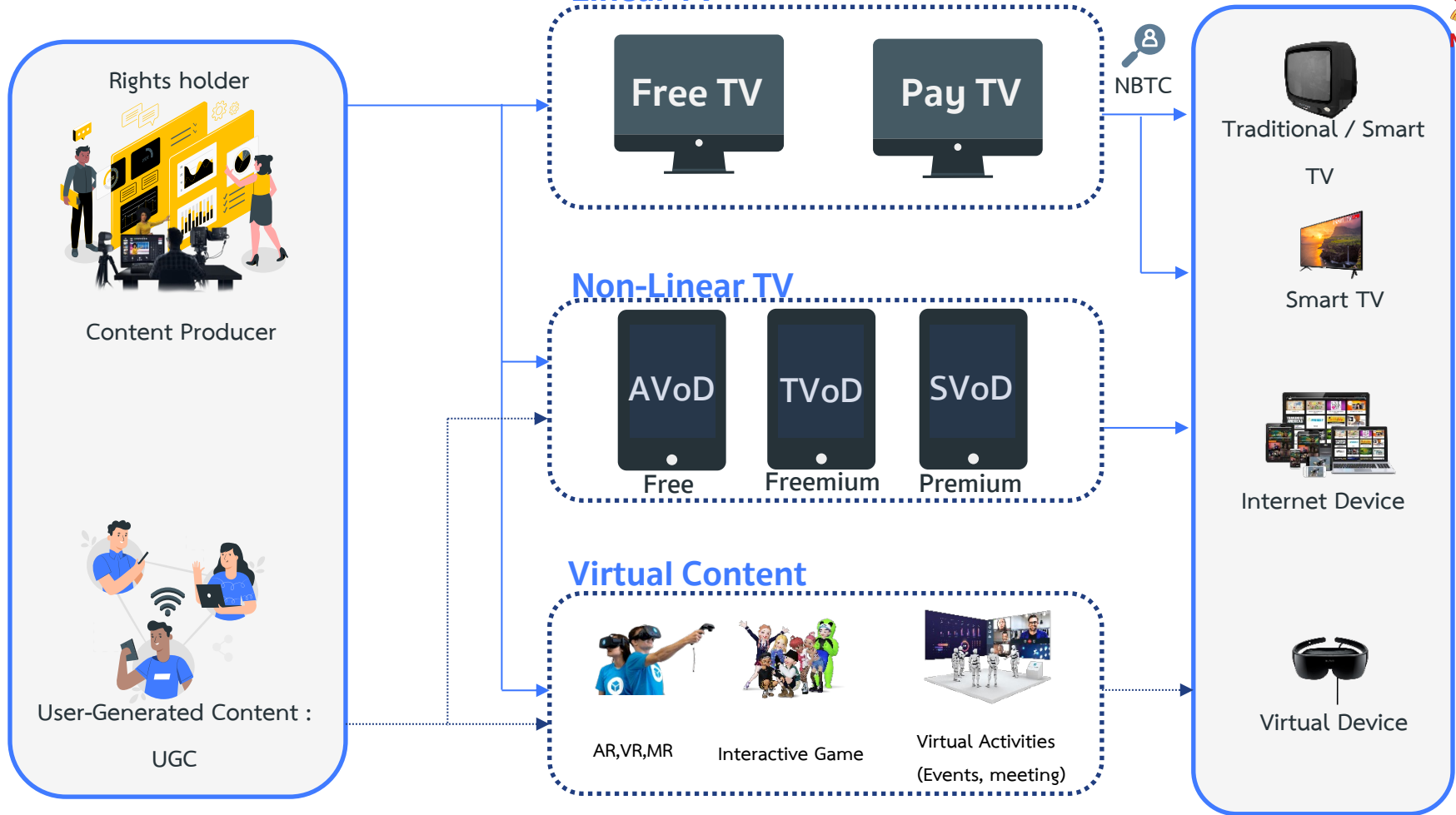
RURAL UPCOUNTRY



Upper Middle Lower



Media Ecosystem In Thailand



Broadcast Media in Thailand



FREE TV

Public TV

7 Channels



Type 1



Type 2



Type 3



Commercial TV

15 Channels



News



SD



HD



Family (no licensee)

Community TV

12 Channels

(no licensee)

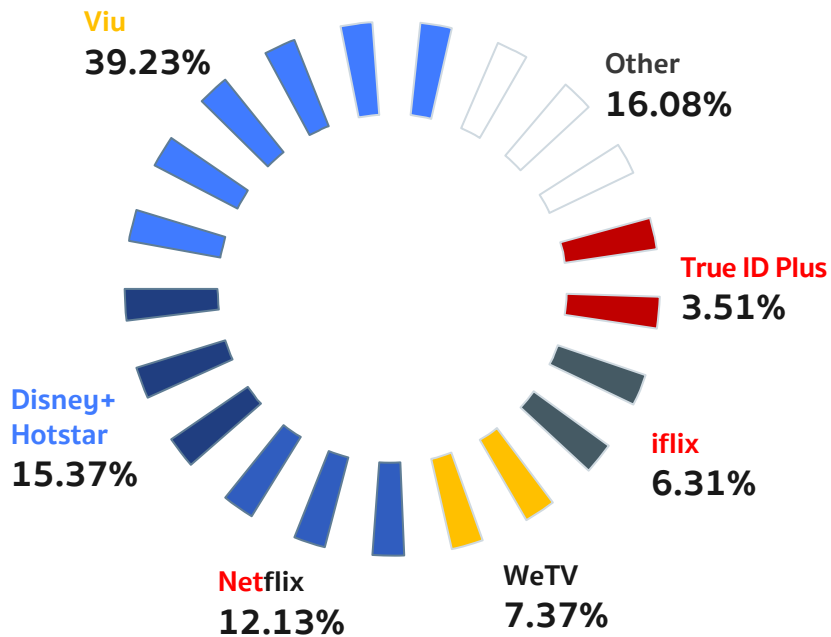


PAY TV

Service License	Channel
Satellite	301
Cable	75
IP TV	125
Hybrid (more than one services)	20
Total	521

Network License	License
National	31
Regional	45
Local	149
Total	225

Foreign OTT in Thailand



 **viu** 2.79M
Subscribers

 **WeTV** 524K
Subscribers

 **1.09M**
Subscribers

 **449K**
Subscribers

 **862K**
Subscribers

 **249K**
Subscribers

OTHER 1.14M
Subscribers

Daily Time Spent with Media

The average amount of time each day that internet users aged 16 to 64 spend with different kinds of media and devices

Time spent using The internet



9H 06M

Year-on-year change
+4.2% (+22mins)

Time spent watching television



4H 02M

Year-on-year change
+15.2% (+32mins)

Time Spent using Social media



2H 59M

Year-on-year change
+6.5% (+11mins)

Time Spent reading Press media



2H 48M

Year-on-year change
+17.5% (+25mins)

Time spent listening to Music streaming



1H 53M

Year-on-year change
+4202% (+19mins)

Time spent listening to Broadcast radio



0H 52M

Year-on-year change
+20.5% (+9mins)

Time Spent listening To Podcast



1H 12M

Year-on-year change
+28.6% (+16mins)

Time spent using a game console



1H 58M

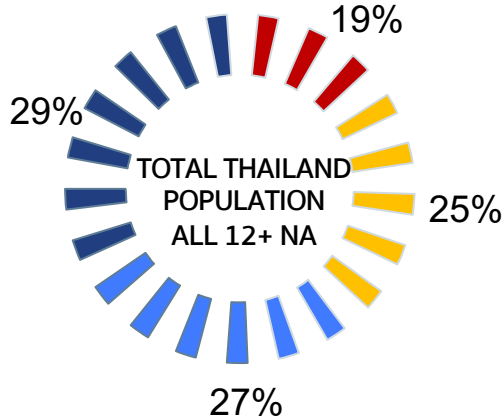
Year-on-year change
+20.4% (+20mins)



Media Consumption by Age Group

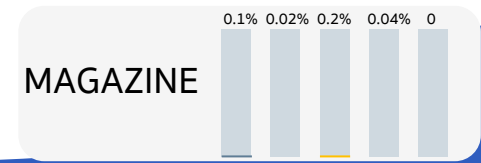
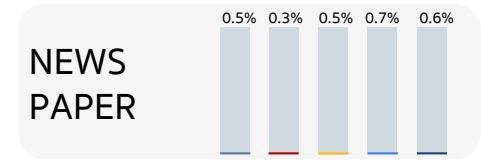
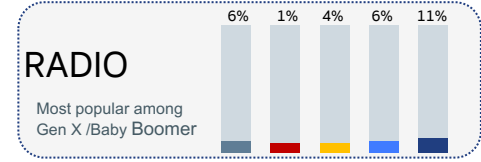
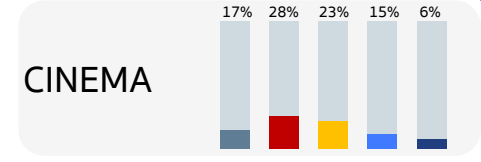
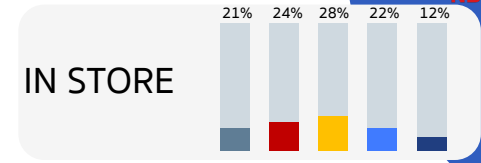
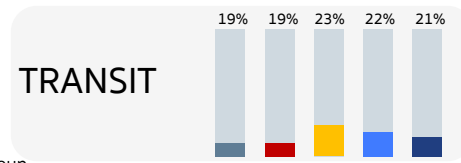
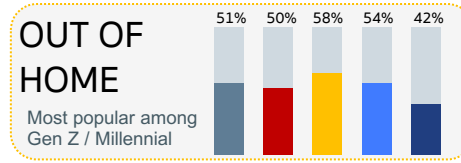
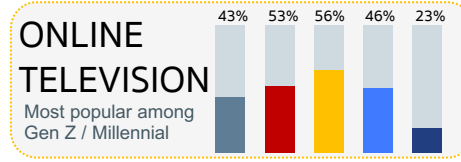
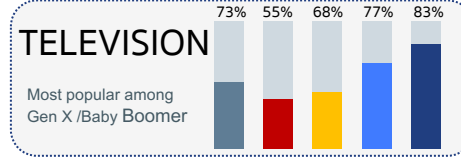
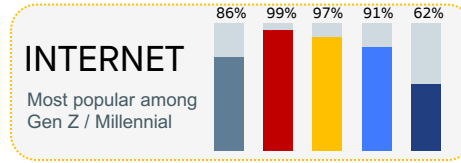
■ Total Thailand
■ Gen Z : 12-24
■ Millennial : 25-39
■ Gen X : 40-54
■ Baby Boomer : 55+

Different media platforms,
Different audiences



■ Gen Z : 12-24
■ Millennial : 25-39
■ Gen X : 40-54
■ Baby Boomer : 55+

The age of linear TV and radio audiences is increasing

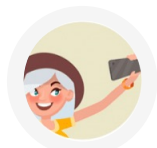


YouTube dominates online video platforms followed by fragmented long-tailed

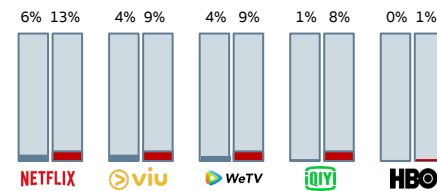
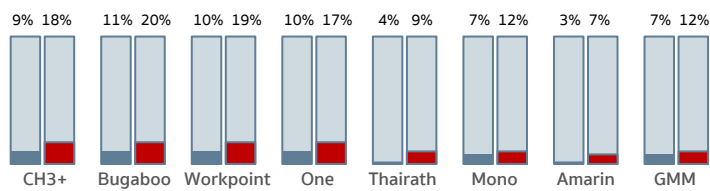
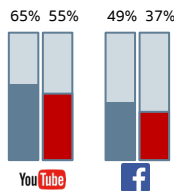
UGC

Thai

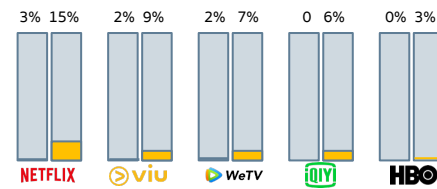
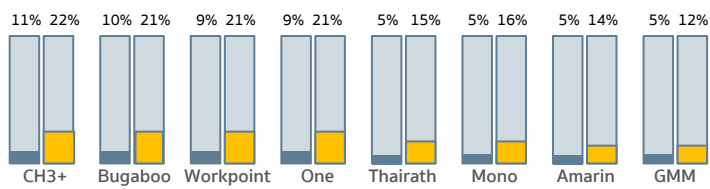
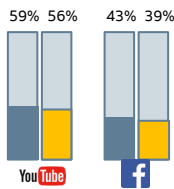
OTT



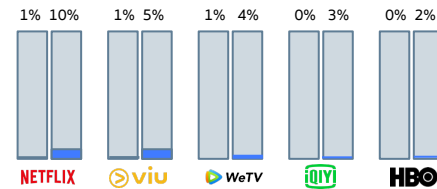
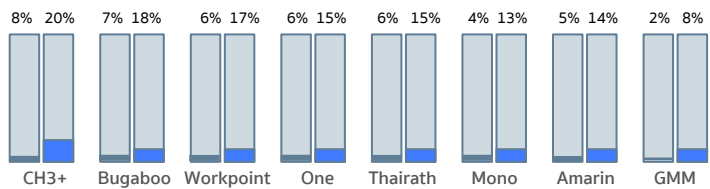
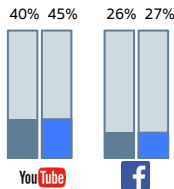
Gen Z
12-24 YO



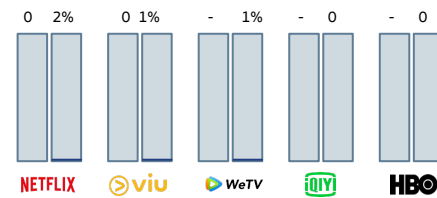
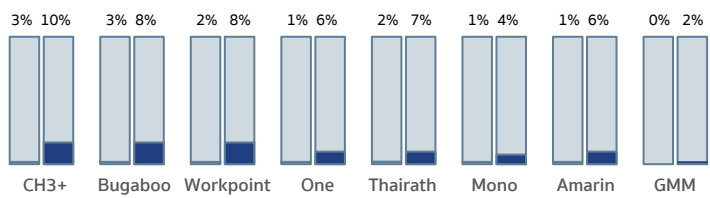
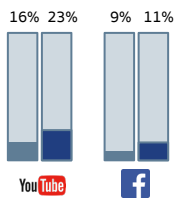
Millennial
25-39 YO
















Gen X
40-54 YO



Baby Boomer
55+ YO

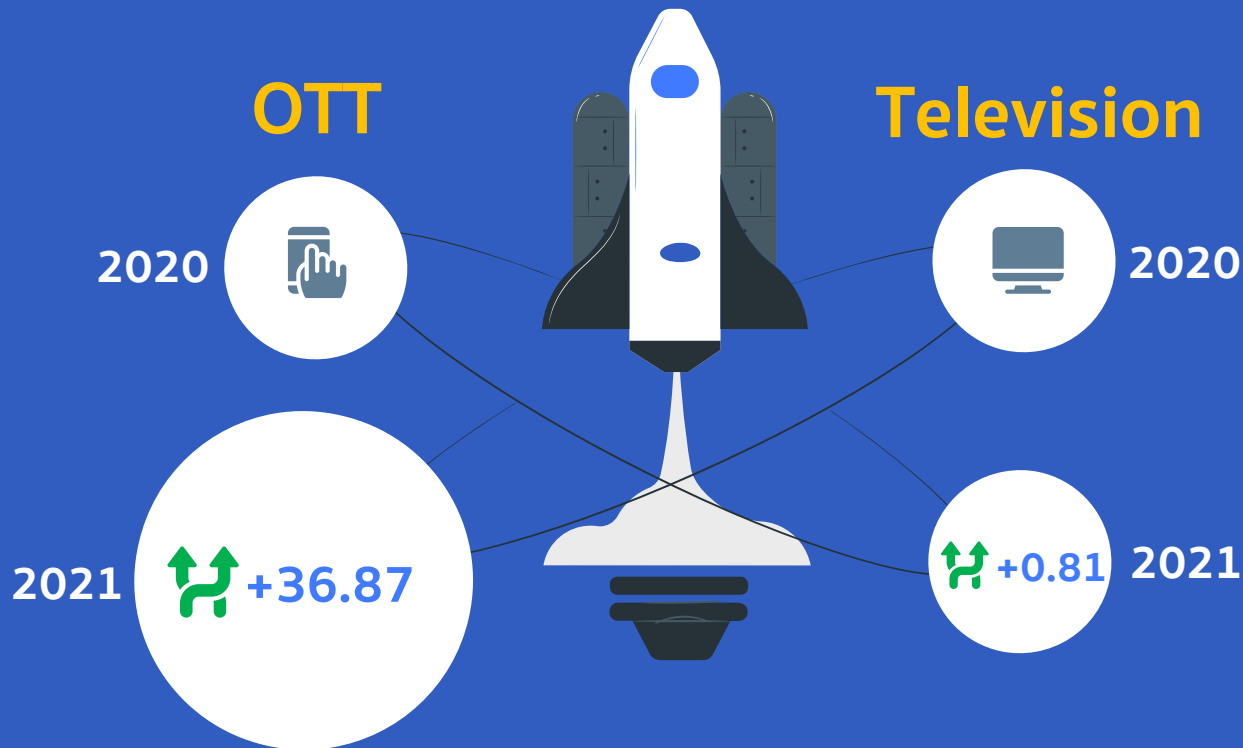


OTT Service provider

Service	Type of Service	Player	Revenue (USD)
Telecommunication	Online Communication Service		37.71 Million
	Video Sharing : AVoD		137.71 Million 
Video	Video on Demand : SVoD, TVoD		312.20 Million 
	Music Streaming		92.83 Million
Audio	Internet Radio		32.59 Million
	Social Networking		233.58 Million 
Social Media	Private Networking		9.71 Million
	Search Engine		47.86 Million
	Social Geo-Location		2.30 Million
	Social Publishing		11.25 Million

OTT services and TV market growth comparison

by advertising spending



TV efficiency and effectiveness has been challenged by online media



Viewership trends

Viewership trends continue to drop as a result of the shift in behavior toward online TV consumption.



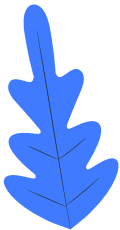
Media efficiency

TV efficiency and effectiveness has been challenged by online media



TV spending trend

TV spending trend remain stagnant since the pandemic



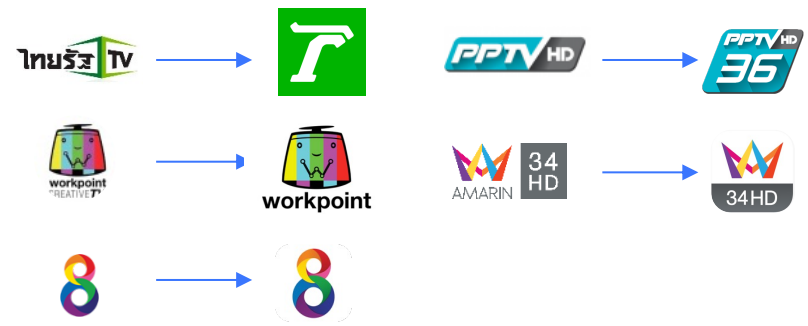
Traditional players are transforming

Build Own Platform → Single content multiple platforms → Collect First Party Data



Migration of Long-form contents from YouTube into Broadcaster's own platform

The Players services SVODs and TVODs



The Players services SVODs live linear Streaming and Re-runing

What foreign OTT are doing in Thailand



1 Product differentiation to create preferences and loyalty

N **Netflix** has original content and documentaries that are exclusively provided only on their platform

 **WE TV** was major platform for catch-up with local or TV shows and famous for its original Chinese-series

 **Viu TV** as Korean series outlet with new listings

2 Collaborations with local industry players



Collaboration with device providers



Doonee built business alliance with Smart TV and Set Top Box manufacturers that will install Doonee application as a basic feature in the device



Collaboration with content producers



WeTV has made deals with local TV Broadcasters; One Channel, 8 Channel, 3 Channel to show and rerun their content



LINE TV has created alliance with more than 250 local production houses to create original content (Stop service since 31 Dec 2021)



Collaboration with Telcos



Netflix collaborates with True, a leading telco, to embed the Netflix application into the TrueID TV set-top box.



Viu cooperates with AIS to provide AIS users with free access to Viu content for 12 months



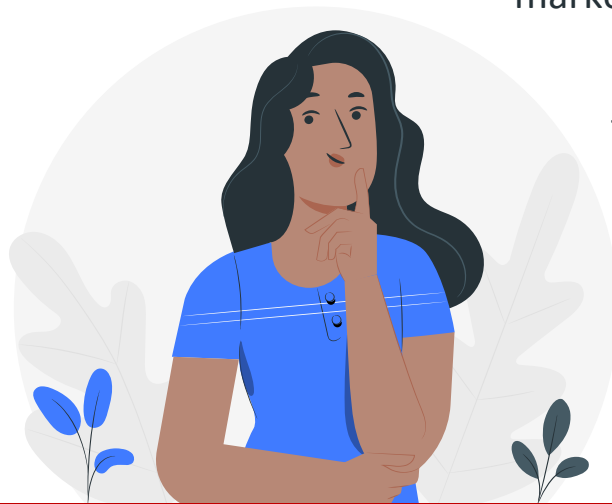
Disney+ launched a deal with AIS to offer its streaming package for only USD1 per month.

Impact of OTT to Traditional broadcast

General consequences of OTT

closed media system with linear and not so massive amount of content under clear regulation framework

open, uncontrolled media ecosystem with non-linear and massive content (any time, anywhere, any device) under unclear regulatory framework



Consequences of OTT for related sectors

Internet streaming has created **borderless market and global services** to different national markets across the world

Declining revenue and growth for traditional broadcasters

End users having **greater choices** in terms of content, platform, and price

Government agencies involved in OTT regulation in Thailand



Focus

Law



Office of The National Broadcasting and Telecommunications Commission

- **frequency management** and allocation for broadcasting, television and telecommunications services
- **licensing and regulating** the operation of broadcasting, television, and telecommunications businesses

- Telecommunications Act, Broadcasting Business Act, Act on the Organization to Assign Radio frequency and to Regulate the Broadcasting and Telecommunications Services B.E. 2553 (2010)



Ministry of Culture

- Regulation + promotion: film and video

- Film and Video Act B.E. 2551 (2008)



Ministry of Digital Economy and Society

- Information and communication technology and electronic transactions development, software industry promotion, cybersecurity

- Digital Development for Economy and Society Act B.E.2560 (2017)
- Computer-related Crime Act B.E. 2550 (2007)
- Electronic Transactions Act, B.E. 2544 (2001) + B.E.2562 (2019)

Legal advantages of OTT vs. Traditional broadcast in Thailand

	Traditional broadcasters	OTT providers
License	Requisite for operation	N.A.
Privacy/data protection	Strict data protection framework	Voluntary basis with little requirement
Quality of services	Regulated under license obligation	No provision or enforcement
Consumer protection	Subject to consumer protection law and related regulations	N.A. or little enforcement
Taxes and fee	sector specific fees apply including frequency assignment fee, license fee and corporate	charged to electronic service providers from abroad (e-Service) and electronic platforms. They have to pay VAT if their annual income over 1.8 million baht. (VAT is currently charged at a rate of 7% of the service fee)

Regulatory Endeavors on OTT



With the present regulatory vacuum and an absence of comprehensive law for OTT, NBTC is considering adopting a reward-based light-touch regulatory approach for VoD OTT while promoting local content industry with capacity-building and promotional measures such as

01

Building a home-grown content platform that could effectively market “Thai content” to international audience by learning from experiences of predecessors such as the UK’s Britbox, Singapore’s HOOQ, and South Korea’s Wave.

02

Promoting local content by allocating funds or sponsorship, imposing local content quota on foreign OTT as well as rendering financial support for local content creators with the potential to compete in international competition overseas

03

Promoting business alliances by organizing meetings and talent matching between local content producers and overseas counterparts, joint venture between state and private endeavors, training workshops for content-related or creative workforce to foster international best practice standard.

04

Cooperation of government agencies in regulating OTT

Thank You