

IPSOS GENERATIONS REPORT 2024

THAILAND CHAPTER

May 2024

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3

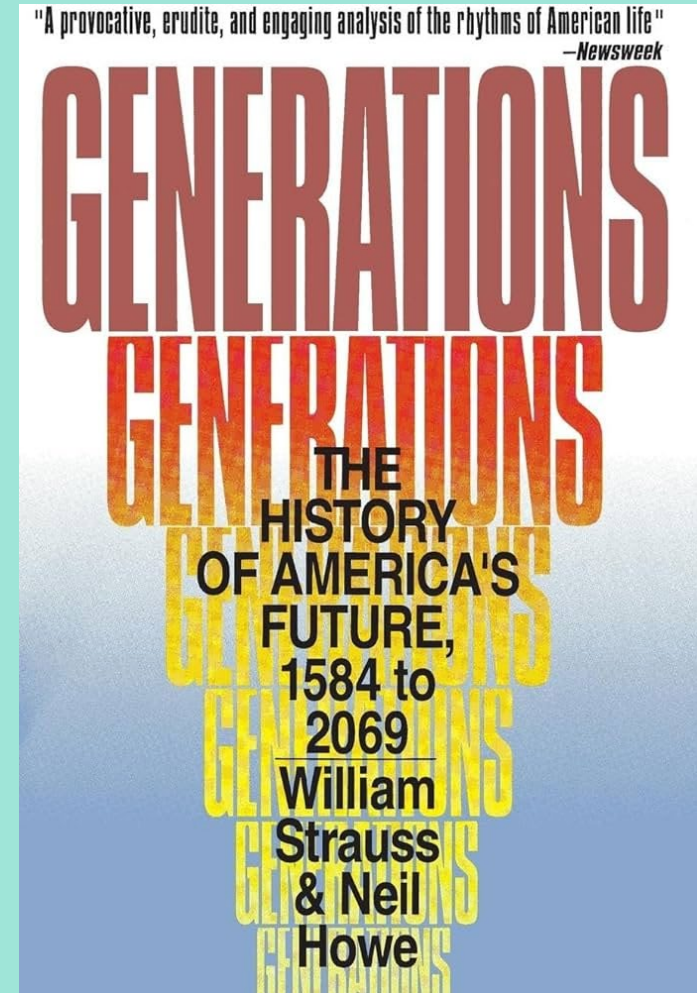
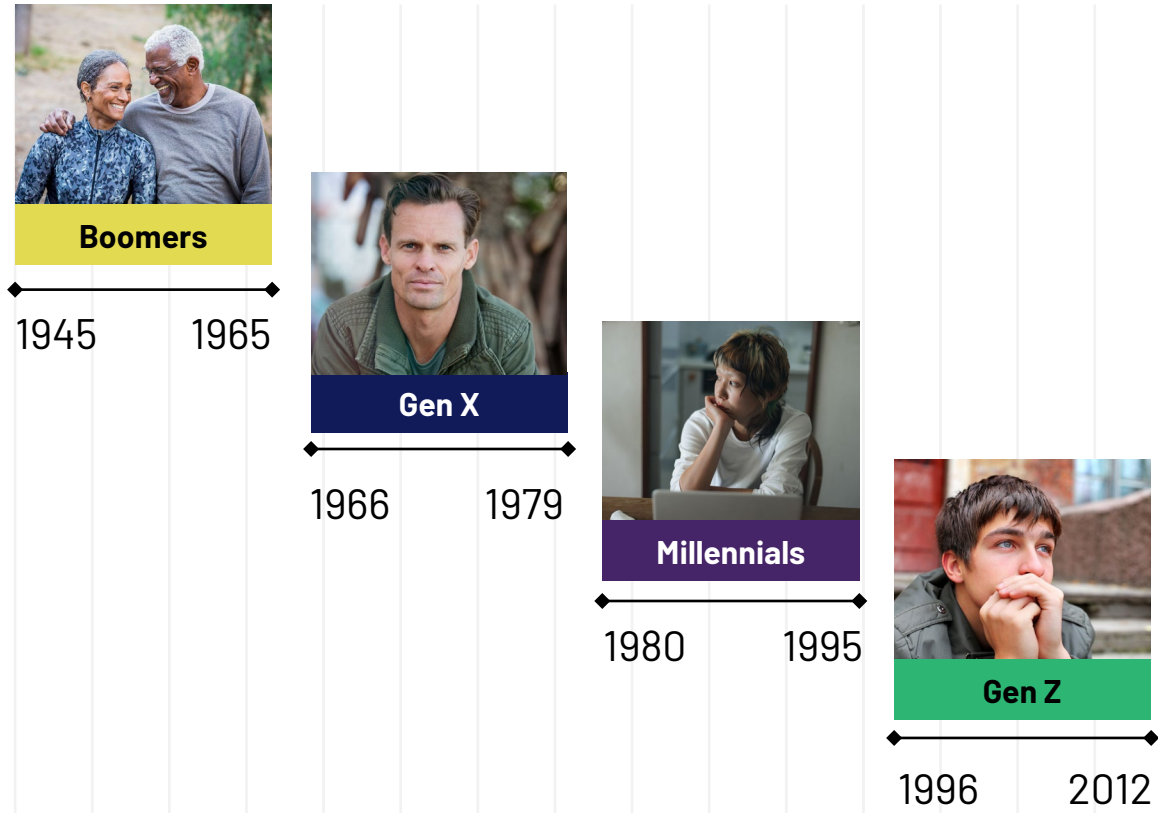
Increase in ageing
population

4

Gen Z- A Global
generation

Generations?

The Strausse-Howe Generational Theory



Book published in 1991

Key Themes



Declining Population 1



Growing Ageing population 2



Gen Z Truly Global generation 3

KEY TAKEAWAYS

1

We need to prepare for global & Thailand population decline

The shrinking of population growth rates and the global population decline, set to begin from the middle of the century onwards, will have profound implications for workforce planning, pension systems, and economic growth.

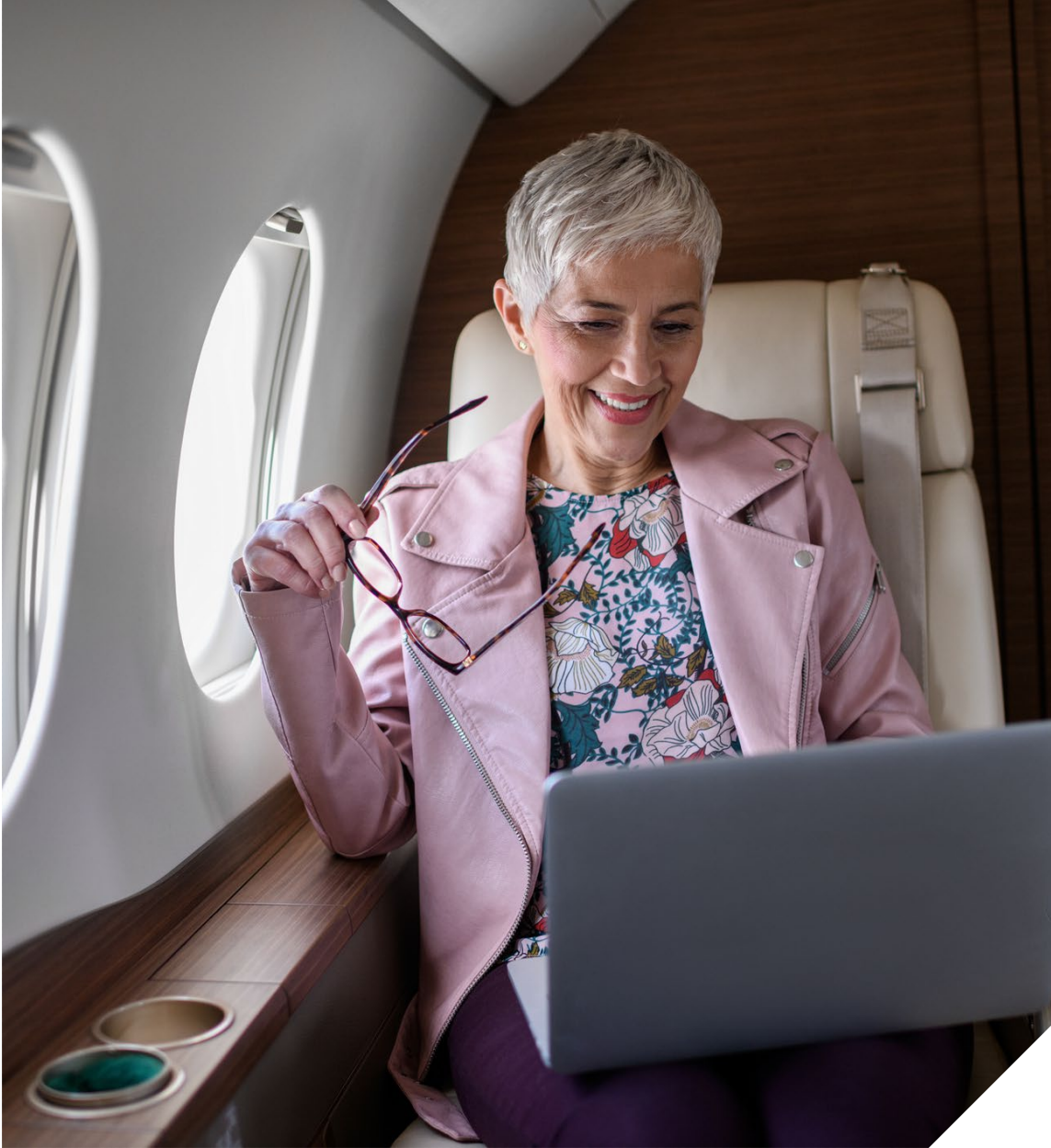
Thailand is experiencing a concerning decline in its birth rate. The total fertility rate, which sits around 1.3, falls well below the replacement level needed for a stable population.

Experts predict this trend could halve Thailand's population within

60 years, leading to a smaller workforce and a strain on social services as the elderly population grows. Socioeconomic factors, including the rising cost of living and changing social norms where couples prioritize careers and education, are contributing to this decline.

The Thai government is recognizing the potential economic and social challenges this poses and is exploring solutions such as increased support for working parents





KEY TAKEAWAYS

Growing ageing population. Businesses to gear towards addressing them 2

Demographic changes are becoming a pressing issue. For businesses, demographic trends offer both challenges and opportunities, such as catering to underserved markets like the ageing population.

Strategic planning must now account for these trends to ensure businesses are on a stable and sustainable footing for future growth.

Thailand is grappling with a rapidly ageing population. The percentage of Thais over 60 years old has surged from just 4% in 1970 to nearly 20% today,

and this figure is projected to climb to 36% by 2050. This dramatic shift is due to a combination of declining birth rates and increasing life expectancy.

The rise of the elderly population presents Thailand with significant challenges, such as a potential labor shortage due to a shrinking workforce. However, it also offers opportunities for the development of new industries focused on senior care and services tailored to the needs of this growing demographic



KEY TAKEAWAYS

Gen Z is, probably, the first truly 'global' generation

3

Generation Z appears to have a distinct set of characteristics which transcend international borders. 63% of Thai GenZs feel that they are more a citizen of the world than a citizen of their country. Better education and the use of the social media are just two of the factors at work.

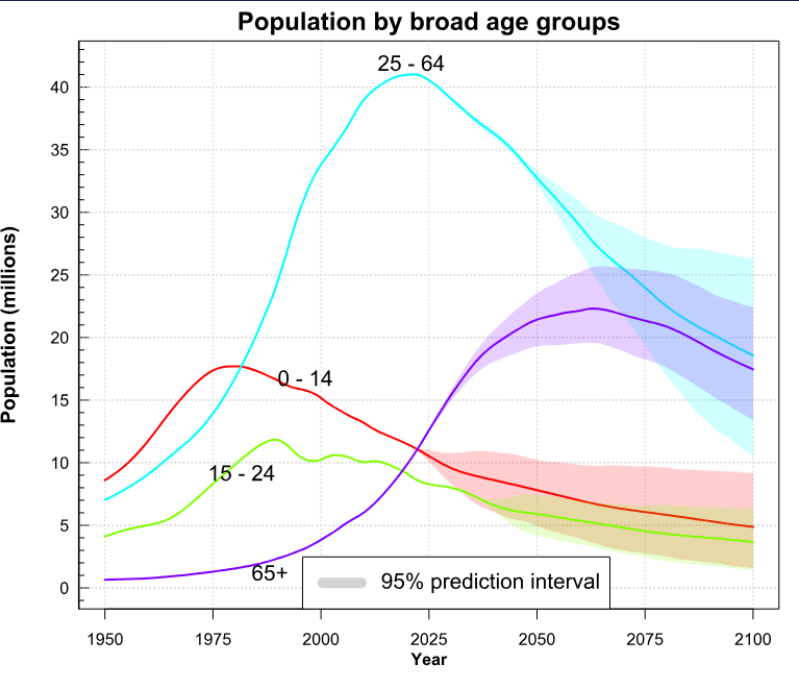
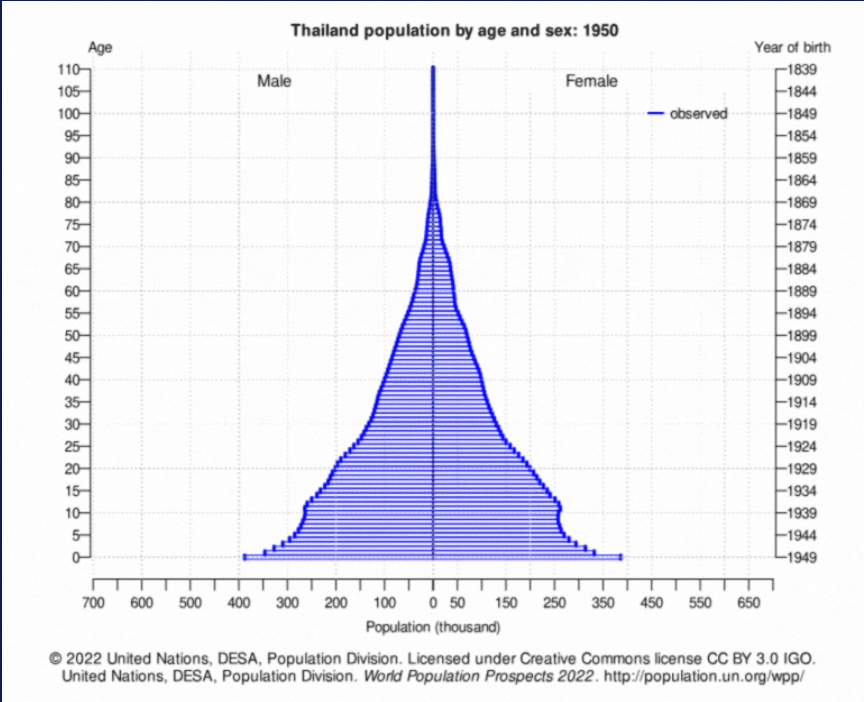
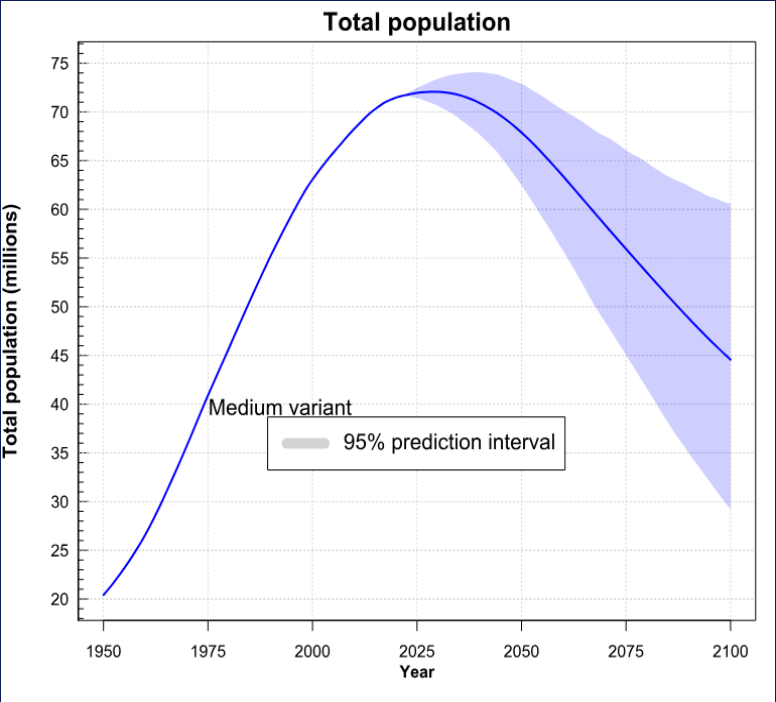
They display higher levels of stress and loneliness, as well as a tendency to form

relationships online. They exhibit more liberal social attitudes, although this comes with many caveats based on gender and geography

Understanding the unique attributes and behaviours of Gen Z is important for developing targeted products, services, and policies, as well as for engaging with this demographic in meaningful ways.

Global & Thailand Population Decline

Thailand Population mix changes over decades with older Gen becoming a large part of the mix in the future



Year	1950	1980	2024	2050
Pop (in mn)	20.4	45.7	71.8	65



Median age of Thai population is much higher than global

Just how old is our population?

Median Age of Population

In...	2000	2024
World	25	31
Thailand	30	41

Countries which will experience population decline in 2024 include...

Albania, Armenia, Belarus, Bosnia & Herzegovina, Bulgaria, China, Cuba, Czechia, Estonia, Georgia, Greece, Italy, Jamaica, Japan, Latvia, Lebanon, Lithuania, Monaco, Montenegro, North Macedonia, Portugal, Russia, Serbia, South Korea, Ukraine, Uruguay

Thailand specifically...

The population is projected to remain fairly **constant** around 69 million until **2035**, but will eventually **decrease to 65 million by 2050**.

By 2050, Thailand's **aging population** is expected to **increase to 20 million**, accounting for 35.8% of the population.



Falling fertility rate is not only a global problem but a big concern in Asia and Thailand too

Global fertility rates to plunge in decades ahead, new report says

Singapore's total fertility rate falls to record low in 2023

Preliminary estimates indicated that the total fertility rate in Singapore dropped below one for the first time to 0.97 in 2023, said Indranee Rajah, Singaporean Minister in the Prime Minister's Office (PMO).

In South Korea, world's lowest fertility rate plunges again in 2023

China population decline accelerates as birthrate hits record low

Births in Japan hit record low as government warns crisis at 'critical state'

Birthrate continues to fall as young people increasingly reluctant to have children due to bleak job prospects, cost of living and work culture

Vietnam's low birth rate keeps falling

Declining birth rates will see Thailand's population drop by half in next 60 years: Experts

The fact is we saw only 500,000 births last year – the lowest in 71 years – in Thailand. It's the second year in a row the birth rate was lower than the mortality rate. If such a trend is maintained, the population of 70 million will be halved within the next few decades.

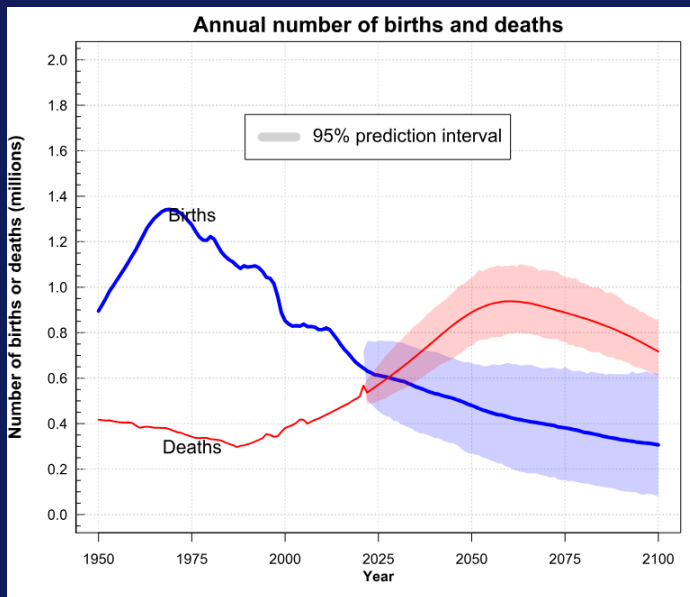
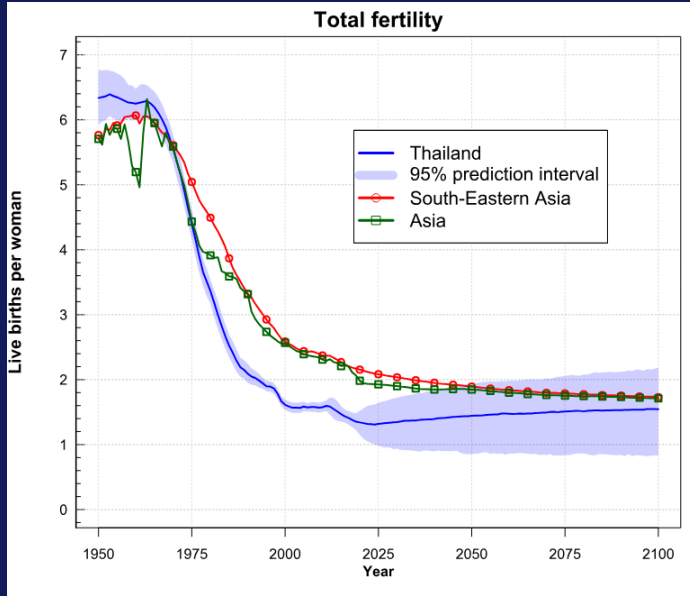
Thailand's birth rate falls to 71-year low, sparking alarm

Thailand bids to avert 'population crisis' as birth rate crashes

Summary

- Number of births has slumped nearly a third since 2013
- Thais opt not to have children due to debt, living costs
- Ageing population threatens future as manufacturing hub
- Government plans to support parents, use influencers

With lower births, the # of death to soon exceed the births in Thailand



Government measures:

Encouraging more births by expanding coverage of the 600 baht a month allowance for children born to poor families. The programme has been implemented for seven years and covers 2.4 million children



The "Give Birth Great World" Campaign

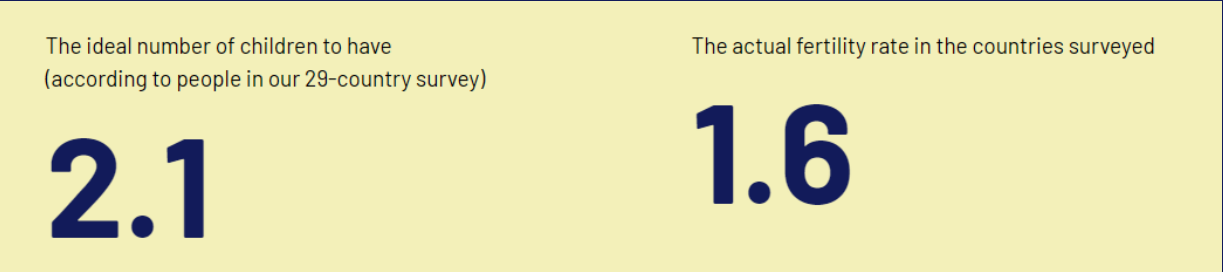
The government announced the "Give Birth Great World" campaign to encourage families to have more children, offering various incentives, including subsidies for child development and education, tax breaks for families with multiple children, and potentially even help with fertility treatments with the goal to raise the next generation to be productive workers and ensure a strong future economy

Source: UNICEF, Thaigov.co.th

While the ideal no of children people wish for is closer to 2, the actual fertility rate is lower, leading to half the Thai people thinking the population in Thailand will start falling

How many children? The ideal vs. the reality...

29-country average

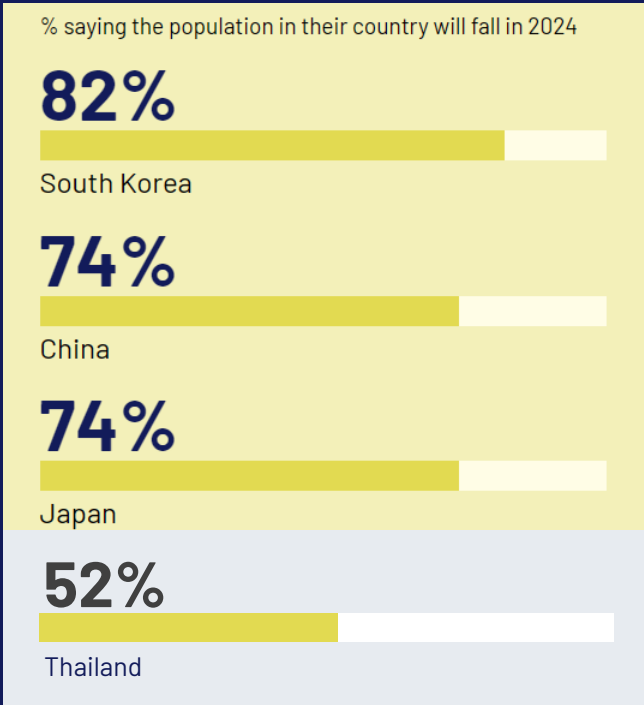


Thailand



Sources: Ipsos (survey data) and UN Population Division (World Population Prospects 2022)

Heading for a fall?

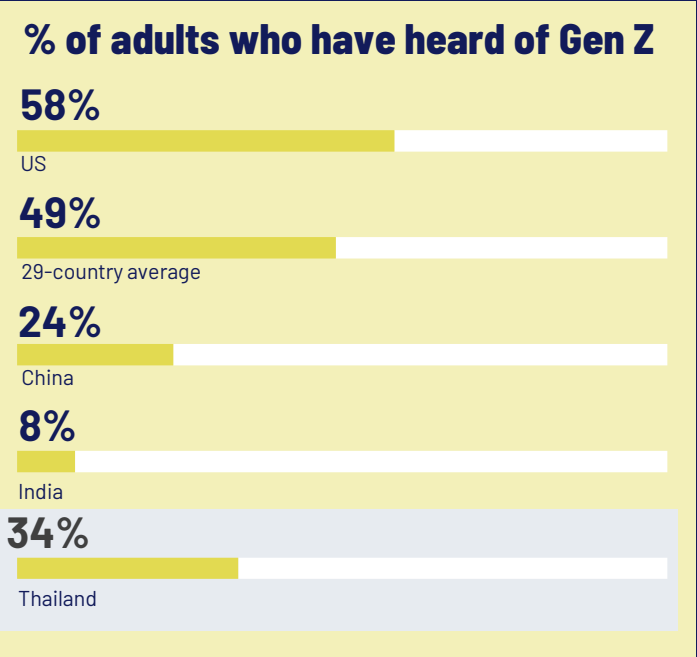


Source: Ipsos

Generation Familiarity

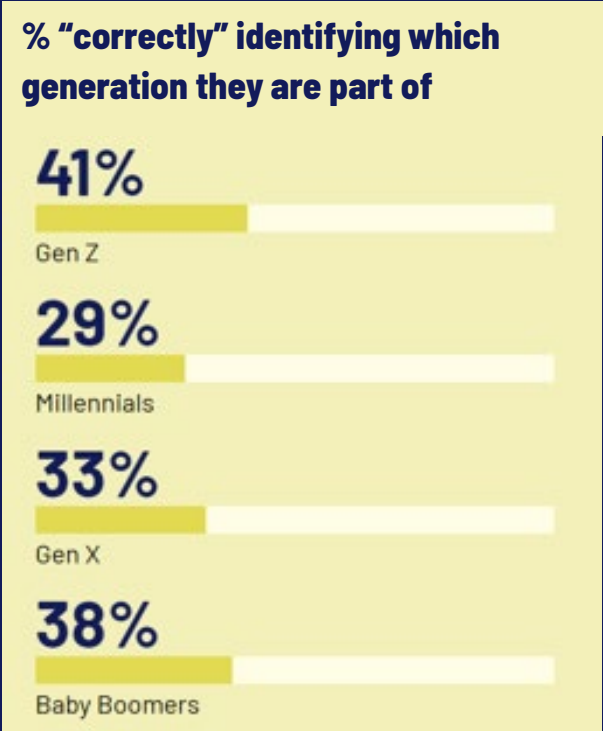


Since Thai consumers identification to a particular generation is low, our communication should resonate more on their behaviour rather than focusing on actual generation names



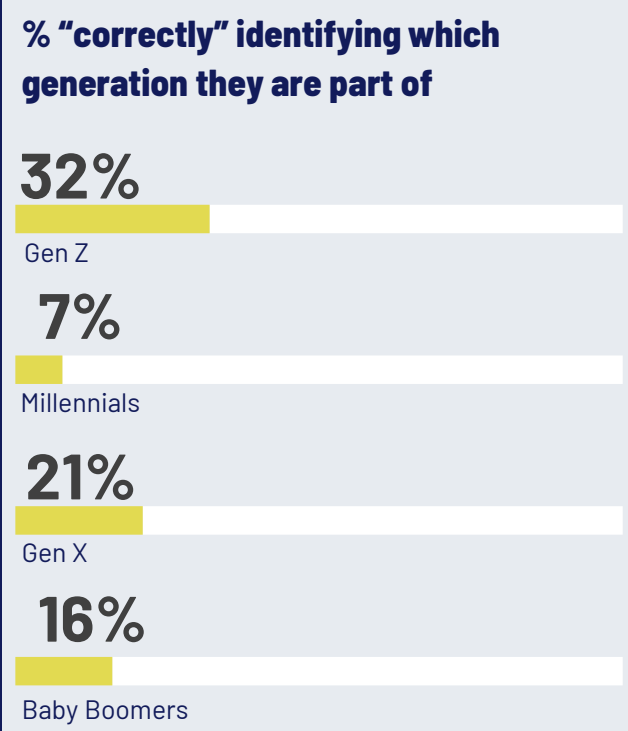
Source: Ipsos

29-country average



Source: Ipsos

Thailand



Source: Ipsos

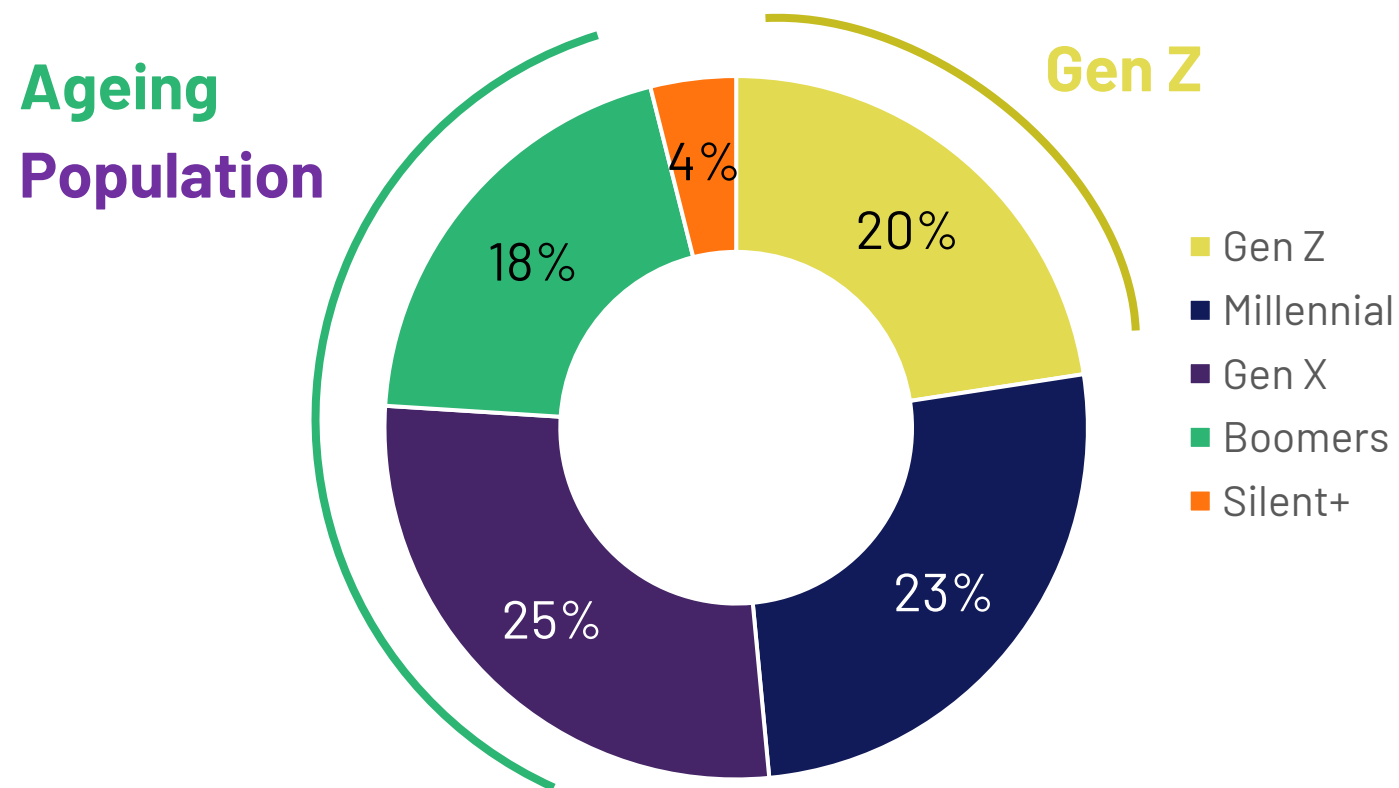


Size of generations in Thailand

All, 2023

Source:
<https://stat.bora.dopa.go.th/stat/statnew/statyear/#/TableAge>

Given the mix of generations in Thailand, focusing on the older age for now and younger generations for long term brand loyalty is key



Ageing Population of Thailand



Generations mostly share the same worries –corruption, social inequalities, jobs security, and finances

The big age gap between older generation and Gen Z have no effect on basic concerns. Both groups are worried about financial, poverty, job – the basic security – things that affect their everyday lives

One difference is older generation feel there is a moral decline – perhaps feeling of nostalgia for the ‘good old day’.

INSIGHT RESEARCH

เปิดอินไซด์ความกังวลคนทั่วโลก – “คนไทย” กังวลการเมือง-ค่าครองชีพสูงขึ้น คาดหวัง 6 เดือนข้างหน้าจะดีขึ้น

July 29, 2023 WP 580

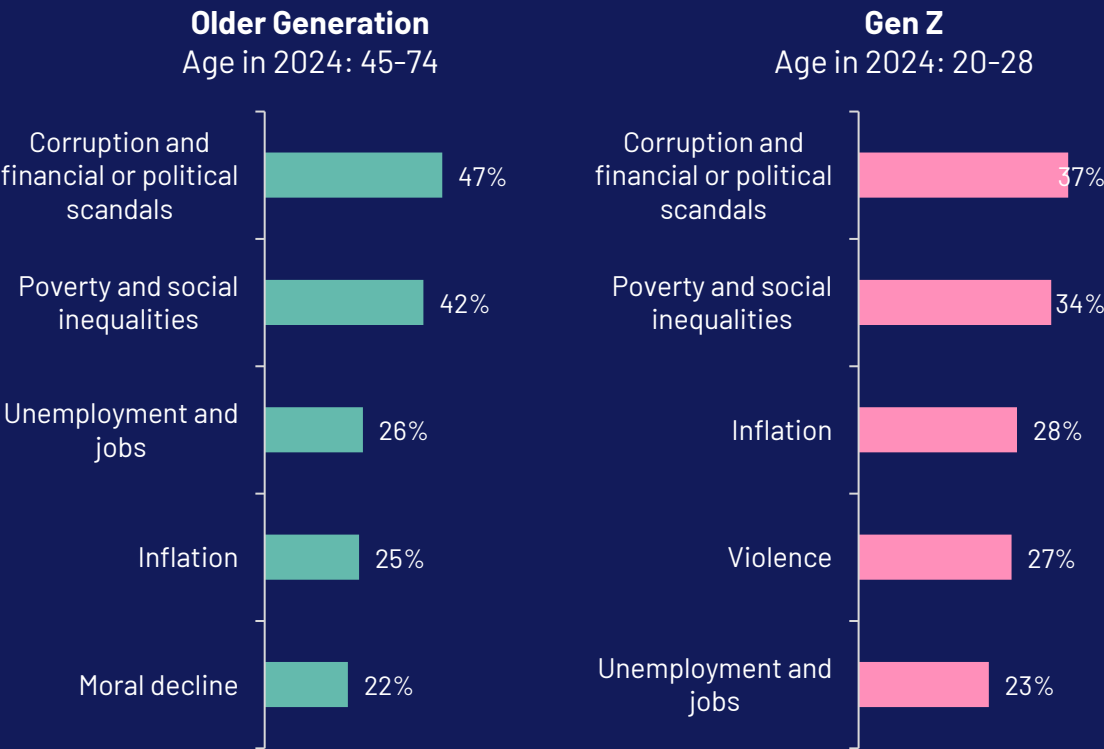
‘คนไทย’ กังวลปัญหาการเมือง-ว่างงาน มีความหวังเศรษฐกิจดีขึ้น หลังตั้งรัฐบาลใหม่

by Jan | 25 July 2023

เรียนจบมาไม่ทันกิน คน Gen Z กังวลปัญหาปากท้อง 1 ใน 3 เลิกเรียนต่อมหา'ลัย หางานทำ ตัดค่าใช้จ่าย

Date Time: 17 Jul 2567 12:22 น.

Top 5 Worries in Thailand : Older Generation vs. Gen Z, April 2024



Source: Ipsos What Worries The World – Thailand, Thairath, MarketingOops



Financial anxiety could lead to brands working harder to get older citizens to spend

Rising worries of unemployment, poverty, and inflation lead to a bleaker outlook in their futures among citizens aged 45+ compared to their youngest counterpart, Gen Z.

Around 2 in 3 of this group fear of raising inflation within the next 10 years. This leads to less confidence in standard of living and disposable income as compared to Gen Z, who are more confident about the future.

Financial worries could have contributed to lower spending as older age consumers tend to shop for lesser items more often, or they will spend money on essential items, but less likely to splurge

Source: Ipsos Global Trends Thailand 2023

69%

Older age citizens fear rising inflation in the next 10 years – compared to 56% for Gen Z.

58%

They are confident about their disposable income in the next 10 years – compared to 65% for Gen Z.

44%

Older generation are confident about their standard of living in the next 10 years – compared to 59% for Gen Z.

45%

Older consumers feel the local economy will be stronger in next 6 months – compared to 54% for Gen Z.

'Me Time' could entice older population as they seek solitude

Older generation is more receptive and optimistic about technology than Gen Z. This could be because they are not as addictive to internet or technology as their younger generation and thus, do not feel threatened nor 'damaged' by technology.

71%

Older generation feel that they cannot live without internet

We may think that older citizens are more likely to spend time in a group, but study shows that more than 2 in 3 feel the need to spend time alone – compared to 66% of Gen Z.

This is an opportunity for brands to offer benefits or privileges that aim at 'me time' or 'self care'. Financial institutions that would like to cater to wealthy, older citizens could offer spa trip or wellness trip to attract this group of people.

78%

Agree that they would need to spend time alone – compared to 66% Gen Z.

74%

Believe products and services using artificial intelligence have more benefits than drawbacks (vs. 68% Gen Zs)

52%

Feel that 'technology is destroying their lives' – less than Gen Z which is at 66%



Source: Ipsos Global Advisor, Ipsos Global Trends Thailand 2023

Focus of product benefit should shift to preventative benefits for ageing consumers

95%

"I need to do more to look after myself physically"

83%

"I will sacrifice convenience if it means getting healthier products"

87%

"I would like more control over decisions about my health"



"Prevention is better than cure" but adopting preventative approaches can require people to make quite profound lifestyle shifts and changes to well-entrenched habits. Fitness / Wellness application are finding niche among ageing population who want to take control of their physical well being.

There is opportunity for sectors such as FMCG, health care , insurance to address a more preventative proposition as financial constraint will play a crucial role.

Ageing as a Certainty

What

- Financial security remain one of the top concerns – potentially leading to buy less & more frequently
- Older generation seek solitude – value quality and physical well-being over convenience
- Focus on product benefit for preventative
- Less dependent on technology means more receptive to AI. But UX can be hard to navigate

So What

- Simplified products, messaging and packaging
- Nutrient dense, fortified foods and natural products for physical health
- 'Self care' or 'Me time' could prove to be an attractive proposition
- Focus on service experience, functioning equipment, appropriate product placement in retail stores

Consumer Goods manufacturers have products focused on older age (1/2)

LION's GoodAge Hydration Plus

LION's GoodAge Hydration Plus toothpaste is a toothpaste specifically designed for people over 50 who experience dry mouth. It contains a key ingredients believed to stimulate saliva production, potentially reducing dryness and discomfort in the mouth common among older adults. The lemon scent adds a touch of freshness, and the toothpaste claims to target bad breath and improve gum health, addressing other oral concerns that might arise with age.

**ยาสีฟัน
กูดเอจ ไฮเดรชั่น พลัส**

LION

“เหมาะกับผู้ที่มี
ปัญหาปากแห้ง”

- ช่วยเพิ่มความ
ชุ่มชื้นในช่องปาก

มีสารสกัด
คอร์โดเซปิน จาก
“กิ่งเขาสีทอง”

- มีฤทธิ์ช่วย
กระตุ้นน้ำลาย

กิ่งเขาสีทอง

GoodAge
HEALTHY LIFE
HEALTHY WORLD
ยาสีฟันเพื่อวัยผู้ใหญ่และสูงอายุ
HYDRATION PLUS TOOTHPASTE
กลิ่นเลมอน
“กิ่งเขาสีทอง”

GSK's Centrum Silver 50+

GSK's Centrum Silver 50+ is a multivitamin designed for adults over 50. It addresses the nutritional needs that can shift with age. The formula packs 23 vitamins and minerals, By providing these essential nutrients, Centrum Silver 50+ aims to bridge potential dietary gaps and support overall health and well-being as people age.

gsk

**เซนทรัม
ซิลเวอร์ 50+**

**Centrum SILVER
สูตรเพื่อวัย 50+**

วิตามิน และเกลือแร่รวม ที่จำเป็น 23 ชนิด
พร้อม เบต้า-แคโรทีน ลูทีน และไลโคปีน

Estimated for Adults 50+ from 6 to 20mg
Beta-Carotene, Lutein and Lycopene

Centrum SILVER 50+ Dietary Supplement Product

100 เม็ด 100 เม็ด (50 เม็ด/กล่อง)
Complete from A-Zinc

90 เม็ด
จำนวนสุทธิ 111.20 กรัม

ทั้งนี้และทั้งนี้มีความไม่ควรรักษาตาม คำแนะนำในฉลากก่อนบริโภค ไม่ควรใช้เพื่อการป้องกันหรือรักษาโรค ควรกินอาหารหลากหลายครบ 5 หมู่ ในสัดส่วนที่เหมาะสมเป็นประจำ

Consumer Goods manufacturers have products focused on older age (2/2)

Ensure Adult Milk Powder

Ensure Adult Milk Powder- No 1 in Thailand focuses on complete nutrition and strengthening muscle among the elderly in powder and UHT format with several choice of flavours



Lifree's Incontinence Underwear

Lifree's incontinence underwear is designed for adults experiencing bladder leakage or lack of bowel control. These underwear target the specific needs of the elderly population offering mobility and confidence with discreet and comfortable design and leak protection.



Tropicana's Trop50

Large PET juice carafes have been redesigned by manufacturers to allow for seals that are easier for the elderly and others with limited mobility and dexterity to open

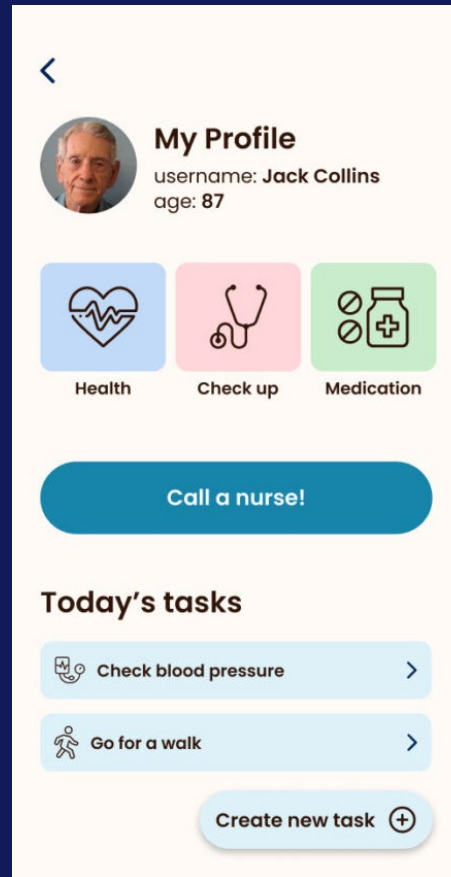


Opportunities for UX – Financial Sector

UX interface is still preventing some older aged customers to use mobile banking application for basic transactions. Common complaints are on small text and complex menu making it hard to navigate.

“ The app menu is hard to navigate. I can’t find the things I want to do

“ I haven’t tried transferring money via bank application because the text is too small. I have a hard time reading the text.



BEST PRACTICES FOR UX DESIGN

Use large font for easy reading

Use a higher contrast between text and background to help with color perception

Use versatile and simple symbols as icons;
Avoid complex interactive menus

Control of the app should be easy – Avoid complicated navigation and gestures

Auto manufacturers ensuring factors to meet ageing population

For older age in Thailand, relationship in a 3-gen family has high influence in car consideration which determines ageing people as important passengers. The cars should offer good accessibility while reducing elderly images of disability, and weakness. Essentially, they would also appreciate a car that feels like a comfortable and relaxing sanctuary on wheels.

Ergonomic Design

Cars should be easy to get in and out of with side-step assist, as well as electric features like electric doors, electric seats. Good visibility is also important, so they look for cars with large windows and mirrors.



Relaxation

For Baby Boomers, a relaxing car is more than just a mode of transportation, it's a safe space where they can feel at ease, no matter the journey. So, this means a well-suspended sedan, or a low-floor SUV known for its comfortable ride.



Images

This gen seeks respects while does not want to be perceived as a weak. They appreciate a captain/VIP seat rather than a welcab seat.



Gen Z truly global citizens



Gen Z: The Smartphone Generation

Digital Natives

They have grown up with technology at their fingertips and are highly adept at using digital platforms for various purposes, including shopping, socializing, self-expression, and accessing information.

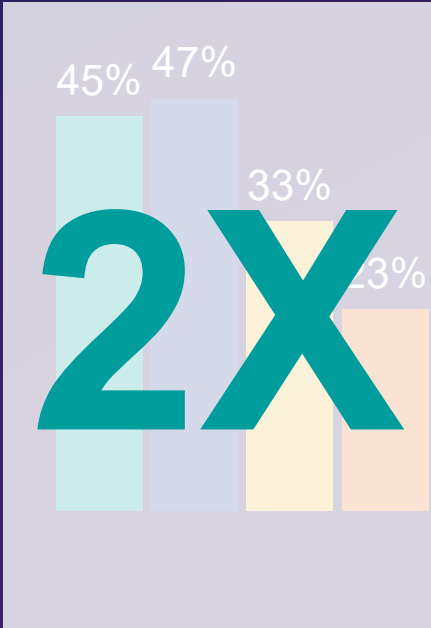
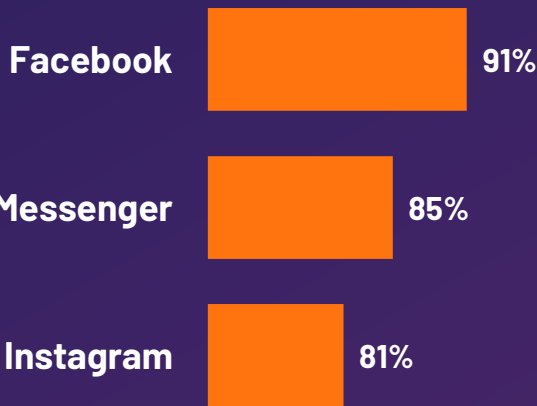
73% cannot imagine their lives without Internet, yet

66% fear technological progress is destroying our lives

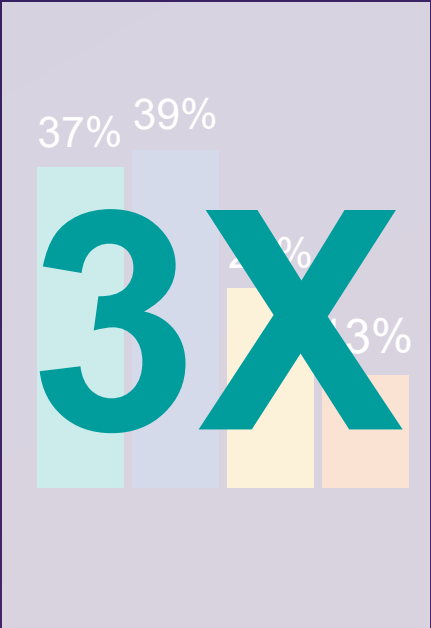
Social Media Influence

Social media are key platforms for Gen Z to find and consume media content – Primarily on Facebook, Messenger, Instagram and Tiktok.

It continues to be the leading source of connection, commerce, and inspiration for Thais who are seeking stimulating encounters that are creative and convenient.



"I spend more time interacting with friends online than in-person"



"I am more likely to form relationships online than in-person"



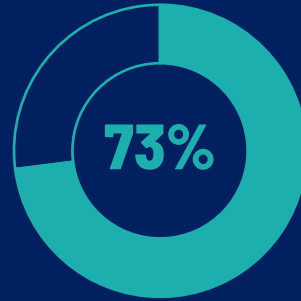
Gen Zs – The Conscious Consumers



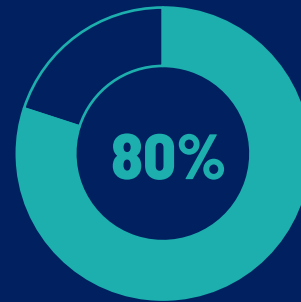
Socially Conscious

Show a strong inclination towards social and environmental issues. They are more likely to support brands and businesses that align with their values, such as sustainability, ethical sourcing, and corporate social responsibility.

Their climate concerns impact their decision-making, from family planning and home improvements, to what they eat and wear. It also plays a key role in their career choices—more than half of respondents say they research a brand's environmental impact and policies before accepting a job.



Of Gen Zs have felt worried or anxious about climate change



Of Gen Zs are willing to pay more to purchase environmentally sustainable products or services



Financially Savvy

Seek for independence and financial responsibility. Their attitude towards finances seems to be more updated than the older generation by showing an interest in saving and wanting to become more educated in financial literacy.

They are cautious with their spending and are more likely to research products, compare prices, and look for deals before making a purchase.

The economic downturn has instilled a pragmatic and more defensive spending mindset among Gen Z consumers, with

43% expecting to cut back on non-essential spending

51% choosing to prioritise their finances as a result of rising prices.

↘ **22%**

Of Thai Gen Zs exhibit lower levels of financial confidence

Gen Zs – Seeking authenticity and personalization



Authenticity Matters

Gen Z values authenticity in brands, preferring transparent and genuine interactions. They rely on peer reviews, user-generated content, and influencer recommendations to make purchasing decisions.

Influencer culture is significant, with many Gen Z individuals aspiring to become influencers themselves.

92% of Global Gen Zs indicated that being authentic and true to oneself is extremely or very important.

Gen Z consumers are pushing back against unrealistic beauty standards, they demand more realistic and attainable representation from brands and will increasingly expect brands to destigmatise flaws.

67% are open to new brands or products if they align with their values.

63% of Global Gen Zs trust on product/brand recommendation made by influencers more than they trust what brands say about themselves.



Demand for Personalization

Gen Z has grown up in a tech-centric world that caters to their preferences. As a result, they value brands that understand their individuality and cater to their specific needs. They appreciate tailored recommendations, customized products, and individualized communication.

Personal communications and experiences are also vital elements to the shopping journey, with 87% preferring to contact businesses via messaging apps, and 86% wanting to interact via social media.

Gen Zs expect their social commerce experiences to be personalized and convenient, with

70% seeking personalized product recommendations including through targeted advertising

62% are willing to pay more for customization, more than any previous generation.

45% of people will abandon a website if it does not predict what they want or need.

Gen Zs – Convenience is key

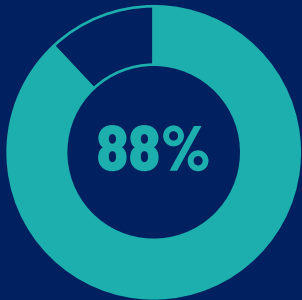


Hybrid shopping

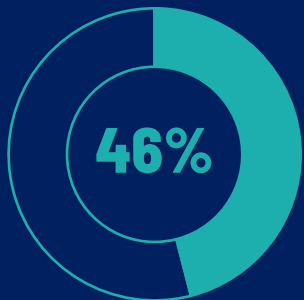
Gen Zs are desiring a sense of offline normalcy while retaining the convenience of digital retail through hybrid shopping behaviours that require touchpoints online, in-store, and on their smartphones.

Social has become the top source of brand discovery and product research for Gen Z.

Sources: <https://www.nationthailand.com/more/pr-news/40027481>
<https://www.nationthailand.com/business/corporate/40028033>
https://www.thaipr.net/en/business_en/3297775



Of Gen Zs say “I tend to research products online even if I intend to buy it in store”



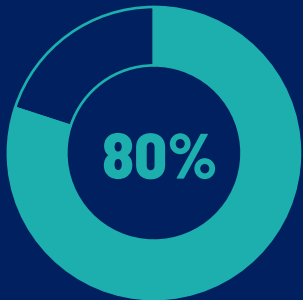
of Gen Zs’ final purchases happen in-store



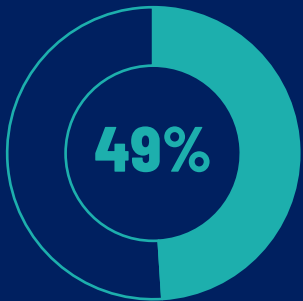
Super Snackers

Thai Gen Z represents the loneliest generation. While experiencing higher rates of loneliness, they are drawn to food and beverage brands that reflect their lifestyles and emphasize mental wellness as a key selling point.

They prefer sentimental experiences for mental wellness enhancement, and comfort food plays a significant role in supporting this.



Of Global Gen Z consumers snack between meals and around 30% snack as a meal replacement



Of Global Gen Z consumers eat snacks to boost their moods and a quarter of them snack more than once a day

Gen Z as a Global Generation

What

- Digital natives
- Strong focus on individuality and authenticity
- Socially conscious
- Convenience is key
- Value-Consciousness
- Experiences over ownership

So What

- Attract young people using social media and technology
- Promote overall wellbeing: Mental, Physical and Financial
- Authentic storytelling and genuine brand experiences
- Ethical sourcing and sustainability
- Seamless omnichannel presence
- Customization and Personalization

Consumer Goods manufacturers have products and campaigns focused to capture Gen Zs (1/2)

Nuud

Nuud deodorant is rapidly gaining popularity among Gen Z due to its natural, aluminum-free formula and eco-friendly, recyclable packaging, while its long-lasting protection appeals to busy lifestyles.

Through its social media messaging, Nuud speaks directly to the experiences of teens, acknowledging the pressure they feel to fit in and manage their changing bodies, addressing the unique challenges and insecurities of adolescence with empathy and understanding



Maybelline

Maybelline New York Thailand held the AIM HIGH TO THE SKY event to launch its famous mascara Sky High.

Shaking up the makeup industry by releasing Sky High MFD (Music-Film-Design), A Multi-Hyphenate. With the state-of-the-art story telling through a musical film, it brings together two idols of the era who represented Gen-Z youth.



LAY'S

To strengthen the connection with younger generations and ignite boundless happiness, Lay's MAX launched four new Lay's MAX flavour variants. These captivating flavours are designed to satisfy the cravings of next-generation snack enthusiasts who desire intense crunch, unique textures, and bold tastes. Lay's MAX also introduced three charismatic presenters. This exciting lineup of new flavours and presenters is part of the "Unleash Your Inner MAX" concept, which encourages Gen Z customers to express their true personalities in style



Consumer Goods manufacturers have products and campaigns focused to capture Gen Zs (2/2)

Doi Kham

In collaboration with Tetra Pak, Thai juice producer Doi Kham uses an innovative package to enter the booming ice cream market of Thailand. Doi Kham Ice Pop was launched in March 2023 in Thailand with the help of nationally famous Thai teenage celebrities.

This packaging innovation allows the juice drinks to be produced and distributed in small carton packages at room temperature. Subsequently, they can be turned into frozen products in shops or at home.



Oishi

Paper Planes, the pop-punk duo, is featured in Oishi Chakulza sparkling RTD tea. Oishi is taking the opportunity to connect with younger consumers through Paper Planes, who are known for appealing to Gen Zs.

They also upgraded the label packaging with a new design by revamping the manga cartoon characters on the cans with new lines that are cool, modern, and Japanese style, and adjusted the image to appeal to teenagers.



SAPPE

Sappe Public Company Limited (SAPPE) teams up with Dek-D Interactive Company Limited, known as Dek-D, to introduce new items, aromatic herbs 'Sood Sud' and 'Limitless' lozenge for Gen Z consumers. The two products from this major collaboration were introduced to help address pain point, boost energy and create a relaxed mood among students.



With Gen Zs more financially savvy, banks and investment firms are focusing on developing their skills & knowledge

KRUNGTHAI BANK

Krungthai Bank recognizes the importance of promoting personal financial management skills to youth. Therefore, the Krungthai Rak Smart University project has been implemented, focusing on encouraging youth to see the importance of saving, financial discipline, and financial planning to build financial immunity for the new generation.

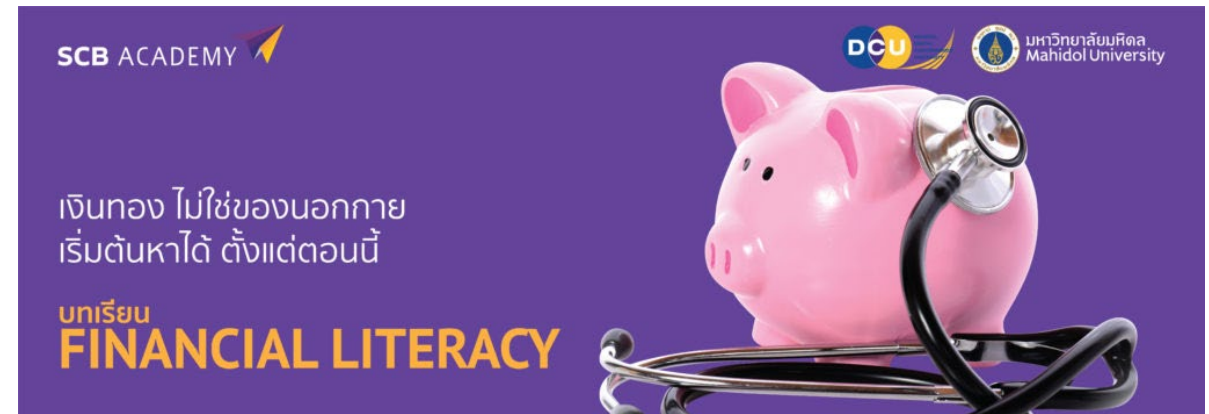
In addition, realizing that young people of today will be a major driving force behind changes in the future, Krungthai Bank contributes to ensuring their education by awarding “Krungthai Loves Education” scholarships to upper-secondary students to pursue their bachelor’s degree in any field.



SCB ACADEMY

Mahidol University has joined with Siam Commercial Bank Public Company Limited to organize the Mahidol-SCB Knowledge Transfer project to encourage students and personnel of Mahidol University

With the Financial Literacy Online Course and Financial Literacy Workshop Class, they have the opportunity to develop their skills, knowledge, and potential in finance and investment effectively.



Auto manufacturers are ensuring factors to meet Gen Z priorities

The Gen-Z prioritizes identity, value for money, and complete ESG when choosing a car. They are less interested in cars as status symbols and more interested in them as tools to get around and stay connected.

Identity

Gen Z isn't afraid to stand out, so bolder colors, unique accents, and sporty lines appeal to them. Their identity is also express via technology. So, seamless integration of smartphones, advanced infotainment systems with large touchscreens, and digital dashboards would likely be high on their list.



Value for money

Absolute cheap is nothing. Value is the key for Gen Z. Even they tend to have less disposable income than older generations, they are drawn to the value that cars will provide. So, fuel-efficient cars like subcompacts and compact SUVs with practical advanced features will be their choices.



ESG

Gen Z has grown up with a heightened awareness of global issues like climate change and social injustice. Gen Z sees their car choices as an extension of their values. They are more likely to choose cars and support car companies that align with their ESG principles, pushing for a more sustainable, equitable, and ethical automotive industry.



THANK YOU

