

THE URBANIZING

AND THEIR
DIGITAL BEHAVIOR



SIX-SIGNIFICANT



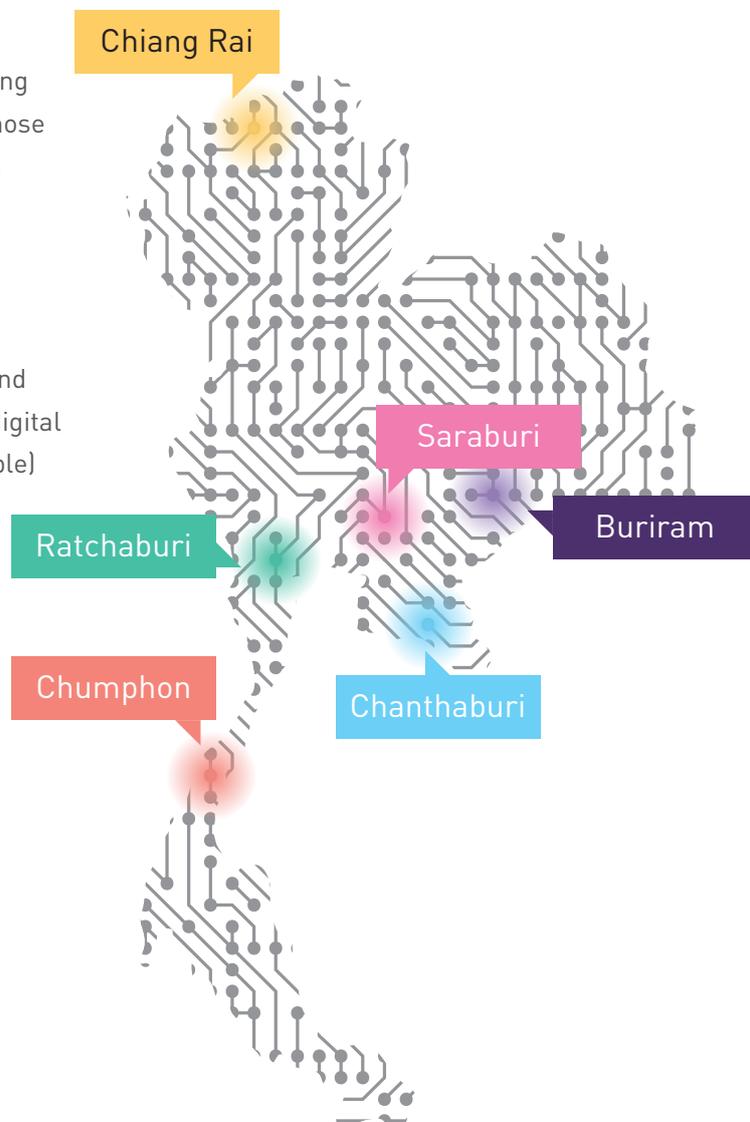
Introduction

Welcome to our third and final entry on the Urbanizing 6-nificant series. In the first entry of the series we stressed the importance of identifying and marketing to the emerging, Urbanizing regions in order to avoid highly competitive, overly saturated big cities and to tap into the less competitive, high opportunity regions. We ultimately identified 6 emerging provinces and refer to them as the **3CaRBS (Chiang Rai, Chanthaburi, Chumphon and Ratchaburi, Buriram, Saraburi)**.

Our second entry went into the general similarities and differences of people living in the Urbanizing regions compared to those living in Metro and Urban regions. In this entry, the insights were derived from our in-depth quantitative study.

In this last entry of the series, we dive deep into the details of a more specific and perhaps the most important topic – the digital behavior of the 3CaRBS (Urbanizing people) and how it differs from people living in Metro and Urban regions.

Let's explore the insights and uniqueness of this region and learn about fresh marketing perspectives to better suit them.



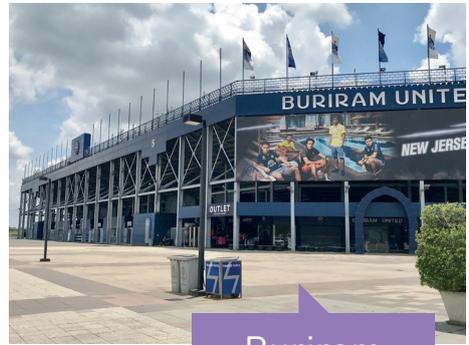
What do the Urbanizing cities look like?

While malls and provinces' major magnets like soccer stadium can be found in the city center, most areas in the Urbanizing are still very localized.



CITY CENTER

Chiangrai



Buriram



HOUSING

Chantaburi



Buriram



Buriram



LOCAL MALLS



Chiangrai

There is only 1-2 main local malls in the city, offering just the daily essentials. Options can be limited and thus difficult for personalized purchasing experience.

LIMITED CHOICES



What do they think about their future?

All respondents are hopeful about their futures, thanks to their own efforts in life. It seems they are not expecting much from their provinces, believing the development is slow and they have to strive to make it on their own.



Chanapa, 26
Chantaburi

“ I try to earn a living not only from family business but also my online cosmetics shop which I just started ”

The Urbanizing's answer to tackle these issues

Limited options



Look for inspiration

Wary about economic growth in province



Skill-building/
Self-development
to improve their living

THE URBANIZING AND DIGITAL MEDIA



Their attitude towards digital media



We know social media has an immense impact on our lives, but is it mostly positive, or the opposite?

While the answer can vary depends on your digital behavior and other environmental background, people in the Urbanizing seems to share a strong mutual view on this issue. Based on our home interviews of 16 respondents in 4 Urbanizing provinces, majority of our respondents share a **highly “positive”** view about social media. They pointed out that it makes communication, work and private, more convenient, on-the-spot and cost effective like never before.

Moriya, 39 
Buriram

“ With social media, I now have more activities to do with my son, like learning guitar lessons on Youtube. ”



Apiched, 38 
Chantaburi

“ Through video call, I am able to visit patients in remote area and consult with doctors to initially diagnose them. ”



How do the Urbanizing use digital media?

Unlike the Metro where they are always the “first to know”, and everything from daily necessities to the newest fashion pieces can be sourced easily, people in the Urbanizing take full advantage of using digital media to fulfill the gaps that once existed.



Their uniqueness in using digital media

While they are enjoying more communication with their love ones like people in the Metro, we discovered 3 unique elements in their digital media usage.

1

Digital media as “Windows to the world”

The happenings in the world are now at their fingertips. Social media platforms enable them to get the same information, at the same time, as the people in Metro. Majority of the respondents informed that they do not feel left behind ever since they become familiar with social media.



Daranee, 25 Buriram

Bangkok or Buriram,
We’re using the same
social media, getting
information from
the same source



2

Digital media as “Source of skill-building”



No tutor in town? No problem!

The Urbanizing are an expert when it comes to seeking information they do not have at hand online. While some use it for pure education purpose, like studying Korean for upcoming exam, some takes on Youtube to obtain new skills from food recipe for sell, to inspecting buddhist amulets! It is worth noting that their favorite source for learning is Youtube as, quote, “visual and voice explanation are more enjoyable and easier to understand ”



Siriwat, 27 Chantaburi

I learned how to assemble a bicycle on community pages and Youtube.

Norawat, 27 Chiangrai

My sister and I learned a fried pork recipe from Youtube. Now we are selling 120kg of pork per day.



3

Digital media as "Marketplace"



The Urbanizing do not have countless of malls to choose from, and a lot of times what they want is not available in the area. Those are now a thing of the past.

More and more people in the Urbanizing are starting to embrace purchasing on social media platform, like Facebook. Many respondents admitted that initially, they had various concerns, but it gets better after their first successful online purchase. 3 out of 16 respondents reported to not only buy but also sell as well.



**Napasorn, 27
Chumporn**

Sells liquid lipstick on Facebook

**Chanapa, 26
Chantaburi**

Starting her pre-order cosmetics shop on social media



Did you know?

14 out of 16 respondents prefer to stay home and play with their phones rather than going out.



The Urbanizing's uniqueness in online shopping



1. Shop for need (not want)

personal hobby, special occasion purchases

Being cautious about their spending*, our home interview results show that the Urbanizing shop online 1-3 times a month, exclusively for things related to their personal hobbies, or items for special occasion like birthday presents for families where they want the product to be unique and different from local offerings.



Kriangsak, 40 Buriram

“ I still buy groceries at supermarket, but I turn to online shops for more personal, occasional purchases like fish hook for myself, or cute shoes for my daughter where options are endless compared to local malls ”

Purchase history on LAZADA



*based on quantitative survey in 2018 by HILL ASIA x SPA HakuHodo



Most Favorite online purchase

When asked the Urbanizing about their “favorite” item from online shopping, the respondents often talked proudly about products that were not available in their region.

Watcharawong, 34 Chiangrai

Automobile emergency power supply



Kittipong, 31 Chumporn

A guitar brand that wasn't available in local malls



Pornpan, 38 Chantaburi

Vicks humidifier to help with breathing



Moriya, 39 Burirum

Solar cell lighting for the outdoor area



Meanwhile in Kon Kaen...

Kon kaen, representing the Urban tends to be more impulsive when it comes to online shopping. Often times their purchases are for **emotional fulfillment** rather than necessity or special occasion like the Urbanizing.



Jarunee, 32 Kon kaen

“Saw a special deal on Facebook, immediately purchased.”

Pilalak, 30 Kon kaen

“Went to the hospital and saw doctors wearing this shoes. It must be better for health. So I bought it”



Pakphoom, 35 Kon kaen

“Buy clothes online because don't want to wear the same outfit with people at work (who buy at local malls)”

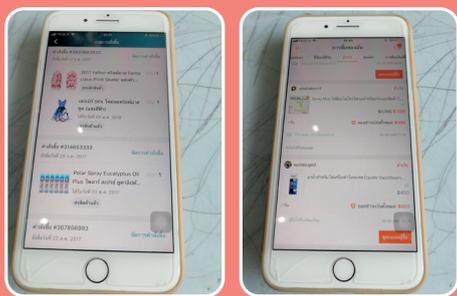




2. Prefer cash-on-delivery worry-free online purchase

"Is it safe to pay first?", "Will the seller actually send me the product?" This payment method is the most preferred as it is a solution to these issues. It gives assurance to the Urbanizing that they will only be paying when the product actually arrives.

As they are more flexible with their working hours, and the fact that majority of them live with their families, waiting at home to pay for their orders is not as troublesome as the metro people might think.



**Pornpan, 38
Chantaburi**

"I mostly shop on Lazada as they offer cash-on-delivery option. With this, I make faster purchase decision, because even if I don't know the shop or the seller, I will only pay when the order arrives at my door."



3. Writing review is not their thing

Even though they rely heavily on comments and online reviews, none of our 16 respondents write their thoughts online, and they shared the same explanation: "I don't want to upset anyone".



This might be due to the easy-going nature of the Urbanizing, as well as the desire to live in harmony with their communities. Sharing their opinions verbally to their close friends or family is one thing, but writing online reviews, positive or negative, might lead to a disagreement with someone else in the vast online platform. That is the last thing they want to worry about.

**Surapat, 29
Buriram**

"I definitely want to avoid online argument. I also don't see the point of sharing my opinion with people I don't know."



Most preferred platform for online shopping



 **Chilindo**

This auction website was brought up by many respondents in Chiang rai and Buriram, claiming about its highly competitive price.

LAZADA
CO-ID

Most used app for online shopping, thanks to its cash on delivery payment, competitive promotions and wide selection of guaranteed sellers.

Google

Popular “starting point” as many prefer to begin their shopping journey by typing in specific keywords, like “yellow small crossbody bag”.

f

Most used social media shopping platform for the Urbanizing thanks to its built-in Facebook messenger, LIVE sell and communities of people with similar preferences and hobbies.



Did you know?

Compared to other digital platform, ads on Facebook feed were reported as “the most natural”, as it does not disrupt the viewing experience of the users, unlike ads in video clips or pop-up messaging. Thanks to this nature, all respondents claimed that they have engaged in Facebook ads, ranging from downloading new apps, access to new websites or even buying things they didn’t need until they saw appealing promotional ads on Facebook.

Marketing recommendation



DESIGN YOUR DIGITAL CONTENT WITH “UTILITY” IN MIND

It's not only creativity that can create bonds

Often times companies design digital content and campaigns that aim to tug at a consumer's emotions – believing that eliciting an emotional response is equivalent to strengthening a person's loyalty towards a brand. For the Urbanizing, the digital world is not only a source of entertainment, news and shopping but it also serves as a source of important personal skill-building.



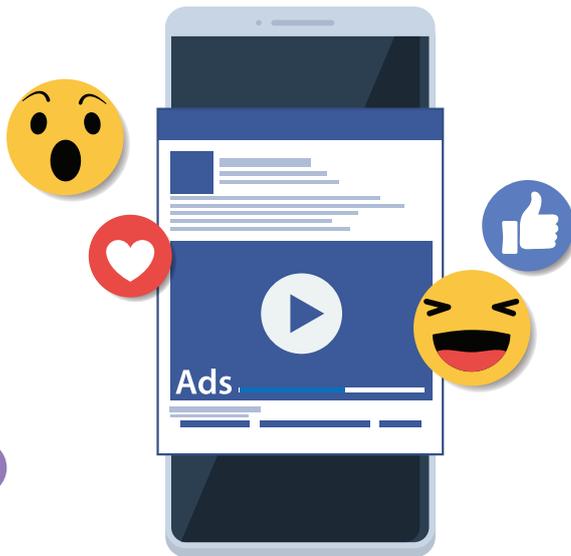
Skill-building that opens new career and financial opportunities for them. Having said that, another effective way to build loyalty is by designing content with “usefulness” or “utility” in mind.

When a person finds content that is actually helpful and relevant to their lives – it is a satisfying experience that creates stronger bonds between people and brands.



OPTIMIZE THE ALREADY NON-INTRUSIVE FACEBOOK ADS

Customize Facebook ads to further enhance effectiveness



People in Urbanizing regions find the ads in Facebook to be non-intrusive. They view these ads as a seamlessly integrated part of their user experience – they see it as an opportunity to be exposed to different products and services not found in their regions.

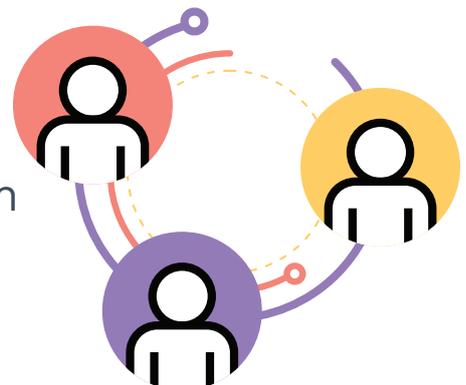
So, placing ads in Facebook is an opportunity in itself but to make it even more effective is to optimize ads and add a personal touch based on their digital behavior to make the ads feel more personalized and relevant - thereby improving the chances of click-through even further.



CONNECT TO THE LOCAL COMMUNITY GROUPS

Know the local groups, reach out and connect to them

The Urbanizing regions have tightly knit communities that now have adopted social media as a way to keep updated with local activities and news. They have provincial Facebook pages and special interest Facebook pages and some even have LINE community groups. It's important to know of these local groups – to penetrate these groups and reach out to them.



Communicate with these groups on topics that interest or concern them on their own platform to enrich the quality of the relationship in a more genuine way – through the topics that matter to them.



COLLABORATE WITH “MLOCAL” INFLUENCERS

Collaborate with influencers not just pay them to endorse

Few people in the Urbanizing will actually write online reviews for items they buy online, despite being readers and believers of reviews. Although a majority of people are passive “observers”, there are the few local “Micro” influencers who, despite being few in numbers, have an effect on a majority of people. How to utilize these “MLOCAL” (Micro + Local) influencers can vary from something as straightforward as a paid endorsement, or it can be on a much more personal level as a collaboration with the local influencer. It can take shape in local event or project that is not only endorsed by the local influencer but in collaboration with them – this lends an intimate authenticity that a mere paid endorsement cannot.



ENCOURAGE REVIEW WRITING

Incentivize people for sharing reviews online



Despite relying on reviews on products and services that interest them, upon their own purchases online or offline, people in Urbanizing provinces hesitate to write their own reviews on a digital platform.

But, every positive experience a person has that is not shared is a lost opportunity for a brand. This loss is even greater in Urbanizing regions considering the powerful influence locals have on other locals. Thus, encouraging the Urbanizing person to write their first review can be a powerful endorsement for a brand. Offering them an incentive to write a review might drive them to finally share their brand experience.

ABOUT THIS RESEARCH

Method Qualitative research (home interview)

**SAMPLE
SIZE**

N=20

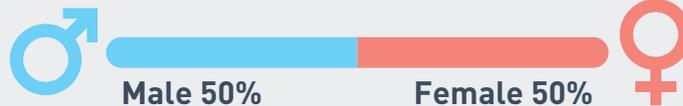
(4 respondents per province x 5 provinces)

**AREAS
COVERED**

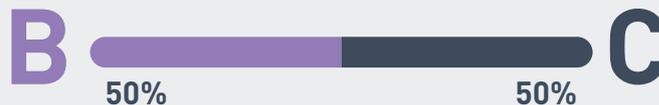
Representing Urban : **Kon kaen**

Representing Urbanizing :
Chiang rai (North)
Buriram (North east)
Chantaburi (South east)
Chumporn (South)

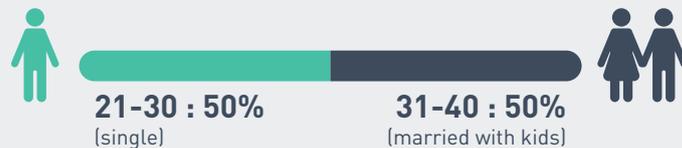
GENDER



SEC CLASS



**AGE AND
MARTIAL
STATUS**



****All respondents must have been living in the provinces for more than 5 years ****
The fieldwork was carried out in May 2018

About Hakuodo Institute of Life and Living ASEAN

a think tank dedicated to studying sei-katu-sha

Established in 2014, Hakuodo Institute of Life and Living ASEAN (HILL ASEAN) is the Hakuodo Group's new think tank in the ASEAN region. It is dedicated to helping companies with their marketing efforts in ASEAN countries, as well as observing the new lifestyles emerging in the dynamic region and sharing ideas about them.

For more information, visit www.hillasean.com

Vol.5 created by Hakuodo Institute of Life and Living ASEAN and SPA-HAKUHODO