

Perhaps the most substantial hurdle facing new entrants to the Thai beer market is the complete dominance of the market by the Boon Rawd Brewery. Their long-time presence has provided them with established channels of distribution that yield efficient and wide-spread delivery of product. Also in Boon Rawd's favour is the overwhelming brand loyalty Singha enjoys as "the Thai beer".

Carlsberg has been the most successful competitor to this point, grabbing 30% of the beer market (Excise Department figures). Their entry was facilitated by the help of a powerful and influential partner, the producer and distributor of the popular Thai whisky, Mekong. Tapping into a ready-made distribution network allows new entrants to circumvent the problems of establishing new distribution channels. Launches of other beer products have failed in the past because the product was not widely available. Expect to pay heavily for use of these services. The Thai partners in the Carlsberg venture own a 90% interest.

While there is a market for foreign beer in Thailand, Canadian beer is at somewhat of a disadvantage because it is not widely known and recognized. For Canadian beer producers looking at the Thai market, the key will be to find a distributor who can work with the Canadian manufacturer to execute extensive marketing of the product. As mentioned earlier, a Thai agent should also be strongly evaluated on their ability to get the product out to a very wide array of retail and commercial outlets. The establishment of a venture to actually manufacture beer in Thailand can be a very onerous undertaking; however, success can be had in regards to importing beer directly into Thailand.