While the Thai micro-computer market has been very buoyant in absolute growth terms, very fierce competition amongst a host of vendors in the presently rather limited market has forced a number of businesses into a troublesome situation. There have been numerous small "one-product" market entrants selling "look alike" or compatible computers which create price-cutting competition. Most distributing agents for original manufacturers announced that less than half their sales targets were achieved in 1985-1986. Sales however have improved in recent years.

Buyers of the low-price compatible type of computer are mostly small businesses, educational institutes and individuals for personal use.

In order to solve the price-cutting situation created by compatible computers, the major manufacturers have released new models applying higher technology - the 32-bit micro-computers using a basic standard of Microprocessor 80386. The new release models of 32-bit micro-computers introduced in 1987 include IBM System/2 model 80; Compaq Deskpro 386; Wang PC 380; NEC Powermate 386; Mitec 386; ALR 386 and Multitech ACER 1100.

The value of the Thai micro-computer market in 1987 was estimated at Baht 2,000 million, 40% increased from 1986. In 1988 it is believed that market grew approximately 40% to around Baht 2,800 million. IBM is estimated to have a 15% market share, NEC 5% and others 10% with compatibles accounting for the remaining 70%.

Computer Software

In the early years of computing in Thailand, most mainframe and mini-computer users attached the greatest value to hardware reliability. Most developed their own application softwares or had them developed by software houses to meet their requirements. This was due to the fact that generally "off-the-shelf" packages were not suitable to the Thai business environment and were more expensive than having in-house staff to develop them.

As the Thai economy has developed, in-house software development has become more expensive and uncompetitive while there are now more application software packages available in the market either imported or locally developed. The local software industry is mainly provided by the major hardware vendors active in the country and as such software is normally supplied in the same package with hardware. Software has become an important tool in selling hardware.