An analysis of mobile Internet access in Thailand: Implications for Bridging the Digital Divide

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Mobile Internet is growing around the world, bypassing the poor legacy of wired infrastructure. This growth can be observed even in developing countries like Thailand. To cope with this trend, this study attempts to provide guidance to a national regulatory agency (NRA) by addressing the following question: What are the key determinant factors for individual consumer to access mobile Internet? A discrete choice model is employed to examine empirically whether price, service, and application attributes, socio-economic variables, and service provider have a systematic link with the decision of the consumer. The data from a national survey in 2010 commissioned by the National Telecommunications Commission (NTC) of Thailand are used for the analysis.

The results show that price, availability of fixed telephony, age, and living area are recognized as the strongest determinants for mobile Internet adoption. The findings also suggest that mobile Internet could be an alternative technology to bridge the digital divide, as the group of people that does not have fixed Internet connection at home can connect via mobile Internet. The price of mobile Internet service is inelastic, however, which means that an increase in price does not affect the propensity to access mobile Internet. This is a result of the lack of competition in fixed connection due to the concession, and it leads to limited choice for the consumer. Telecom regulators and policymakers therefore need to consider policies such as increasing competition and infrastructure investment in order to stimulate growth of mobile Internet adoption and close the digital divide in Thailand.

Keywords: mobile Internet, price elasticity, digital divide, Thailand