

# Facility Management Market in Thailand



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# Summary

Recently, Thailand's facility management has been increasingly recognized as an essential service that influence the productivity and efficiency of the buildings. The contribution to this growth is mainly due to the growth of property market and emerging trend such as smart building.

Moreover, a rising sustainability and technology adoption in the facility such as the adoption of energy efficiency solution and the implementation of software are emerged as key trends to drive the future market growth.

On the other hand, the market has faced a several constraints including financial constraints, limitation of awareness in technology adoption as well as insufficient skilled labours.

However, these trends and challenges have created opportunities for facility management companies to further compete and drive growth in the future.

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# Overview of Facility Management Market in Thailand



Total Facility Management  
CAGR 2022-2028

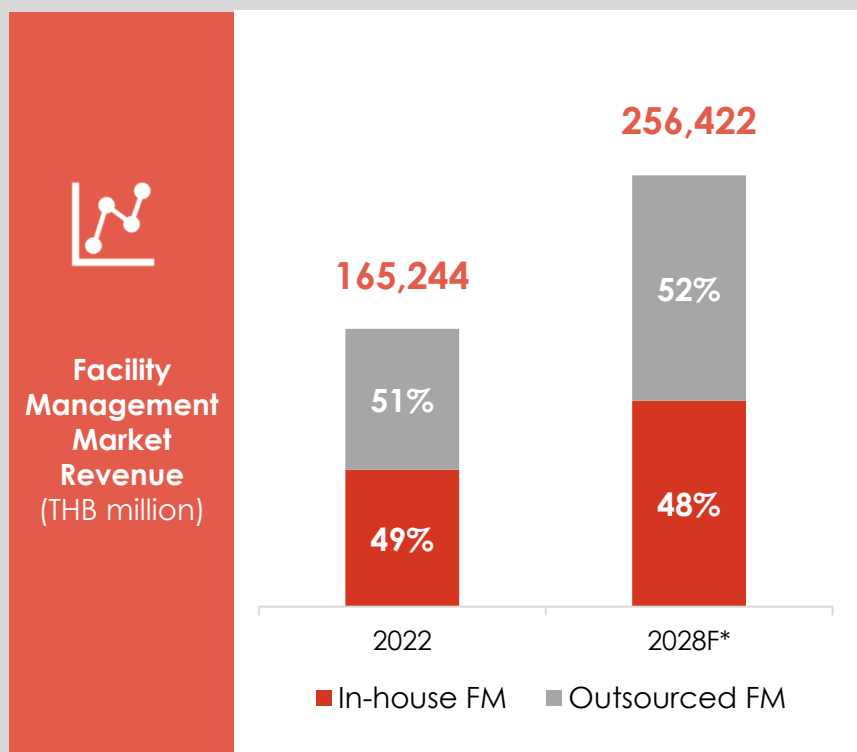
7.6%



7%  
In-House FM  
CAGR 2022-2028



8.1%  
Outsourced FM  
CAGR 2022-2028

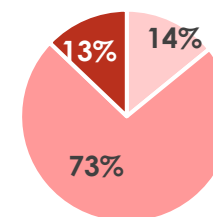


Source: Frost & Sullivan

Note: \*2028F is the forecasted data



Outsourced  
FM Revenue  
by Service  
Type  
(2022)



By Service Type

■ Hard Services  
■ Soft Services  
■ Additional Services

Top 3 Subservices



28%

Cleaning



19%

Security



14%

Office Support



Major  
Players\*

Top 3 Players by revenue

- 1 PCS Security And Facility Services Ltd.
- 2 G4S Security Services (Thailand) Ltd.
- 3 IFS Facility Services Co., Ltd.



Key Trends



Sustainability

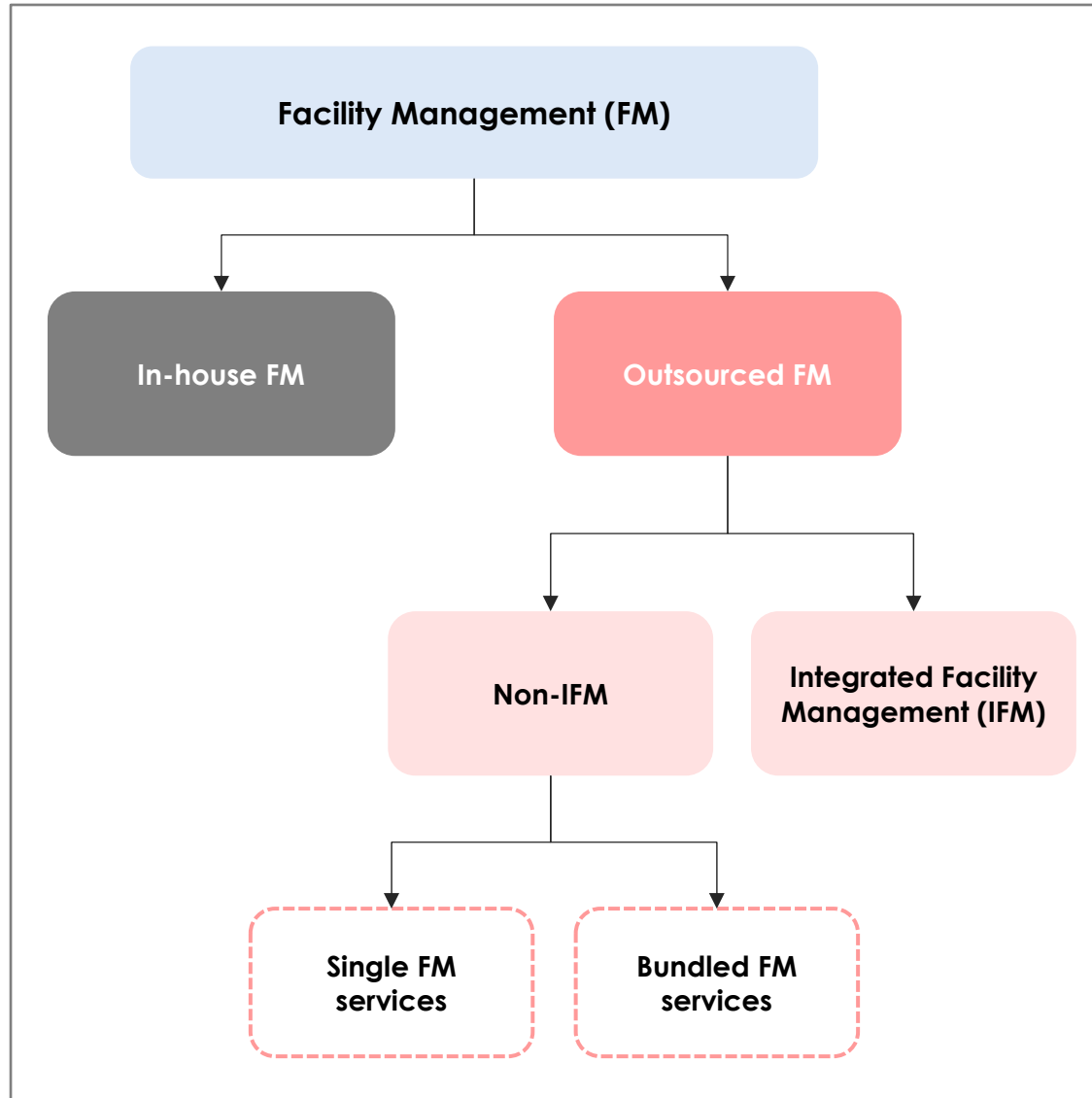


Technology Adoption

Note: Please note that key players are complied by the companies that registered with TSIC related to property and facility management activities  
 TSIC68201: Activities of real estate agents and brokers on a fee or contract basis  
 TSIC68202: Other real estate activities on a fee or contract basis  
 TSIC80200: Security systems service activities  
 TSIC81210: General cleaning of buildings  
 TSIC82110: Combined office administrative service activities

# Facility Management Market Segmentation in Thailand

## Facility Management Market Segmentation in Thailand

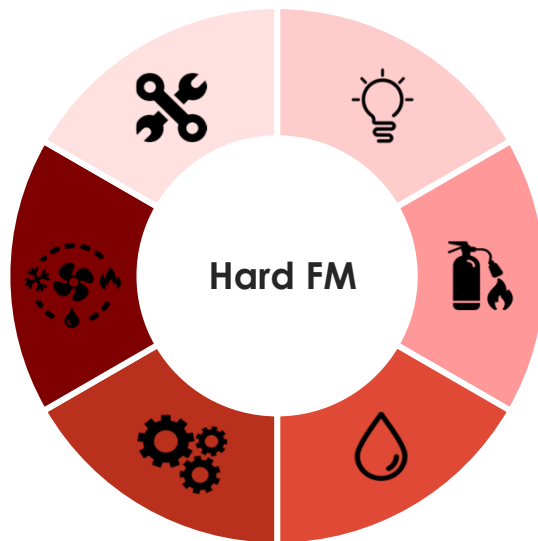


	<b>Facility Management (FM)</b> The organizational management services that support functionality, safety and sustainability within the building in the purpose of improving the well-being of occupants and the efficiency of an organization.
	<b>In-house FM</b> The management of facilities executed by building owners or performed within an organization.
	<b>Outsourced FM</b> The complete management of facilities executed or performed by an external organization.
	<b>Integrated Facility Management (IFM)</b> An end-to-end FM services that combine all range of services such as maintenance, cleaning and energy management into a single solution.
	<b>Non-IFM</b> A single or multiple FM services provided to the building owners under separate solution.
	<b>Single FM services</b> A single FM service offered to the client under a single solution.
	<b>Bundled FM services</b> Multiple FM services offered to the client under one solution.

## Facility Management Market Classification: By Services

### Facility Management

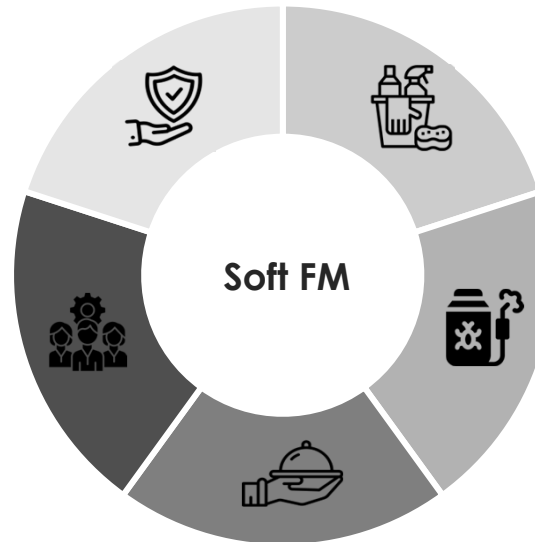
Facility management services (FM) can be divided into 3 categories; Hard FM services, Soft FM services and Additional FM services.



- Structural Maintenance
- Lighting System
- Fire Safety System
- Plumbing System
- Mechanical and Electrical
- HVAC

#### Hard facilities management services

The services that related to the space and infrastructure of the building, focusing on maintaining the quality within the building.



- Security Services
- Cleaning Services
- Pest Control
- Catering Services
- Office Support Services  
(Front-of-house, mail room service)

#### Soft facilities management services

The services that related to the well-being of occupants in a building, focusing on improving the ambience of the place.



- Energy Management
- Property management  
(space planning & relocation)
- Environment Management
- Other services  
(IT & telecommunications)

#### Additional facilities management services

Additional services that enhance the efficiency, utilization and sustainability of the premise.

## Property Market Trend

Property market is the key driving factor of FM market, therefore, growth in the property sector influence the growth in FM market.

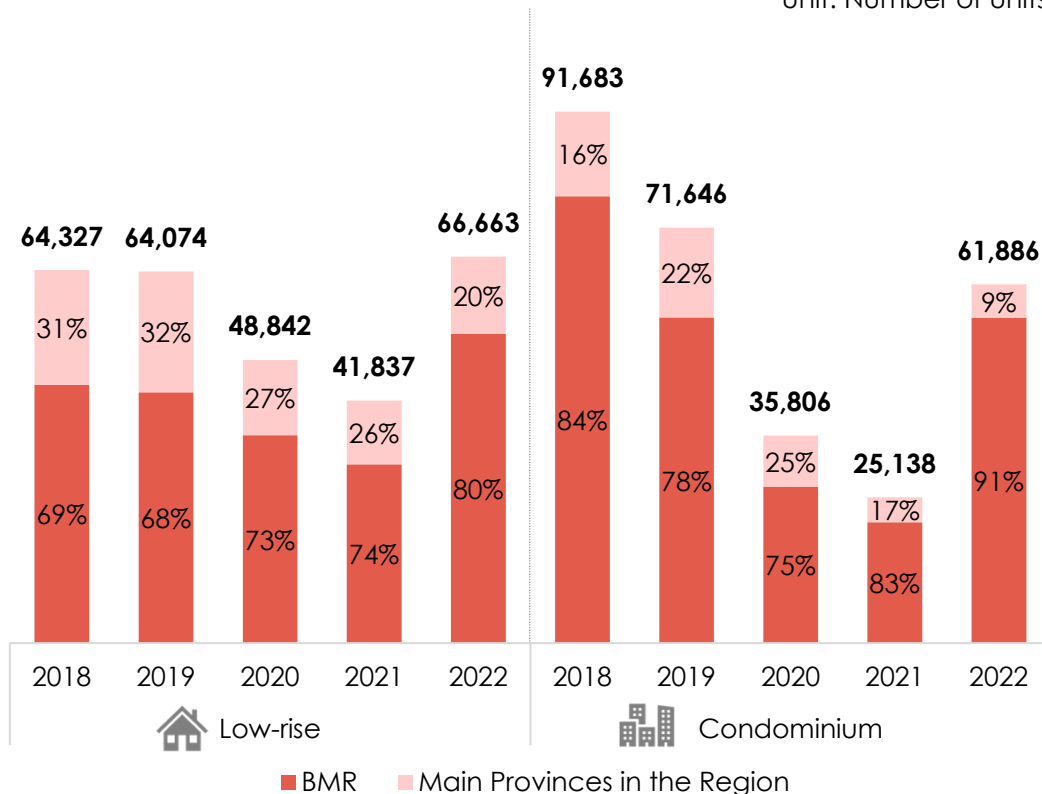
- Overall, the property market shows a positive sign after the rebound of COVID-19 as the situation of residential, both low-rise and condominium as well as office building have rebounded in 2022.
- Moreover, emerging trend in property market such as smart buildings, coupled with a rising investment in property projects will drive the demand for facility management which will create opportunities for FM market to grow in the future.

### Property Market Trend (2018-2022)



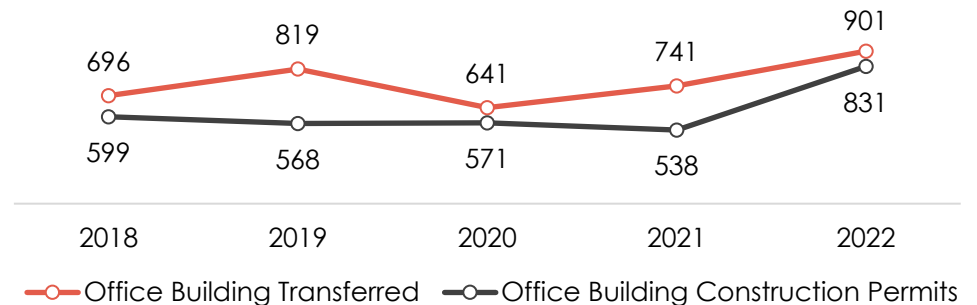
#### New Housing Units for Sales (Low-rise & Condominium)

Unit: Number of Units



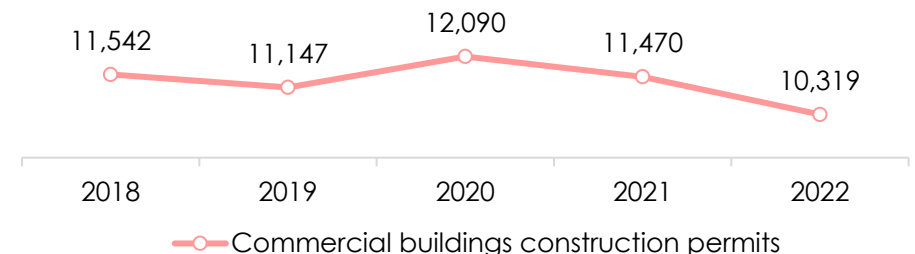
#### Office Building

Unit: Number of Buildings



#### Commercial Building

Unit: Number of Buildings

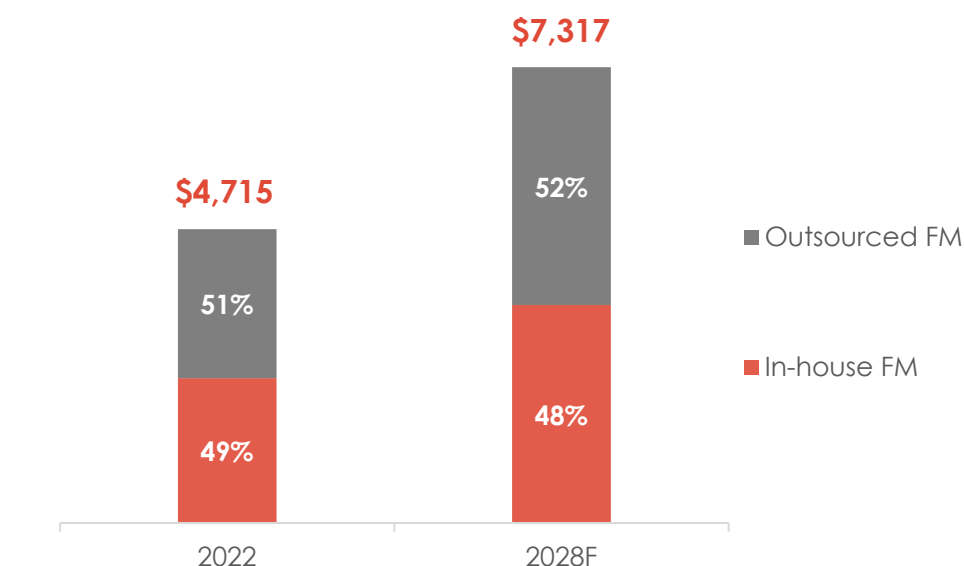


## Recent Trends of Facility Management Market in Thailand (1/4)

- Recently, the COVID-19 has positively influenced the growth of Thailand's facility management market as various organizations began to understand the importance and benefits of facility management, both in terms of improving the quality of occupants' well-being as well as enhancing the efficiency and productivity of an organization.
- In 2022, total facility management revenue was worth at USD 4,715 million or 165,244 million baht, 49.3% of those were contributed for in-house FM segment, while outsourced FM accounted for 50.7% of revenue share.

### Facility Management Market in Thailand: Total FM Market

Unit: USD million



Year	In-House FM	Outsourced FM	Total FM Revenue
2022	USD 2,326 Million (THB 81,506 Million)	USD 2,390 Million (THB 83,738 Million)	USD 4,715.3 Million (THB 165,244 million)
2028F	USD 3,498 Million	USD 3,820 Million	USD 7,317 Million
CAGR	7%	8.1%	7.6%

Source: Frost & Sullivan, Public news

Note: \*F is the forecasted period

- During 2022-2028, in-house FM revenue is forecasted to grow at a CAGR of 7%, while outsourced FM segment is projected to experience a slightly higher growth than in-house FM segment, with the rate of 8.1% CAGR.
- Outsourced FM services** have increasingly become wider acceptance among developers and organizations, especially the non-core operation services that are labor-intensive such as cleaning and security.
- This is because outsourced FM has brought benefits in terms of labour cost minimization, higher flexibility of service offerings and better access for skilled human resources or specialized expertise as well as coping with labour shortage caused by COVID-19.
- However, **in-house FM segment** has also found growth during the forecast period as various real estate companies have expanded their existing business or new business venture to cover wider range of FM services offered in-house.
- For instance, LPP Property Management Co., Ltd., a subsidiary of LPN Development Group, was rebranded in 2022 to focus more on a comprehensive facility management services, while Primo Service Solutions PCL, a subsidiary of Origin Property Group, expanded new business in 2022 to boost its market share in this sector.

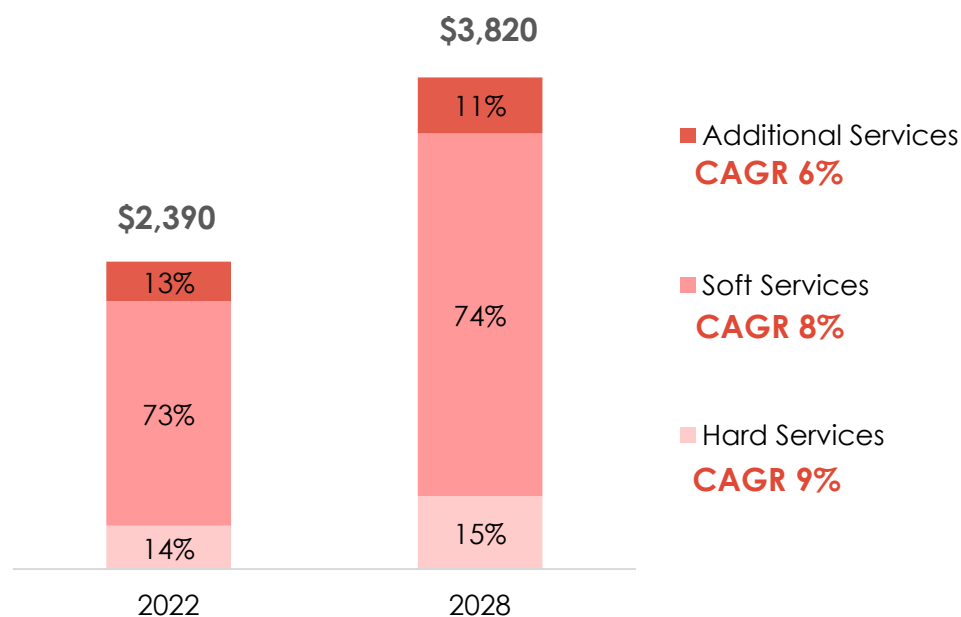


## Recent Trends of Facility Management Market in Thailand (2/4)

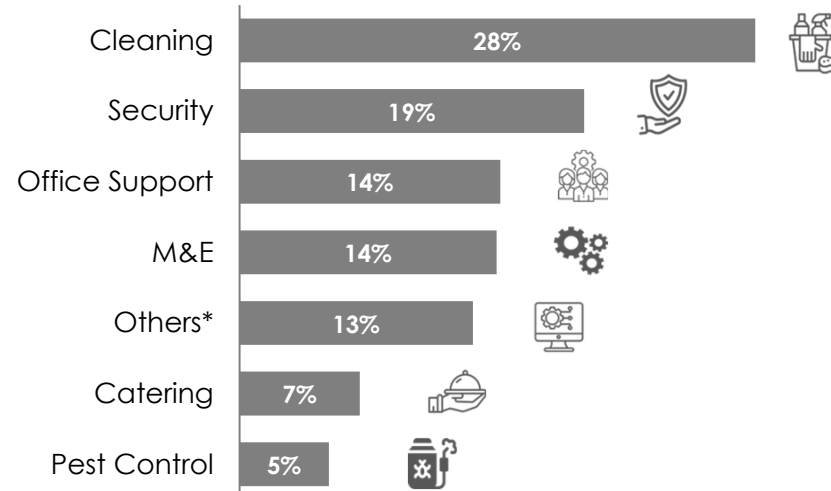
- In 2022, soft facility management services segment held the majority share in outsourced FM revenue, accounting at 73%, followed by hard FM services at 14% and additional services at 13%.
- While, cleaning services dominated the market, with its revenue share of 28%, mainly due to the COVID-19 that drive a strict hygiene demand for every end-user sectors.
- However, hard FM service segment is projected to experience the fastest growth at 9% during 2022-2028, mainly due to an expansion of real estate development, the growing energy efficiency demand and the government policies that require to adhere to standards.
- Therefore, the demand for hard FM services that incorporates with digitalization processes will drive growth in this service segment.

### Facility Management Market in Thailand: Outsourced FM Revenue by Service Type (2022-2028)

Unit: USD million



#### Outsourced FM Revenue Share By Subservice Type 2022



Source: Frost & Sullivan

Note: \*Please note that others include energy management, property management, environment management, IT and telecommunication services.

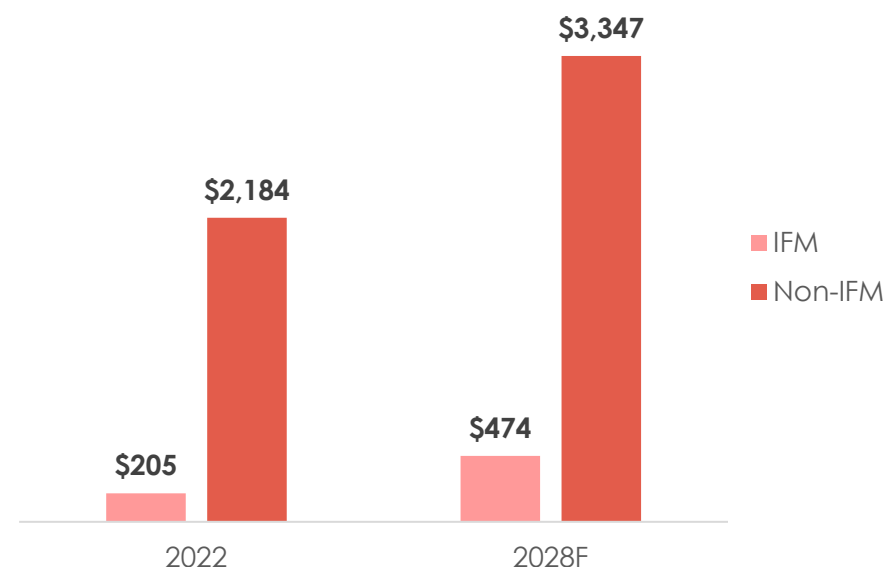
## Recent Trends of Facility Management Market in Thailand (3/4)

- Recently, the growing commercial development projects, particularly mixed-use and high-end buildings have pushed the demand for integrated facility management service as IFM offers better management that optimizes operational performances, safety, and customer experiences.
- Future IFM market is projected to experience an upsurge, fueled by a growing sustainability and digital transformation.

### Outsourced Integrated Facility Management Market Trend (IFM)

- In 2022, Thailand's IFM market was valued at USD 205 million or 7,201 THB million, while non-IFM market was worth at USD 2,184 million or 76,537 THB million.
- However, IFM market is projected to grow with faster growth rate at 15% CAGR during 2022 to 2028 compared to non-IFM.
- Factor driving the growth of IFM is mainly due to a growing large mixed-use buildings and grade A buildings, especially the buildings situated in BMR region.
- Moreover, the growing emphasis of green building practices and digital transformation has also supported a rising demand for integrated facility management service.
- As IFM provides a single end-to-end service, a growing commercial development projects, especially mixed-use and high-end buildings, have increasingly necessitated the need for IFM services to offer a high quality of service and impressive customer experiences.
- With its benefits, IFM will allow businesses to facilitate better management to ensure smooth operations while reducing operating cost.

Unit: USD million



Type	CAGR 2022-2028
IFM	15%
Non-IFM	7%

Source: Frost & Sullivan, Public news

Note: \*F is the forecasted period

## Recent Trends of Facility Management Market in Thailand: IFM (4/4)

- One Bangkok is one of Thailand's largest mixed-use project, jointly developed by TCC Assets Thailand and Frasers Property Holdings which is located at the prime central of Bangkok, the corner of Wireless Road and Rama IV Road.
- In this project, **JLL** has been collaborating with One Bangkok to provide a complete package of facility management of all buildings including grade A office, retail buildings, luxury hotel and residential towers and overall district common area.

### One Bangkok

#### Project overview

- One Bangkok is one of Thailand's largest mixed-use project, with the concept of smart and sustainable infrastructure, offering a seamless urban experience.
- The project comprising of 5 premium grade A office buildings, 4 retail buildings, 5 luxury hotels, 3 luxury residential towers and a 50-rai of public green space.

#### Project owner/ developer

- TCC Assets Thailand
- Frasers Property Holdings

#### Facility management provider

- Jones Lang Lasalle Management (JLL)

#### Detail of IFM services

##### **A fully integrated facility management service, including:**

- Providing a property management consultation at the design stage and were appointed as one of the office leasing partner in the first phase.
- Running the intelligent building management platforms 'Command Centre' with smart city team of One Bangkok. The platform provides advanced data and analytics as well as operational knowledge for real-time remoting and monitoring of buildings and facilities.
- Deploying sensors and systems to capture the operation data such as building automation system and security systems in critical locations, covering temperature, humidity, illumination, vibration and flood detection.
- JLL's IFM service will increase operational efficiency and building performance, enhance transparency and security, reduce costs and save energy.



## Key Players of Facility Management Market in Thailand (1/3)

- According to major players, majority of leading players generally offer a similar range of services and serve customers across multiple end-user sectors, while other few key players focus on serving full cleaning services and solutions.
- While PCS Security and Facility Services Ltd., a part of OCS Group from UK, is a major player in Thailand's facility management market, with a total net sales of 8.11 billion baht in 2023.

Key Players of Facility Management Market in Thailand

Company	Country of Origin	Company FM Services			Main End-user Sectors				
		Hard Services	Soft Services	Additional Services	Residential	Commercial/ Office Buildings	Hotel	Industrial	Others*
PCS Security And Facility Services Ltd.	UK	✓	✓	✓	✓	✓	✓	✓	✓
G4S Security Services (Thailand) Ltd.	UK	✓	✓	-	✓	✓	✓	✓	✓
IFS Facility Services Co., Ltd.	Thailand	✓	✓	✓	-	✓	✓	✓	✓
CBRE (Thailand) Co., Ltd.	US	✓	✓	✓		✓		✓	✓
PLUS Property Co., Ltd.	Thailand (Under Sansiri)	✓	✓	✓	✓	✓	-	-	✓
Siam Administrative Management And Security Guards Co., Ltd.	Thailand (Under SKY ICT)	✓	✓	-	✓	✓	✓	✓	✓
Jones Lang Lasalle Management Ltd.	US	✓	✓	✓	✓	✓	✓	✓	✓
N.A.P. Service And Trading Co., Ltd.	Thailand	-	✓	-	✓	✓	✓	✓	✓
LPP Property Management Co., Ltd.	Thailand (Under LPN)	✓	✓	✓	✓	✓	-	-	✓
P.S. Generation Co., Ltd.	Thailand	-	✓	-	✓	✓	✓	✓	✓
Sodexo Services (Thailand) Co., Ltd.	France	✓	✓	✓	-	✓	✓	✓	✓
C.C.Content Commercial Co., Ltd.	Thailand	-	✓	-	-	✓	-	✓	✓

Source: BOI, Company's website

Note: [1] Please note that the list of key players are compiled by the companies that registered with TSIC related to property and facility management activities which includes **TSIC68201** - Activities of real estate agents and brokers on a fee or contract basis; **TSIC68202** - Other real estate activities on a fee or contract basis; **TSIC80200** - Security systems service activities; **TSIC81210** - General cleaning of buildings; **TSIC82110** - Combined office administrative service activities.



## Key Players of Facility Management Market in Thailand (2/3)

Key Players of Facility Management Market in Thailand			
Company	FY	Net Sales (THB Million)	Competitive Advantages
<b>PCS Security And Facility Services Ltd.</b>	2023	8,113	<ul style="list-style-type: none"> <li>Market leader in the industry in revenue</li> <li>Expertise in this business due to long establishment for 57 years and strong global presence (under the OCS Group)</li> <li>Covers a full range of FM services and deliver advanced technology solutions to deliver for customers in diverse sectors</li> </ul>
<b>G4S Security Services (Thailand) Ltd.</b>	2023	4,654	<ul style="list-style-type: none"> <li>The world's leading integrated security company with strong revenue stream</li> <li>Specializes in the delivery of security services, together with innovation security technologies solutions and turnkey of electronic security systems to serve customers across multiple sectors</li> </ul>
<b>IFS Facility Services Co., Ltd.</b>	2023	3,647	<ul style="list-style-type: none"> <li>A leading Thai integrated FM company with strong revenue stream and trusted partner with over 5,000 well-established clients in various business sectors</li> <li>Offers full range of FM services and smart technology solutions for the client</li> </ul>
<b>CBRE (Thailand) Co., Ltd.</b>	2023	2,253	<ul style="list-style-type: none"> <li>A global leader in facility management services</li> <li>Offers fully integrated FM services and serves for enterprises across various industries as well as a full range of real estate services such as sales and leasing, property and investment consultation</li> <li>Strong in-house technical and maintenance team</li> </ul>
<b>PLUS Property Co., Ltd.</b>	2023	1,575	<ul style="list-style-type: none"> <li>Wholly owned by Sansiri Group and leverages the parent company's portfolio</li> <li>Offers full-service management of facilities and properties, from hard and soft FM services to brokerage services for buying and selling as well as property consultation services for real estate companies</li> </ul>
<b>Siam Administrative Management And Security Guards Co., Ltd. (SAMCO)</b>	2023	1,340	<ul style="list-style-type: none"> <li>A leading Thai FM company under SKY ICT Group</li> <li>Specializes in cleaning and security management with AI and smart empowered solutions</li> </ul>

Note: [1] OCS Group is one of the global leading international facilities services providers in which the headquarter is in UK.

[2] Sansiri Group: Sansiri Public Company Limited is one of the largest real estate developer in Thailand.

[3] SKY ICT Group: SKY ICT Public Company Limited is Thailand's leading solution integrator providing IT enabled business solution.

## Key Players of Facility Management Market in Thailand (3/3)

Key Players of Facility Management Market in Thailand

Company	FY	Net Sales (THB Million)	Competitive Advantages
<b>Jones Lang Lasalle Management Ltd. (JLL)</b>	2023	1,186	<ul style="list-style-type: none"> <li>The global leading integrated FM company</li> <li>Covers a full range of FM services and delivering for customers across various industries</li> <li>Offers complete range of real estate services such as sales and leasing, investment consultation, smart building solutions</li> </ul>
<b>N.A.P. Service And Trading Co., Ltd.</b>	2023	1,384	<ul style="list-style-type: none"> <li>Good foothold in various customer sectors</li> <li>Specializes in cleaning with a full range of cleaning services and solutions such as daily cleaning service, post construction cleaning and high-rise glass facade cleaning</li> </ul>
<b>LPP Property Management Co., Ltd.</b>	2023	1,068	<ul style="list-style-type: none"> <li>Wholly owned by LPN Group</li> <li>Leverages customers and expertise from its parent company</li> <li>Covers a full range of FM services</li> </ul>
<b>P.S. Generation Co., Ltd.</b>	2023	1,057	<ul style="list-style-type: none"> <li>Long experiences serving the leading enterprises across industries</li> <li>Specializes in cleaning services and solutions such as cleaning glass of tall buildings and roof structures, training staff for appropriate cleaning meet the standards of each end-users.</li> </ul>
<b>Sodexo Services (Thailand) Co., Ltd.</b>	2023	1,038	<ul style="list-style-type: none"> <li>Strong global brand</li> <li>Expertise in healthcare, industrial, corporate service, education and energy &amp; resources</li> <li>Partnership with Amata City Industrial Estates to expand the company's penetration in industrial sector</li> </ul>
<b>C.C.Content Commercial Co., Ltd.</b>	2023	723	<ul style="list-style-type: none"> <li>A prominent leader in the sanitation sectors with well-established customer portfolios such as PTT, BJC, AOT and Bhiraaj Tower</li> <li>Specializes in cleaning, covering a wide range of cleaning service such as inner and outer glazing cleaning service, air disinfectant and ozone dehumidification services</li> </ul>

Note: [1] LPN Group: L.P.N. Development Public Company Limited is a Thailand-based real estate development company.

## Key Trends

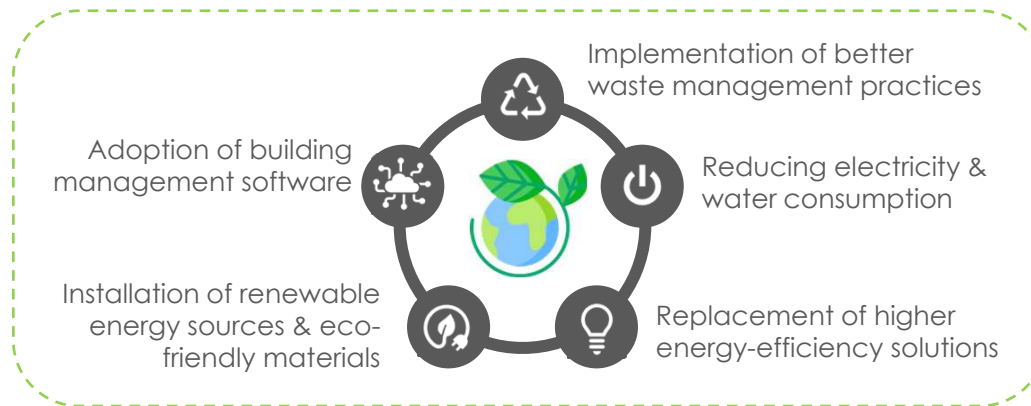
- Key trends contributing to facility management market are sustainability and a growing adoption of innovation and technology within the facilities which consequently enhance efficiency and operational performance.

### Key Trends



#### Sustainability

- Recently, there has been a growing trend towards sustainability, driven mainly by the government policies and supports such as Alternative Energy Development Plan (AEDP), Energy Efficiency Plan (EEP) and Building Energy Code (BEC) which are committed to reduce energy consumption and achieve carbon neutrality.
- Therefore, future facility management market is leaning towards green building practices, aiming to improve sustainability of the buildings to enhance more energy-efficient and environmentally friendly, for instances:



With an increasing demand for sustainability practices, various FM service providers will increasingly develop or expand its services to offer green building solutions for assisting the clients reaching sustainability approaches.



#### Increasing in innovations and technologies adoption

- A growing energy efficiency and digital transformation have boosted the demand for innovation and technology adoption in the facilities.
- Moreover, smart buildings and smart cities are one of the core elements of the country development according to Thailand's 4.0 initiatives and the government's digital transformation roadmap.
- Therefore, the demand of innovations and technology adoption in the buildings and facilities has increased as various facility owners strive for the digital shift by employing technology-driven software and solutions as well as innovative products to optimize building performance, streamline its operation and make facility management run more efficiently.
- Moreover, the adoption of technology also reduces a reliance on workforce that can overcome a labour shortage issue as well as minimize labour cost.
- On the other, the adoption of technology in the facility will drive customer satisfaction and engagement which resulting in better customer experiences.

With this shift, FM service providers are incorporating innovation and technologies into their services that can maximize customer benefits and support the needs from clients.

## Recommendations and Challenges

### Recommendations and Challenges

#### Trends



#### Sustainability



#### Increasing in Technology Adoption

#### Recommendations

##### Expansion of service offerings

- FM service provider can expand the services by integrating sustainability solutions or providing sustainability consultation services as an option for the clients.

##### Investment in technology-driven software, systems and products

- FM service providers should consider an investment in technology-driven software, system and products for instance:

##### Software and System

- **Building Management System (BMS):** a control system used to monitor all the systems within buildings such as HVAC, power system, lighting and security.
- **Cloud-based HR Platform by SAP:** migrate traditional admin tasks into automated processes.
- **Predictive maintenance:** system to monitor the condition of machine and equipment, early detection, identify potential failure, and addressing maintenance needs.

##### Products

- **Commercial cleaning robots:** automate routine cleaning processes
- **IoT Sensors for security:** detect unusual movement and inform facility management or security staff

##### Strategic partnership

- FM service providers can seek for partnership opportunities through collaborations or acquisitions to expand its services and customer base, leverage know-how and expertise, and increase market capabilities to strengthen the company's competitive advantage.
- The example of strategic partnerships are such as
  - Partnership with IT companies
  - Partnership with energy efficiency companies
  - Partnership with real estate companies

#### Challenges

##### Financial limitations

- The implementation of sustainability practices and new technology adoption are required high initial investment.
- Various facility owners, especially SME and local developers tend to be reluctant for these implementations, mainly due to insufficient investment capital.

##### Limited awareness about the advantages of technology adoption

- Several SME and local building owners are still not fully aware of the benefits of technology adoption as they are still strict to traditional management and not prioritizes for this adoption.

##### Availability of workforce

- As facility management market is highly labor-intensive, various FM companies have faced an issue of labour shortage, especially high-skilled labour and qualified workers due to low unemployment rate situation in Thailand.



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