

# DOING BUSINESS IN THAILAND



TOGETHER WE ARE STRONG

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# THAILAND GUIDE

## HAVE A GOOD START

### 1. Thai language guide

Thai Language Guideline			
English Term	Thai Term	English Phonetics	German Phonetics
Hello	สวัสดี	Sa-wad-dee	Sa-wad-dii
How are you	สบายดีไหม	Sa-buy-dee- mai	Sa-bai-dii-mai
I'm fine	สบายดี	Sa-buy-dee	Sa-bai-dii
Thank you	ขอบคุณ	Khob-khun	Khob-khun
Excuse me/sorry	ขอโทษ	Ko-toad	Ko-tood
Yes	ใช่	Chai	Chai
No	ไม่ใช่	Mai -Chai	Mai -Chai
I/me	ผม (ข)/ ดิฉัน (ญ)	Pom (m) Chan (f)	Pom (m) Chan (f)
You	คุณ	Khun	Khun
What	อะไร	Ar-rai	A-rai
Where	ที่ไหน	Tee-nai	Tii-nai
When	เมื่อไร	Muea-rai	Müa-rai
Right	ขวา	Khwaa	Kwaa
Left	ซ้าย	Saai	Saai
Complimentary and Small Talk			
Please to meet you	ยินดีที่ได้รู้จัก	Yin-dee tee dai ru-jak	Yin-dii ti dai ru-jak
I cannot speak Thai	ฉันพูดไทยไม่เป็น	Chan(f) Pom(m) pood paa-saa Thai mai dai	Chan(f) Pom(m) puud paa-saa Thai mai dai
I understand	เข้าใจแล้ว	Kow-jai laew	Kau-jai lão
I do not understand	ไม่เข้าใจ	Mai kow-jai	Mai kau-jai
Never mind/ no problem	ไม่เป็นไร	Mai pen rai	Mai pen rai
The weather is so hot today	วันนี้อากาศร้อนมาก	Wan-nee a-gard ron mak	Wan-nii a-gaad ron mak
It is a beautiful day	วันนี้อากาศดี	Wan-nee a-gard dee	Wannii agaad dii
The food is very delicious!	อาหารอร่อยมาก	A- haan aroi mak	A-haan aroi mak
I cannot eat spicy foods	ฉันกินเผ็ดไม่ได้	Chan(f)/Pom(m) gin phet mai dai	Chan(f)/Pom(m) gin pet mai dai

## 2. General things about Thailand

Thais are known for their tolerance and hospitality, and the average tourists will have no difficulty in adjusting to the local customs. However, sometimes it can be surprisingly easy for foreign visitors to unintentionally cause offence. Basically, getting along involves good common sense and how one should behave at home. Still, it is to keep in mind that what may be acceptable in Western countries is not always appropriate in Thailand. Please never forget that you as a foreigner and guest. Behave politely is a must if you want to be accepted and respected.



### 2.1. Thai monarchy and politics



In many Western countries the concept of constitutional monarchy is well understood. The monarch is seen as a symbol of the nation and its continuity, and for this reason he or she is expected to be above politics and is the representative of all the people in the state. In Western countries it is understood that this non-political stance does not necessarily make the monarch immune from criticism or even satire. Thailand is a constitutional monarchy as well, but the concept of kingship in Thailand is much stronger and more far-reaching. This means any criticism of Thai king and the royal family is absolutely forbidden and harsh penalties can be imposed on those who are against it. Foreigners, in particular, should avoid any criticism of the throne.

Despite the constitutional law, Thai people generally have great and utmost loves for the King for he has shown his love for Thai people by visiting and helping the underprivileged across the country regardless of his status. Also, he initiated and pursued countless royal projects for centuries, aiming to develop the Kingdom of Thailand and improve Thai people's living standards. What's more, he is particularly associated with rural development projects; the Chaipattana Foundation was set up to promote a self-sufficient economy in Thailand.

Foreign visitors should avoid any topics involving Thai politics (yellow/red shirt) as it is a controversial issue and addressing it can be considered an offensive and rude manner.

### 2.2. Body language

Much caution about manner need to be taken seriously; for example, Thai people consider the head and shoulders to be the most important part of the body for they are at the highest level. Therefore, many Thai people do not like to be touched on the head, and to do so is considered offensive and disrespectful. On the contrary, the feet are symbolically regarded as the lowest part. Hence, it is best to sit with your feet down on the ground, and never rest them on any tables or chairs, nor place them near other people's heads or faces, and never should you point at something with your foot for it can be seen as offensive, especially if you point at foods.

Hands are important in Thai culture. DO NOT finger point at anyone, and under no circumstances should you point in someone's face. When receive things or welcome people, it is considered polite and respectful to use your right hand. For extra politeness, when receiving things from elder people or those of a higher social rank, it is best to use both hands by with the left one supporting the elbow of the right arm.



When passing an elderly or between people who are talking to each other, make sure you bend your body to show your respect and apologize for the disruption. Always keep in mind that it is a polite gesture not a humiliation in any way.

### 2.3. Thailand's gesture of greeting: "Wai"

The Wai is not just a gesture used to say hello without speaking; it is a sign of respect. Its use demonstrates much about Thai values and attitudes. It does so by publicly demonstrating the 'superiority rule'. In any social meeting, the socially inferior person assumes a physically inferior posture whereas the socially superior individual takes on a superior one.

#### 2.3.1. How to Wai

The Wai can be done to different degrees to show different levels of respect. The lower the head is bowed to meet the thumbs of both hands, which are pressed, palms together, with fingers pointed up in a prayer-like position, the greater the respect is being shown. There are four basic positions with each having many variances:



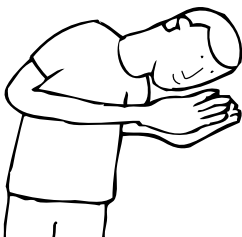
1.) Hands pressed together close to the body with fingertips reaching to about neck level or lower with head straight or slightly inclined is used by a superior returning the wai to an inferior.



2.) Hands pressed together close to the body with fingertips reaching to about neck level but not above the chin. This position is used between equals or between strangers who are not yet aware of each other's social positions.



3) Forehead lowered to base of the thumbs and body bent forward a bit is the position used to show respect to the King, monks, temples, statues, and spirit houses.
















4.) Head lowered so that fingertips are above the tip of the nose is used by an inferior showing respect to a superior.

### 2.3.2. When to Wai

When to Wai and how to Wai is learned in early childhood and is second nature to Thai people. It is sometimes confusing to foreign visitors. The fact is that Thais use the Wai to say Hello, Thank you, and Goodbye. They also use it to show respect to the Buddha, the King, the monks, older people, statues, and spirit houses. As a foreigner, the best advice is to Wai when someone wais at you. Or, you can smile and nod your head when you are not sure what to do. As for the King or monks let your own religious and political beliefs be your guide, always remember how you would like your country's leader and religious leaders being treated. In other words, showing proper respect for them will go a long way in presenting a good image for you and your country. Thai people will most certainly show the same respect when visiting your country.

## 3. Social customs: Dos and Don'ts

-  DO respect all Buddha images as they are sacred and sacrilegious acts are punishable by imprisonment even if committed unintentionally by foreign visitors.
-  DO dress properly, especially when you are visiting palaces and temples.
-  DO remove your shoes before entering a temple, house, or even some shops.
-  DO treat monks with the highest respect, and females are not allowed to touch them.
-  DO try to learn a few basic Thai phrases.
-  DO avoid the discussion of Thai politics (Yellow/Red shirt).
-  DO smile a lot! You are in the land of smile.
  
-  DON'T show any disrespects towards the monarchy and Thai Royal Family.
-  DON'T be overly affectionate in public. This has changed in recent years and you may see young Thai couples holding hands, but never kiss in public.
-  DON'T touch a Thai older person's head or ruffle his/her hair. Apologise if you accidentally touch them.
-  DON'T place your feet on tables or chairs while sitting and it is considered rude to point at anything, or touch someone with your feet.
-  DON'T raise your voice or confront others directly. Thai people do not wish to lose face or be obviously embarrassed and doing so can be seen as disrespectful.
-  DON'T be offended by questions about age, salary, or marital status. These are common questions Thais ask each other and sometimes it is considered a small talk. However, you are not obligated to answer them.

## 4. Food and Dining Recommendation

Bangkok is a food heaven; a sensational culinary journey and taste experience that is unrivalled and guaranteed to delight your taste buds. When it comes to dining in Bangkok, the question is not what, where, or even when to eat. With so many possibilities just outside your hotel's doorstep, you might wonder how best to experience it all. Whether you are looking for style, ambience, or flavor that defies any adjectives you know, or to be pampered by world-recognised celebrity chefs, Bangkok has got a whole lot to offer.



## 5. Travelling in Thailand

### 5.1. Public taxis

Public taxi counters are located at the Arrivals on the 2nd floor near entrances 3, 4, 7, and 8. Tell the staff at the counter your destination and get a slip with it written in Thai. All taxis are metered and drivers are certified by the airport. Fare charges include meter readings plus 50 THB airport surcharge on meter. A trip to city will cost you between 300-400 THB plus a 45-THB expressway toll.

When taking taxis in the city, always ask the drivers to switch on the meter, do not agree on fixed prices, because you will usually pay more. Many taxi drivers refuse to drive you in heavy traffic or if it is too far or too close; sometimes it can be hard to get a taxi that takes you where you want to go. If you need one just wave at them on the street and ask if they are willing to take you to your destination.



## 6. Doing business in Thailand

### 6.1. Working practices in Thailand



- Normal office hours are 8:00AM to 5:00PM or 9:00AM to 6:00PM, with a lunch break between 12:00PM and 1:00PM.
- It is acceptable to be a little late for meetings as it is often unavoidable in Bangkok due to traffic jams, but calling to say that you are running late is appreciated.
- April and early May are the main holiday periods; business trips to Bangkok should be avoided during this time as many staff will be on leave.
- English is commonly used in business, especially in large companies in Bangkok, and presentations, proposals and contracts are acceptable in English. However, make sure to use fairly simple and non-idiomatic language and if language is a problem, interpreters should be provided.

### 6.2. Structure and hierarchy in Thai companies

- Thai business reflects a society in which hierarchy and respect for seniors are very important. Understanding social status of people and the vertical structure of a company is essential for doing business with Thais.
- Traditionally, women were underrepresented in the business world and especially in managerial positions. However, this has changed and now women have equal rights and protection as men although some inequalities remain in the law. An increasing number of women hold professional positions and women's access to higher education has grown, with more than half of university graduates being women.








### 6.3. Working relationships in Thailand

- Building good relationships is an important part of business and the negotiation process. Thais place great importance in “liking” their business partners.
- Invitations to social activities from your Thai counterparts should always be accepted as these are used as a means of getting to know one another before doing business together.
- Informal conversations before or after meetings are common and should not be neglected. Thais may ask you personal questions like your age, marital status, and educational background to help them understand your place in the social hierarchy and how to build relationships with you.

### 6.4. Business practices

- Thais are generally not prompt decision makers, often need to consult others before making a decision, leading to a lengthy process. However, impatience should be avoided as it will be treated as a sign of weakness.
- The traditional form of greeting is the “Wai” when hands are raised with palms together, fingers pointing upwards and with a bowed head. Younger and lower-ranking people are supposed to offer the Wai first to their senior counterparts. The higher one’s hands are placed, the more respect is shown.
- In Thai business, first names are generally used, preceded by the honorific title “Khun” which is used both for men and women. Note that Thais tend to use first names as opposed to last names even when using Mr and Miss.
- A high quality business card is an important asset in Thailand and should be exchanged when initiated by the host. Cards should be offered to the most senior person first and it is important that cards are given and received with the right hand.

### 6.5. Business etiquette (Dos and Don’ts)

-  DO attempt to speak the local language. It does not matter how poor your skills are, your business host will see that you have taken your time and effort to try and work in their local language.
-  DO wear business attire for meetings. Men should wear suits with pants, long sleeve shirts, and ties, and women should wear skirts and blouses that cover upper legs and shoulders respectively.
-  DO avoid direct confrontation or argument. Suggestions are appreciated in Thailand, but try to comment indirectly because to do it directly can be seen as rude or disrespectful.
-  DO take off your shoes when invited into your Thai business colleague’s home.
-  DON’T plan any meetings at the start and end of the day as difficulties with transport to the work place can be expected.
-  DON’T joke about or criticise Thai king or the Queen as they are to be treated with respect and it is illegal to say or write anything offensive about royalty.
-  DON’T touch your Thai colleague’s head as it is considered sacred according to Buddhist tradition.

## 7. Legal situation/Thailand's visa and work permit

### Visa exemption

The VISA EXEMPTION RULE allows tourists from 48 countries to enter without a visa. They are granted a stay of maximum 30 days but only if entering Thailand via an international airport. However, persons entering through a land border checkpoint from neighboring countries will be granted a maximum stay of 15 days.

Passport holders of 48\* countries are entitled to enter Thailand under the VISA EXEMPTION RULE provided that they meet the following criteria:

- a) The visit is strictly for tourism purposes.
- b) They must have a confirmed return ticket to show that they are flying out of Thailand within 30 or 15 days of entry, as appropriate. Open tickets do not qualify. Travelling overland out of Thailand by train, bus, etc. to Cambodia, Laos, Malaysia (including en route to Singapore), Myanmar, etc. is not accepted as proof of exiting Thailand.
- c) You may be asked to show your flight ticket on entering Thailand. If you do not possess a flight ticket to show you will be exiting Thailand within 30 or 15 days of entry, your visa will most likely be refused.
- d) It will also be necessary to prove that you have funds of at least 20,000 THB per person during your stay in Thailand.

\*A fee may be levied on persons entering Thailand under the VISA EXEMPTION RULE.

Note that a person traveling using a "UK Travel Document", a "UK Certificate of Identity", or a "British National Overseas Passport", cannot enter Thailand whatever their nationality. They are subject to visa rules concerning their nationality.

### Types of visa in Thailand

#### Tourist Visa

This is a 60-day Tourist Visa to Thailand that can either be a multiple or single entry and can be extended for up to another 30 days by means of a visa run. In other words, if you want to extend longer than 30 days, you can convert the visa to a Non-Immigrant Visa which will require you to go to the nearby city or country such as Penang and Kuala Lumpur, Malaysia and have your visa stamped.

Although tourist visas for Thailand can appear complex, the basic requirements are common to all, whether a candidate is entitled to apply under the VISA EXEMPTION RULE, the VISA ON ARRIVAL RULE, or neither concessions, all candidates will need to provide the following:

- A current, valid passport from their country of residence.
- Confirmation of a return or onward flight ticket which specifically shows that the applicant will be departing from Thailand within the allocated amount of time.
- Confirmation of sufficient financial resources to fund the trip.



## Non-Immigrant Visa

This is normally a single entry visa to Thailand valid for 90 days. Like the tourist visa, you can extend your stay by doing a visa run (go to the border and have your visa stamped). Obtaining a work permit (if employed by a Thai company) and opening a bank account is possible.

## One Year Non-Immigrant Visa

This visa is often a Multiple Entry Visa to Thailand valid for use for a period of one year. You are allowed to stay 90 days per entry which means, every 90 days, you will have to do a visa run.



General information about working in Thailand:

Foreigners working in Thailand must have a Work Permit before commencing work, and the definition of work is extremely broad. Work is defined in Section 5 of the Act as “engaging in work by exerting energy or using knowledge whether or not in consideration of wages or other benefits.”

The current Thai Act of Parliament concerning foreigners working in Thailand can be reviewed here:

<http://www.lawreform.go.th/lawreform/images/th/legis/en/act/2008/30442.pdf>

### A list of possible activities that Lyonesse members may wish to do in Thailand:

1. Attend International Seminars and Conferences organized by Lyonesse personnel for Global Members.
2. Attend and give informational talks or small around the table talks on Lyonesse for Thais
3. Meetings and organizing presentations with larger groups in Thailand to inform them about the Lyonesse program
4. Training of prospects in Thailand
5. Recruiting and signing-up members in Thailand

### Questions and the detailed unambiguous and precise legal answers according the above activities :

1) Which of the above activities can a member do with only a tourist visa?

**ANSWER:** Activity 1 - Attend a conference for Global members

2) Which of the above activities can a member do with a business visa but without a work permit?

**ANSWER:** Activity 1 - Attend a conference for Global members.

Business non-Immigrant Visas are meant to be used to allow people wishing to come, on behalf of their foreign company, to Thailand to do things such as business research, look for distribution outlets, find exporters to deal with, come for a job interview or start a business here as a Board of Investment company or a Joint Venture partnership usually. These visas are usually issued when they are accompanied by an invitation letter from a Thai organization confirming the purpose of their visit. However, they do not entitle the holder of the visa to do business commercially (with the exception of importing to Thai distributors or purchasing from a Thai exporter which are exempt from restrictions) with Thais beyond the purposes laid out in the invitation letter from a Thai entity.

Anything that can be seen as ,work' is illegal for a foreigner to do without a Work Permit (though many foreigners say that attending a conference or a single business meeting is also ,work' - but Thais don't seem to think so).

3) General information on work permits:

**ANSWER:** A Work Permit is issued to allow an individual to do a specific type of job for a company and, for example, if the Work Permit holder was an accountant in a specific office, their Work Permit may state that they perform the tasks of running the accounts system in that office only. As such, they cannot legally go to another branch office to do accounts or perform any tasks for their company outside of that specified office. Of course, most people have jobs that require a degree of flexibility as to where their work can take place and the Work Permit should reflect that. However, it should be noted that if the Work Permit does not state that the holder can do some of the activities listed above, they, effectively, have no right to do them and could be prosecuted.

4) And how to get a Work Permit?

**ANSWER:** There are 2 possibilities:

- a) You will need a Business non-Immigrant B1 Visa allowing you to join a company in Thailand who will then give you a Work Permit
- b) You start a business in Thailand which can then, depending on the type of company, issue one or more Work Permits for foreigners.

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5) Which of the above activities can a member do with a business visa and a work permit for a Company which does not specify the work that they will be doing any of the above activities?

**ANSWER:** Activity 1 - Attend a conference for Global members Which of the above activities can a member do with a business visa and a work permit for a Company which does specify they will be doing any of the above activities?

**ANSWER:** All Activities Allowed by the Work Permit details.

6) What can actually happen to the freelance salesman Lyoness member that gets caught by Immigration for not following this advice?

**ANSWER:** Up to 5 years imprisonment and/or fines from 2,000 THB to 100,000 THB,. Individuals who are foreigners organizing recruitment parties, seminars and presentations will sooner or later be reported by somebody as there are possible rewards from the Anti Money Laundering Office (AMLO) if foreigners are involved! The lawyer said it is absolutely certain that, reasonably quickly, people will start to be reported initially to the Police. If they arrive and see a foreigner they will immediately ask to see their business visa and should ask for their Work Permit at the same time, but sometimes do not, or ask them to bring it to a Police Station. In any event, anyone without these documents will be arrested.

## 7. Emergency and useful numbers

Emergency and Useful Numbers	
Service	Telephone Number
Tourist Police	1155
Police (General Emergency Call)	191
Fire Safety Emergency call	191
Ambulance and Rescue	1554
Medical Emergency Call	1669
National Disaster Warning Centre	1860
Lyonesse Siam Office	+66(0)2 250 8965



Facts and Statistics	
1.	Population : 66,720,000 (estimated as of year 2011)
2.	Currency Exchange Rates USD : \$1 : ฿31.39 (USD : THB) (exchange rates from 07.08.2012) EURO : €1 : ฿38.89 (EUR : THB) (exchange rates from 07.08.2012)
3.	Foreign Exchange Control: No
4.	Value Added Taxes (if applicable): 7%
Gift Giving Etiquette	
1.	Appropriate gifts are flowers, good quality chocolates, or fruit.
2.	Do not give marigolds or carnations as they are associated with funerals.
3.	Gold and yellow are considered royal colors, so they make good wrapping paper.
4.	Gifts are not opened when received.
Business Cards	
1.	Business cards are given after the initial handshake and greeting. In theory, you should give your card to the most senior person first. It is advisable to have one side of your business card translated into Thai.
2.	Use your right hand to deliver your business card, and have the Thai side faces the recipient.
3.	Look at a received business card for a few seconds before placing it on the table or in a business card case. As in most Asian countries, it is polite to make some comments about the card, even if it is only to acknowledge the address.
Dress Code	
1.	Business attire is conservative.
2.	Men should wear dark colored conservative business suits.
3.	Women should wear conservative business suits or dresses. Women need not wear hosiery.
4.	Since Thais judge you on your clothing and accessories, ensure that your shoes are always highly polished.
Other Customs	
1.	Thailand is a stronghold of Buddhism, which is practised by over 90% of the population.
2.	Thais respect hierarchical relationships. Social relationships are defined as one person being superior to the other. Status can be determined by clothing and general appearance, age, job, education, family name, and social connections.
3.	Openly criticizing a person or being upset with someone is a form of violence as it embarrasses the person and is viewed as a conscious attempt to offend the one being rebuked.
4.	Loss of face is a disgrace to a Thai so they try to avoid confrontations and look for compromises in difficult situations.
5.	If two parties disagree, one will need to have an outlet for retreat without losing face.