**Question 1: Framework/Issue Tree**

**Question:** Your client is a financial institution in Thailand that provides financial assistance to Micro-SMEs, SMEs, individuals, and local business cooperatives. Amid Thailand's household debt crisis, the client has experienced a decline in revenue and is considering whether to close more offline branches and shift services to mobile banking.

**Answer:**

1. **Conduct a Cost-Benefit Analysis**:
   * Compare the costs of maintaining offline branches vs. investing in mobile banking.
   * Estimate the potential revenue growth from mobile banking adoption.
2. **Understand Customer Needs**:
   * Survey customers to understand their preferences and barriers to adopting mobile banking.
   * Segment customers based on demographics and behavior to tailor strategies.
3. **Invest in Technology and Training**:
   * Upgrade the mobile banking platform to ensure scalability, security, and user-friendliness.
   * Train employees to support digital services and assist customers in transitioning.
4. **Monitor Competitors and Market Trends**:
   * Analyze competitors’ strategies and identify opportunities to differentiate.
   * Stay updated on macroeconomic trends and regulatory changes in Thailand.
5. **Pilot the Transition**:
   * Start by closing a small number of branches in areas with high mobile banking adoption.
   * Use pilot results to refine the strategy before scaling up.

**Conclusion**

The decision to close offline branches and shift to mobile banking requires a careful evaluation of financial, operational, customer, and market factors. By using this structured framework, the client can make an informed decision that balances cost savings, customer retention, and long-term growth opportunities. The key is to ensure a smooth transition for customers and employees while leveraging technology to stay competitive in Thailand’s evolving financial landscape.

**Question 2: Market Sizing & Guesstimate**

**Question:** How many washing machines were sold in Thailand in 2024?

**Task**:

* Provide a logical and structured approach to estimate the market size.
* Focus on the reasoning behind your calculation rather than achieving an exact answer.

**Answer:**

To estimate the number of washing machines sold in Thailand in 2024, we can use the following steps:

**Thailand's Population**: As of 2023, Thailand's population is approximately **72 million**.

**Average Household Size**: The average household size in Thailand is about **2.5 people**.

1. **Total Households:** Thailand has ~72 million people, with an average household size of 2.5.

Total Households= 72 million/2.5 = 28.8 million households.

1. **Washing Machine Penetration:**
   * Urban households (50% of total): 70% own washing machines.
   * Rural households (50% of total): 40% own washing machines.

Households with Washing Machines=15.84 million.

1. **Replacements:** Washing machines last ~10 years, so 10% are replaced annually.

Replacements=15.84 million×10%=1.584 million.

1. **New Purchases:** 5% of households without washing machines buy one annually.
2. **New Purchases**: 12.96 million×5%=0.648 million.
3. **Commercial Sales:** ~500,000 commercial establishments, with 2% buying annually.

Commercial Sales=500,000×2%=10,000.

1. **Total**=1.584 million+0.648 million+0.01 million=2.24 million.

**Final Estimate**: ~2.24 million washing machines were sold in Thailand in 2024.

**Conclusion**

This structured approach provides a logical estimate of the number of washing machines sold in Thailand in 2024. While the exact number may vary, the methodology ensures a reasonable and defensible estimate based on clear assumptions and logical reasoning.