

RETAILER PREFERENCE INDEX

# Hong Kong RPI 2022

dunnhumby



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# Introduction

The dunnhumby RPI Series is a global research programme designed to help grocery retailers understand what it is that drives shoppers to choose one banner over another – and what they can do to influence that choice. Since 2018, our RPI studies have helped to demonstrate the tangible link between meeting shopper needs and commercial success.

In this first edition of the RPI study for Hong Kong, we'll look at the market's top performers, the key issues that influence shopper preference, and some of the major trends that are

beginning to shape the future of the region's grocery industry.

As with all of our RPI reports, there are leaders and there are laggards. Our studies are never designed to highlight poor performance or to present the trailing banners in an unfavourable light. Instead, we believe that knowing what shoppers really want – and how well they feel those needs are being met – offers valuable insight for any retailer, no matter where they rank.

Without further ado, let's look at what Hong Kong's shoppers have to say.



# Executive summary

The headline findings from this first RPI study are as follows.

- **Wellcome takes the win:** The Dairy Farm Retail Group banner finishes top of the overall rankings in this inaugural report. Industry-leading Share of Wallet and Market Share scores help the retailer to the top, in spite of an average Emotional Connection with its customers. PARKnSHOP follows closely behind in 2nd.



- **Don Don Donki leads the way for Emotional Connection:** Our Emotional Connection ranking summarises the affinity that shoppers have for a retailer. Japan's Don Don Donki boasts the highest scores here, is the banner that shoppers are most satisfied with overall, and the one they're most likely to recommend to friends and family. HKTVmall and AEON place 2nd and 3rd.
- **Five "Preference Pillars" influence instore shopping:** Preference Pillars are overarching themes that help to define what shoppers are looking for from their grocery retail experiences. Five key issues hold sway in Hong Kong: Store Experience, Communication, Own/Private Label, Quality & Variety, and Price. Store Experience and Communication are significantly more influential than the others.

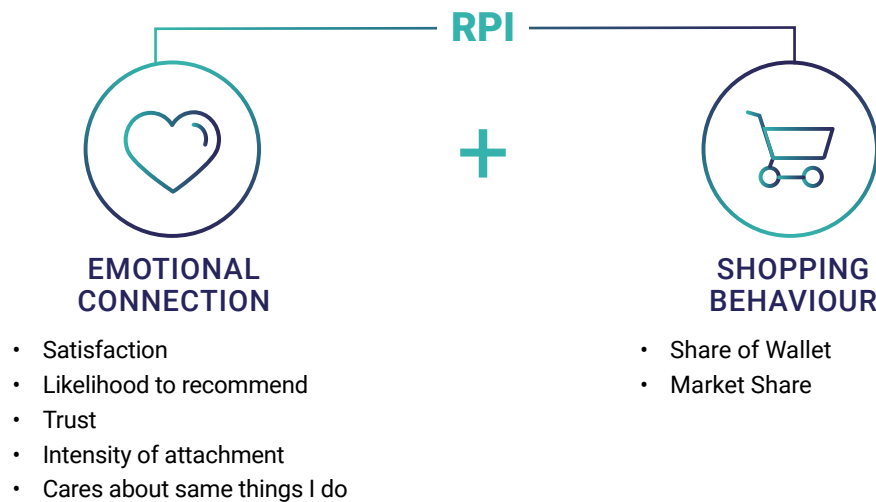
- **Four Pillars govern expectations about online grocery:** With Hong Kong's ecommerce grocery market being one of the world's most advanced, our study also explores the issues that drive shopper preference online. Here, four themes help customers decide which stores to buy from: Online Experience, Delivery, Price & Communication, and Online Offer. Online Experience is the most important of these by some way.
- **Performance varies, but the market leaders show strength throughout:** In each of the Preference Pillars, respondents provide a score for the retailers they shop with. While this leads to a diverse array of results, companies with a higher RPI ranking tend to perform uniformly well across all of the pillars. Meeting shopper needs consistently translates into commercial success.
- **Hong Kong's loyalty programmes may not be working as intended:** In a deep dive on the Moneyback and Yuu Rewards programmes, we found that while shoppers have a clear appreciation for the benefits of those schemes, they don't necessarily create the strong connection with stores that they should. We look at this issue, as well as the continuing impact of Covid-19, within.

# Methodology

The dunnhumby RPI Series is based on a standardised global methodology. For this study, we surveyed 2,800 of Hong Kong's grocery shoppers between 10th November and 1st December 2021.

## RPI rankings

At the core of the study are the RPI rankings. Here, retailers are ordered based on their combined scores in two areas: Emotional Connection and Shopping Behaviour.



**Emotional Connection** is designed to gauge the strength of the bond between a retailer and its customers. Scores here are based on responses to six questions, each of which tells us something about how customers feel about a store. Those questions are, in order of their importance:

- How likely are you to recommend it to friends and family?
- How sad would you be if this store closed?
- How much do you trust this retailer to do the right things for you?
- How similar is this retailer to your "ideal" store?
- To what extent do you believe this retailer cares about the same things that you do?

**Shopping Behaviour** looks at how respondents say they act using two metrics: Share of Wallet and Market Share.

To calculate Share of Wallet, we ask respondents how much of their monthly grocery wallet is spent at the stores they shop. Market Share is based on what percentage of the total spend by customers in the study took place at each store.

## Preference Pillars

Preference Pillars are overarching themes (like Quality, Price, and Communication) that customers believe are an essential part of a great grocery retail experience.

Each Preference Pillar is created from smaller issues aligned to that overall theme. In this RPI, for instance, the Store Experience Pillar includes factors such as how easy it is to shop at a store, how fast the checkout is, and how pleasant the store environment is.

As well as telling us which issues matter most to Hong Kong's customers when they're shopping for groceries, the Preference Pillars are also used to tell us how well each of the retailers in the study meets those expectations.

By comparing a retailer's overall RPI ranking with their performance in each of the Preference Pillars, we are able to ascertain the extent to which meeting customer needs is linked to commercial success.

## A note on the included retailers

Due to the expansive nature of Hong Kong's grocery retail market, some nuances in our approach require specific explanation.

For issues relating to overall shopping behaviours, we asked our respondents to provide feedback on 24 retailers. Questions here included which stores they had shopped in the past month, which was their usual store, how much of their grocery budget they typically spent there, and which categories they shopped most often.

For issues relating to the core of the RPI – questions around Emotional Connection and the Preference Pillars – we narrowed this down to a smaller group of 14. For the Online section of the report, we focused only on banners with a well-developed digital offering – of which there are 12.

The full list of 24 is below. Those highlighted bold part of that second group of 14. Additionally, the 12 marked with an \* are included in the Online section.

- **759 Store**
- **AEON \***
- Bestmart360
- Bigbig Shop
- **City Super \***
- Daily Manson
- **DCH \***
- **Don Don Donki \***
- **Fusion \***
- Homeplus
- HKTvmall \*
- **International \***
- **Kai Bo**
- Mama 730
- **Marketplace by Jason \***
- **PARKnSHOP \***
- PrizeMart
- Qdama
- **Taste \***
- Tmall
- **Vanguard / U-Select**
- **Wellcome / Wellcome Fresh (referred to as Wellcome) \***
- **YATA \***
- Zstore

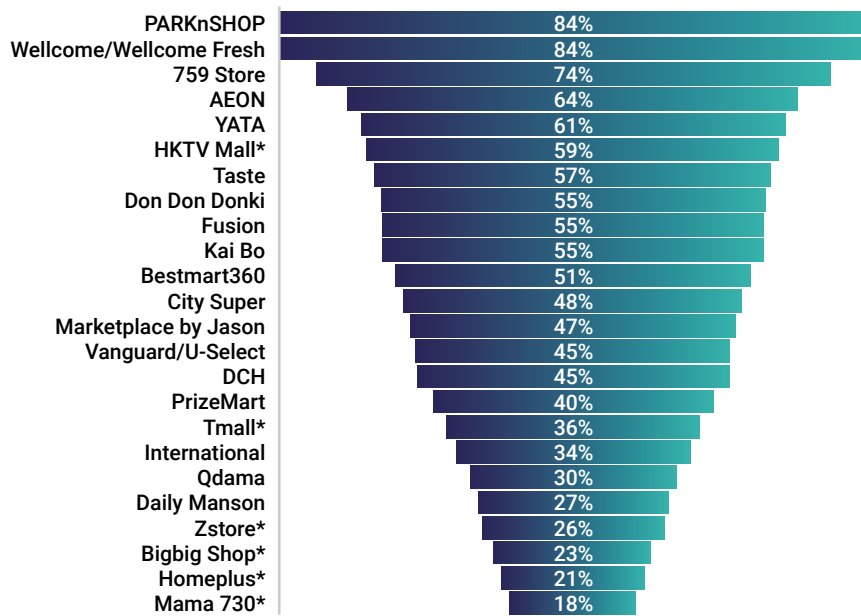
# General insights into Hong Kong's shoppers

While the main purpose of the RPI Series is to examine the link between customer expectations and commercial success, we naturally want to learn as much as we can about overall attitudes towards grocery retail as well. Presented here are some general observations about the region's shopping behaviours in the four weeks leading up to the study.

## Three stores are shopped by a significant percentage of the market

Three stores in particular welcome a significant number of visitors. An identical number of respondents (84%) had shopped at PARKnSHOP and Wellcome during the preceding month. 74% visited a 759 Store.

## Stores shopped past month



\*Pureplay

While these three are the clear winners in terms of overall visits, there is abundant competition across the market. Of the 24 retailers included in this section of the report, 11 were shopped by more than half of respondents. Naturally, this has a bearing on everything from loyalty to share of spend – factors that we'll look at later on.

In terms of the market's pureplay retailers, we see substantial differences between them. While 59% of respondents said they'd shopped with HKTVMall, for instance, that figure falls considerably for Tmall (36%), Zstore (26%), Bigbig (23%), Homeplus (21%), and Mama 730 (18%). As we'll come to see, HKTVMall's popularity here is also reflected in its overall RPI performance.

## Loyalty in Hong Kong is almost perfectly in line with the global average

Featured in many of our recent RPI studies, the "Loyalty Index" helps us to understand how loyal a country or region's shoppers are compared to other

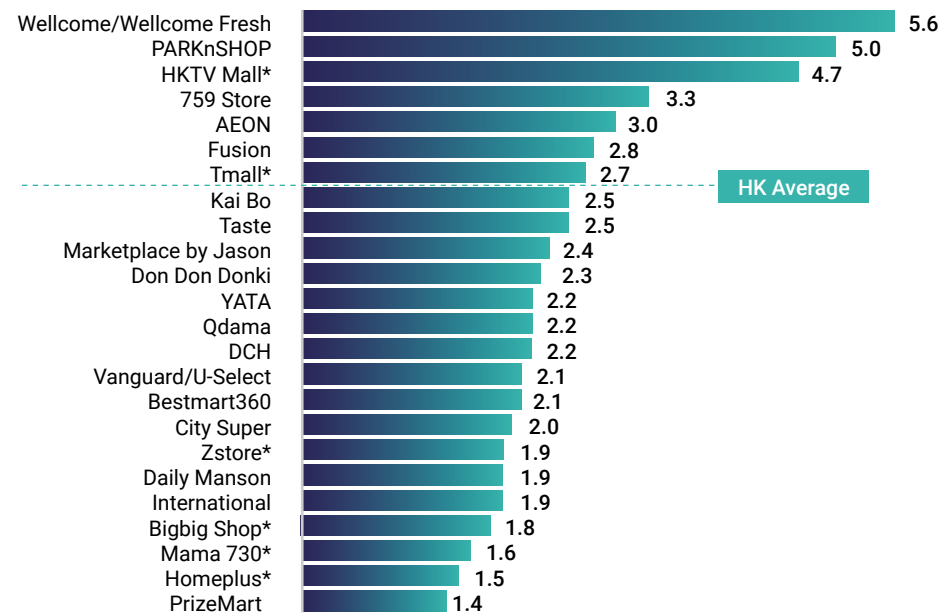
markets. The Index can be used to help understand loyalty both in the context of the local market, and internationally.

From the latter perspective, Hong Kong is exceedingly close to the global average. The region’s score is 2.6, compared to an international average of 2.5. While this is higher than Australia (2.1), Singapore (1.9), and Thailand (1.6), Hong Kong’s Loyalty score still pales in comparison to that of Japan – the world’s highest at 4.7. Germany is Hong Kong’s closest analogue, with a Loyalty Index score of exactly 2.5.

Country	Index
Japan	4.7
Brazil	4.4
France	3.3
Korea	2.8
<b>Hong Kong</b>	<b>2.6</b>
Germany	2.5
UK	2.2
Australia	2.1
Spain	2.1
Singapore	1.9
Portugal	1.7
Denmark	1.6
Thailand	1.6
Italy	1.4
<b>Average</b>	<b>2.5</b>

Looking specifically at loyalty within Hong Kong, it is immediately clear that a few key banners are helping to drive up the country’s overall score. Shoppers demonstrate significantly higher loyalty to Wellcome (5.6), PARKnSHOP (5.0), and HKTVmall (4.7) than any other stores. In fact, loyalty scores for the majority of retailers actually fall below the Hong Kong average – testament to the strength of the uplift delivered by those at the top.

### Loyalty Index

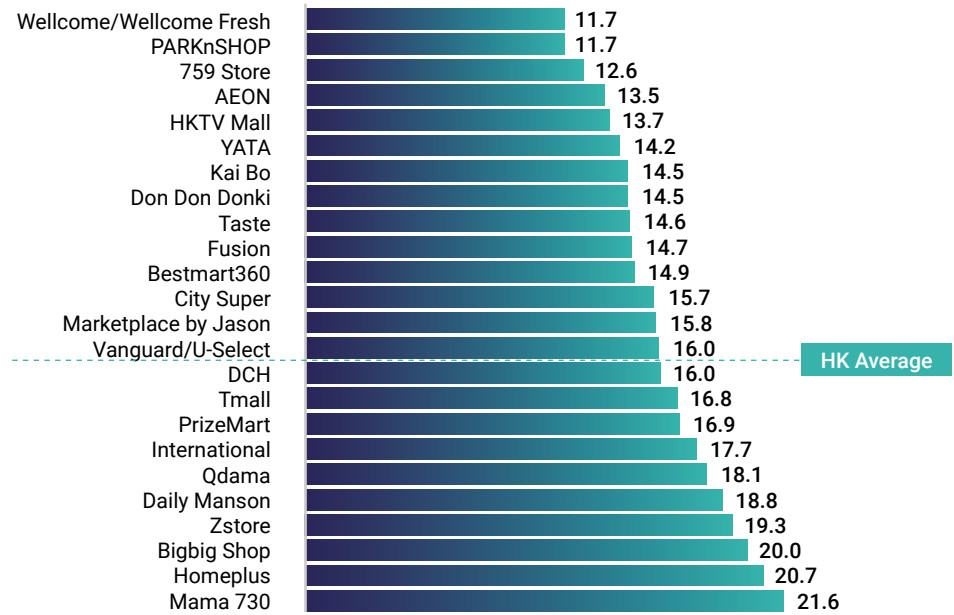


\*Pureplay

### *Even where loyalty is “high”, people shop at a number of other stores*

While the Loyalty Index helps us understand customer behaviours in a broad context, it doesn’t tell us how they actually shop. To do that, we need to look specifically at the number of stores they visit in addition to their “main” banner – the one they visit most frequently.

### # of other stores shopped by shoppers of...



By doing so, we can quickly see just how diverse Hong Kong's grocery industry really is. Even for those stores with the highest loyalty scores – Wellcome and PARKnSHOP – the average customer shops around 12 other banners each month. For those at the bottom of the Loyalty Index, that figure rises to more than 20. Loyalty here is measured more in terms of share of wallet than by devotion to a single banner.

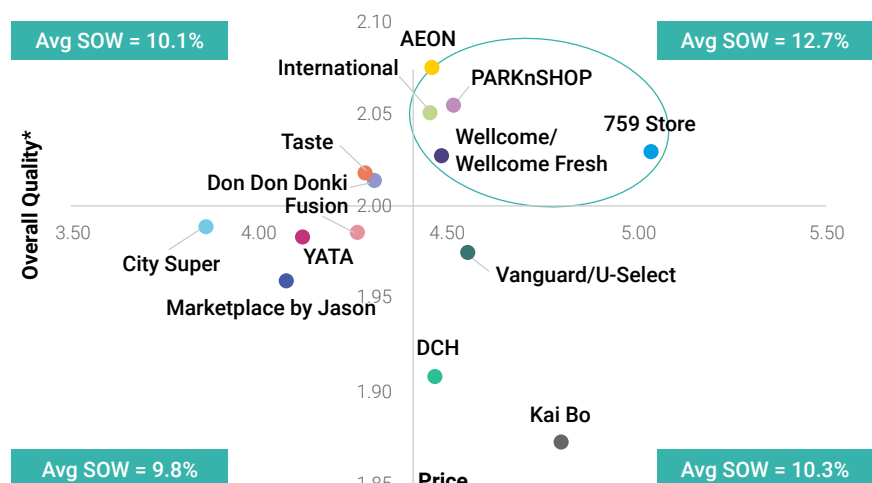
To put that in context, the average shopper in Hong Kong buys from around 16 other stores in addition to their primary choice each month. In Singapore, that number falls to

nine; for Japan, it is just two. While this isn't a problem in and of itself – every market is different, and Hong Kong's shoppers have a huge amount of choice compared to some neighbouring territories – it does make it much more important for Hong Kong's retailers to maximise their Share of Wallet.

#### *A well-balanced value proposition drives loyalty and share of spend*

One thing that is particularly useful about the RPI format is that it enables us to create a value proposition matrix – a map that shows the intersection of price and quality, as perceived by customers.

### Value Proposition



\*Overall quality is a weighted average of the Store Experience, Variety, Quality, Own label, Organics/sustainability and Communication pillars

In the matrix for Hong Kong, we can see three important groupings. Towards the top right – 759, PARKnSHOP, and Wellcome – are those who are well regarded for quality and price alike. In the middle of the chart are those with a good balance of both, but aren't leading the way in either. And, in the lower left are those whose quality to price ratio doesn't balance out.

The most important dynamic play here is that of Share of Wallet. When we look at Share of Wallet for those in the upper right quadrant (strong value proposition), it averages out at around 13%. For those in the lower left (weak value proposition), that figure falls to 10%.

Logical though it may be, this provides us with substantial evidence that when customers feel

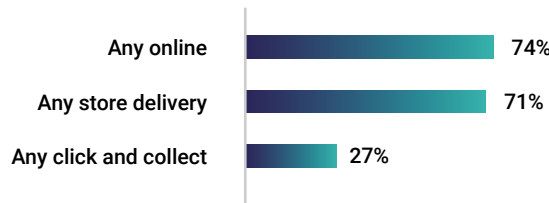
there is a fair relationship between what they give (i.e. price) and what they get (i.e. quality), they're likely to spend more as a result. What's crucial is that this isn't about being either the cheapest or the best – it's about finding an appropriate blend of the two.

Regardless of their pricing model, the upper right is where every retailer should aspire to be.

***Online shopping is commonplace, but less prevalent than in neighbouring markets***

Hong Kong's online retail landscape is well developed, with around three-quarters (74%) of respondents saying that they shop for goods over the internet. The majority (71%) prefer to have their purchases delivered, though around a quarter (27%) opt to collect in person.

**Online shopping in Hong Kong**



While ecommerce penetration is high – particularly in the context of our other global studies – Hong Kong does lag behind other nearby markets. The region sits third in the rankings here, far ahead of most European and American countries, but behind both Thailand (92% penetration) and Singapore (81%). Japan remains the true outlier in APAC however, with only 14% of its population currently engaged with digital retail.

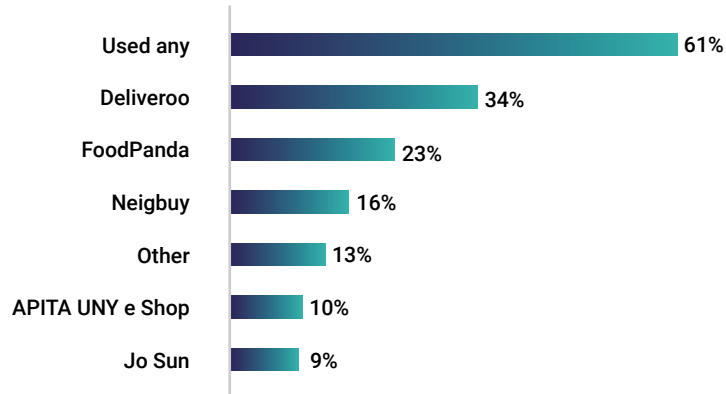
Country	Any in-store	Store Only	Store/Online	Any online
Thailand 2020	97%	9%	89%	92%
Singapore 2021	99%	19%	81%	81%
<b>Hong Kong</b>	<b>99%</b>	<b>26%</b>	<b>73%</b>	<b>74%</b>
UK 2021	95%	42%	53%	58%
Brazil 2021	97%	43%	53%	57%
Mexico 2021	99%	44%	55%	56%
Spain 2020	99%	63%	36%	37%
Spain 2021	98%	63%	35%	37%
France 2021	99%	65%	34%	35%
Italy 2021	99%	71%	28%	29%
Australia 2021	99%	72%	27%	28%
Poland 2021	100%	76%	24%	24%
Germany 2020	99%	81%	19%	19%
Portugal 2020	100%	81%	19%	19%
Japan 2021	98%	86%	11%	14%

*Delivery services are well used, but there's no clear leader at present*

In conjunction with the above, around two thirds of the market (61%) say that they have used a specific home delivery service. Deliveroo leads the way here, having been tried by around a third of people (34%), but no fulfilment company yet dominates in the same way that some retailers do.

FoodPanda and Neigbuy are the second and third most popular choices.

**Use of Delivery Services**

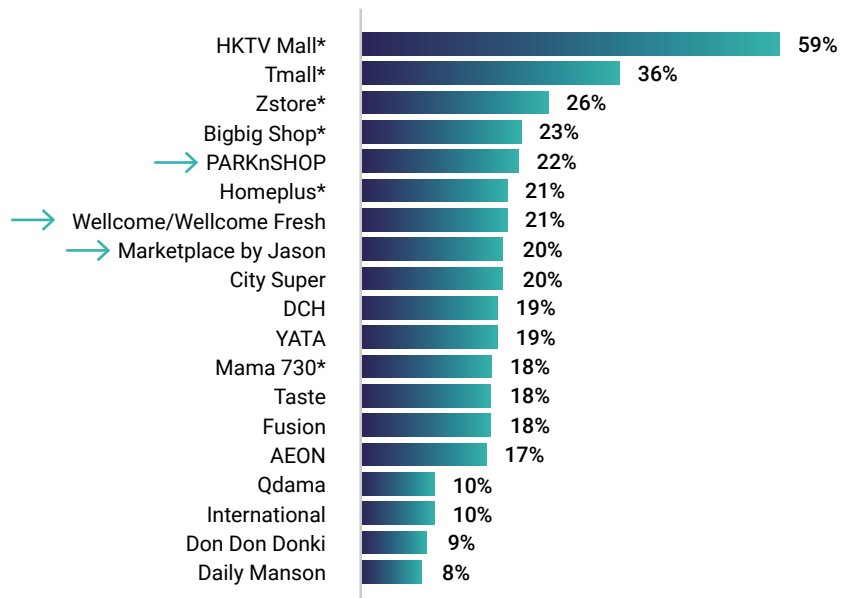


*Pureplays are the dominant force online*

While Wellcome and PARKnSHOP might attract the greatest number of customers overall, they have some way to go if they're to close the gap with the pureplays when it comes to online. HKTVMall is the clear market leader from a digital perspective, with well over half (59%) of shoppers having bought from there before.

Tmall (36%), Zstore (26%), and Bigbigshop (23%) all capture a greater online share than Wellcome (21%), though PARKnSHOP (22%) does manage to edge ahead of another pureplay banner in Homeplus (21%).

**% who have shopped online at...**

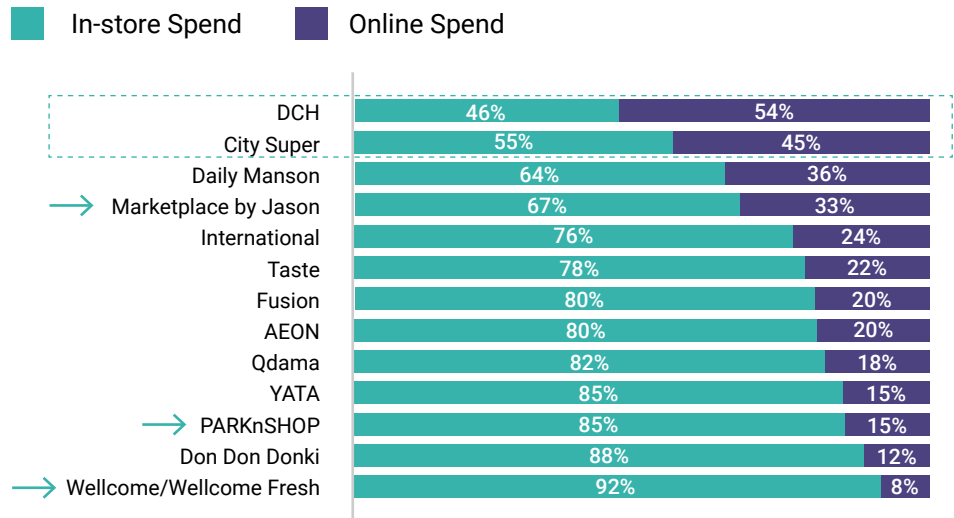


\*Pureplay

In terms of the distribution of on- and offline spending, the physical store remains the primary revenue driver for the majority of omnichannel banners. 85% or more of all money spent at PARKnSHOP, Donki, and Wellcome is exchanged in store.

At the likes of City Super and DCH however, we see a much closer split between in-store and online. The latter banner in particular is the only omnichannel retailer that earns more money via its digital channels – with revenues split at 54% online and 46% instore.

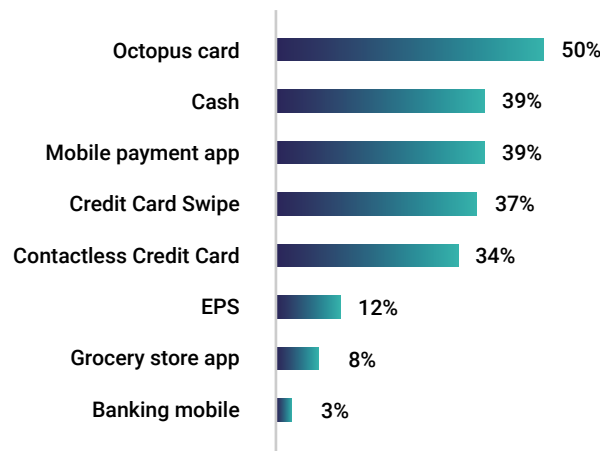
### % of spending at store by channel (omnichannel only)



### The Octopus Card is a popular payment method, but cash remains key

When looking at how Hong Kong shoppers pay for goods, the rechargeable Octopus Card has made clear headway. Half of respondents say that they use the card, making it the most popular choice in our study.

### Payment methods used



While mobile apps (39%), and credit cards both swipe (37%) and contactless (34%) also see frequent use, so too does cash (39%). Less than a tenth of respondents currently use either retailer-owned apps (8%) or mobile banking services (3%).

The prominence of the Octopus Card can be seen more clearly when examining the most common payment methods for regular shoppers of each banner. Octopus is the top choice at more than a third (39%) of retailers, with credit cards the preferred method at most others – particularly the pureplays. DCH is the only retailer at which cash continues to be the preferred choice, interesting considering its digital-centric revenue split.

**Most common payment method among those who shop store most often\*\***

759 Store	Octopus card
AEON	Octopus card
Bestmart360	Mobile
Bigbig shop*	Credit card swipe
City Super	Credit card swipe
Daily Manson	Contactless credit card
DCH	Cash
Don Don Donki	Contactless credit card
Fusion	Octopus card
HKTVMall*	Credit card swipe
Kai Bo	Octopus card
Marketplace by Jason	Contactless credit card
PARKnSHOP	Octopus card
Taste	Octopus card
Tmall*	Mobile
Vanguard/U-Select	Mobile
Wellcome/Wellcome Fresh	Octopus card
YATA	Credit card swipe

\*Pureplay

\*\* Stores with small base sizes excluded from this chart.



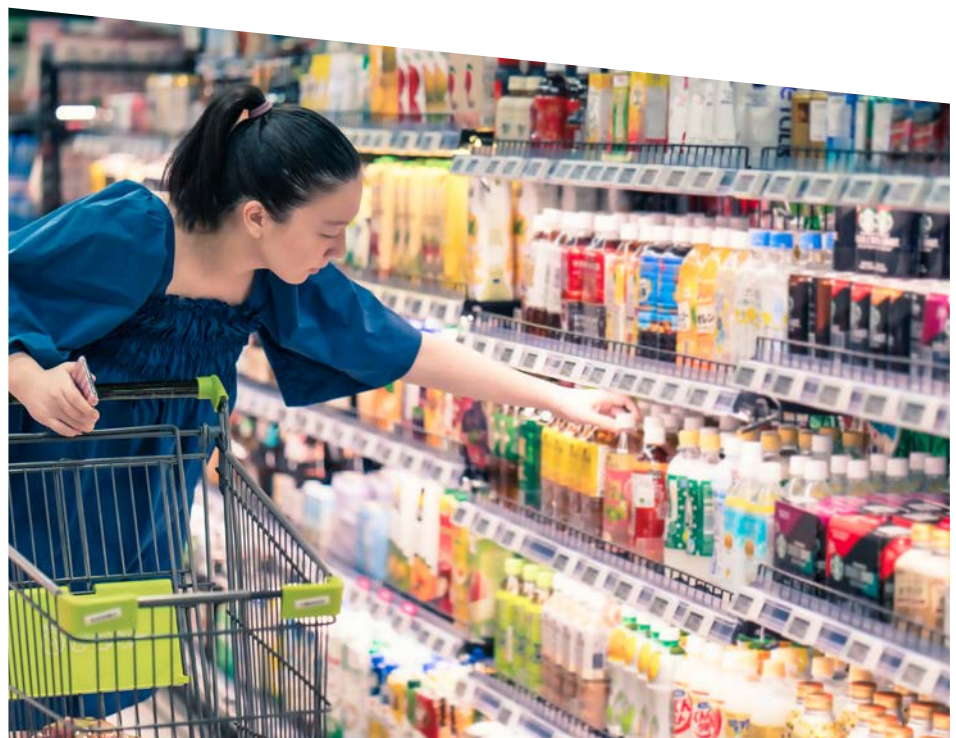
# Exploring the Preference Pillars: what do Hong Kong's shoppers care about most?

As mentioned above, the Preference Pillars are a core element of every RPI study, providing us with a summary of the issues that customers evaluate when deciding where to buy their groceries.

One of the most important things about the Preference Pillars is that they are unique to each market. Because we want each market's shoppers to tell us what they really care about, the Pillars can change significantly from study to study. Japan's Pillar covering Environmental & Community Impact isn't found anywhere else, for instance.

In this first study for Hong Kong, the Preference Pillars echo many of the issues that we see in other markets around the world. While the ordering is specific to the region, shoppers here tend to place similar emphasis on many of the themes that their international counterparts do.

In recognition of the fundamental differences between shopping instore and online, we asked respondents a range of questions designed to address specific issues across both channels. As a result, we have been able to identify different Preference Pillars for each. These are shown below, in order of the influence they have on shopper preference.



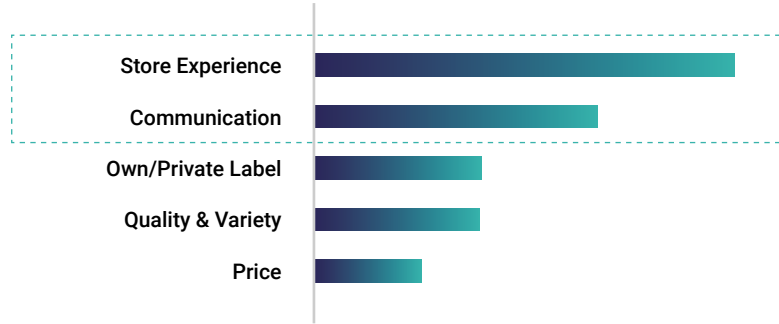
## In-store

Five Preference Pillars have an impact on where customers choose to buy groceries when shopping instore.

Instore Preference Pillar	Preference Drivers within the Pillar
<b>Store Experience</b>	<ul style="list-style-type: none"> <li>Easy and fast to shop</li> <li>Check out is fast and easy</li> <li>Has a nice and pleasant store environment</li> <li>Friendly, helpful and available staff</li> <li>Has convenient locations</li> </ul>
<b>Communication</b>	<ul style="list-style-type: none"> <li>Inspires me with useful communications</li> <li>Sends me tailored communications with relevant products or offers</li> <li>Environmentally responsible through sustainable products or other initiatives</li> <li>I receive rewards that engage me to shop here</li> <li>Has a positive social impact on the community</li> <li>Has digital tools (such as apps or a website) that make shopping easier</li> </ul>
<b>Own/Private Label</b>	<ul style="list-style-type: none"> <li>Has high quality own or private label products</li> <li>Has a wide variety of own or private label products</li> <li>Has good prices on own or private label products</li> </ul>
<b>Quality &amp; Variety</b>	<ul style="list-style-type: none"> <li>Offers a wide variety of natural and organic</li> <li>Offers appetizing prepared and ready to eat foods</li> <li>Introduces new and interesting products regularly</li> <li>Has high quality products</li> <li>Has the right variety of products to meet my needs in the store</li> <li>I can do all of my shopping in this one store</li> <li>Has high quality, fresh meat, fruits and vegetables in the store</li> <li>Has a variety of local products</li> </ul>
<b>Price</b>	<ul style="list-style-type: none"> <li>Has low prices even when not using offers or special deals in the store</li> <li>Has discounts on items I buy regularly</li> </ul>

The Pillars have differing levels of influence on shopper choice. In the graph below, we can see that of the five, the Store Experience and Communication Pillars have the greatest influence on overall RPI score. Store Experience in particular has more than twice as much influence on shopper choice as the three lower-ranked Pillars.

## Overall Pillar Importance



So what does this tell us about what Hong Kong’s customers are looking for from their in-person retail experience? Primarily that convenience is key. Shoppers not only want to be able to get in and out of a store quickly, they’re looking for retailers to make their lives easier with inspiration and ideas before and during their trip as well. Moreover, they want to feel rewarded, too.

In many ways, this sentiment reflects some of our other global studies. Store Experience, or some variation of it, can frequently be found in the top three of our RPIs. But there is something else at play here, and that is the prominence of Communication. While similar Pillars do appear in our other studies, they usually do so towards the foot of the rankings, and have comparatively little influence on shopper preference. Not so here, where Communication is seen as a hugely valuable aspect of the overall proposition.

In light of that, it is only logical that something else would have to make way – and that is Price. Price is a perennial feature in many of our Preference Pillars around the world (though not Asia), often appearing in the top three if it isn’t first outright. In Hong Kong, Price is relegated to fifth, something that we’ll discuss in the next section.



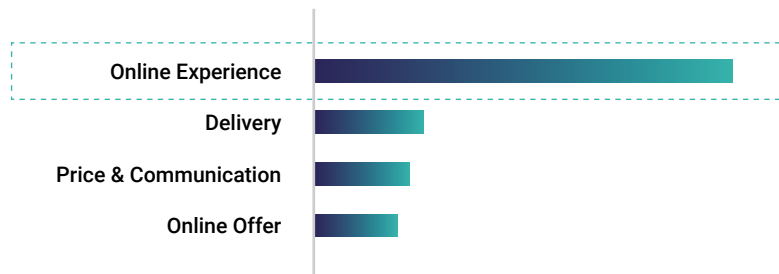
# Online

On the ecommerce side, we see four Preference Pillars.

Online Preference Pillar	Preference Drivers within the Pillar
<b>Online Experience</b>	<ul style="list-style-type: none"> <li>It's easy to shop with this online store</li> <li>Online checkout is fast and easy</li> <li>When I click on the search bar, I always find my products easily</li> <li>It's easy to find what I am looking for on the website</li> </ul>
<b>Delivery</b>	<ul style="list-style-type: none"> <li>I can get my order delivered when I need it</li> <li>My order is delivered when promised</li> </ul>
<b>Price &amp; Communication</b>	<ul style="list-style-type: none"> <li>Low prices online even when not using offers or special deals in the store</li> <li>I get shown relevant products that help me build my basket</li> <li>Promotions are relevant, and for products I regularly buy</li> <li>Competitive delivery cost</li> <li>Inspires me with useful communications</li> </ul>
<b>Online Offer</b>	<ul style="list-style-type: none"> <li>High quality fresh meat, fruits and vegetables</li> <li>I can do all of my shopping at this online store</li> <li>The right variety of products to meet my needs</li> <li>When a product is not available, I get shown relevant substitutes</li> </ul>

Again, shoppers attach different weightings to these Pillars. And unlike with the instore rankings, one issue matters more than any other here: Online Experience. While Delivery, Price & Communication, and the overall Online Offer all have an impact on shopper preference, Online Experience is significantly more influential.

## Overall Pillar Importance



In these results, we can again see the overwhelming importance of convenience to Hong Kong's shoppers. Above all else, their online experience needs to be fast, easy, and frictionless.

# 2022 Hong Kong RPI: The Results

In this section we explore the final retailer rankings, the winners in terms of Emotional Connection, Share of Wallet, and Market Share, and the star performers under each of the Preference Pillars.

## The RPI rankings

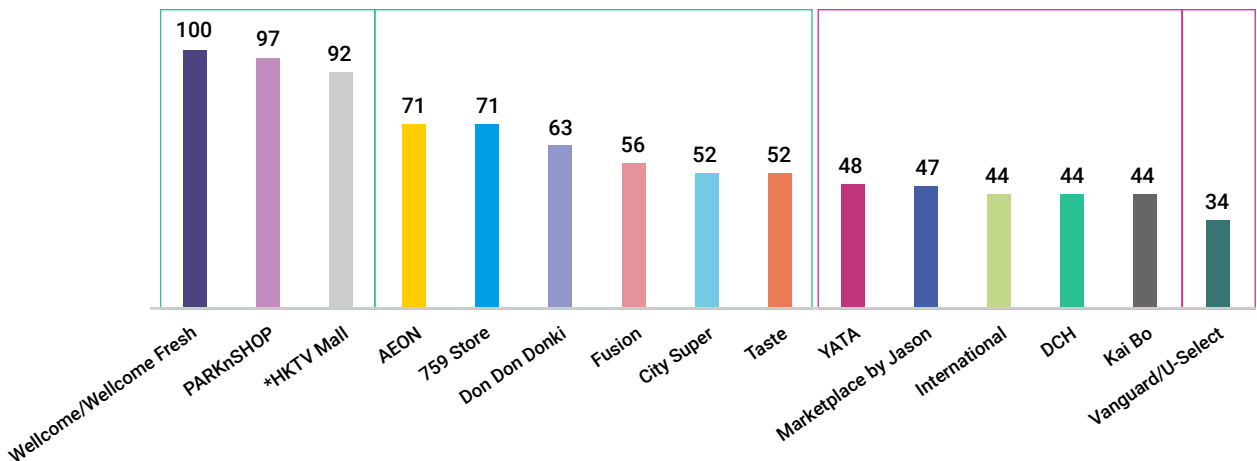
Wellcome is the highest ranking retailer in our study. While its Emotional Connection is relatively average, Wellcome’s market-leading performance is driven by excellent Share of Wallet and Market Share scores.

Following closely behind is PARKnSHOP, with pureplay retailer HKTVMall taking third place. The presence of an online-only retailer in the top three is an uncommon sight in our RPI studies, and is testament to the strength of Hong Kong’s

e-commerce landscape – something that we’ll explore in more detail later on.

More broadly, and as shown in the accompanying chart, we see four clear tiers in the rankings. Wellcome, PARKnSHOP, and HKTVMall occupy the first of these, with the second including AEON, 759 Store, Donki, Fusion, City Super, and Taste. YATA, Marketplace by Jason, International, DCH, and Kai Bo can all be found in the third tier, with Vanguard / U-Select in the fourth.

Total RPI Score



\*Pureplay

While the scores between the second and third tiers are close enough that we might expect some degree of movement between them in future studies, significant change would be required for any of the three market leaders to slip down into that second tier. Wellcome and PARKnSHOP in particular have what looks to be an unassailable lead – though they remain in close competition with each other for that overall top spot.

## Retailer profile: Wellcome



Hong Kong's longest established supermarket chain, Wellcome's origins date back to 1945 and a single branch on Ice House Street in the region's Central district. In 1964, Wellcome was wholly acquired by Dairy Farm Retail Group – itself now part of British multinational Jardine Matheson.

With a network of more than 280 stores serving over 16 million shoppers each month, Wellcome's outstanding Share of Wallet and Market Share scores are to be expected. So too is the banner's 1st place ranking overall, driven primarily by that market leading financial performance.

Over the past year, Wellcome has launched a number of initiatives seemingly designed to shore up that lead. In July, it relaunched its Chinese grocery-focused "Yu Pin King" line, while also investing in "Meadows" – a new international range of products<sup>1</sup>. The company claims that the average family can save HK\$5,000 by switching from national brands to those goods.

Soon after that own label refresh, the company unveiled the Wellcome Fresh concept – a 50,000sqft store housing a "megacollection" of goods, and serving as Hong Kong's largest superstore to date. The Fresh concept combines fruit and vegetables sourced from Southeast Asia, Australia, Europe, and the US, as well as a number of gourmet brands and ready-to-eat (RTE) options<sup>2</sup>.

In November, Wellcome announced the Rice Donation Charity Programme. Following an initial donation of HKD\$3,000,000 to food poverty charity Foodlink, the company also promised an additional HKD\$0.5 for every kilogram of Yu Pin King rice sold in its stores<sup>3</sup>.

With all of that in mind, it's no surprise to see Wellcome perform as well as it does across the RPI. Highly regarded for its Store Experience, Communication, Own/Private Label, and Price, Wellcome demonstrates a consistent performance across the Pillars.

One area for potential improvement is that of Emotional Connection, where Wellcome ranks 10th. As frequently shopped as it is, and as successful as it is at aligning its value proposition behind what customers want, something about the company doesn't quite resonate as well as it should. Loyalty, it seems, doesn't always equate to love.

### What customers like best:

- "There are lots of branches, so it's very convenient to shop there."
- "The stores are big, and the price of imported meat, fruits, and vegetables is cheaper than at the markets."
- "Shopping is convenient, simple, and fast."

<sup>1</sup> <https://www.marketing-interactive.com/dairy-farm-strengthens-own-brand-product-lines,-plans-to-fade-away-no-frills-brand>

<sup>2</sup> <https://insideretail.asia/2021/10/18/hong-kongs-wellcome-unveils-new-fresh-store-format/>

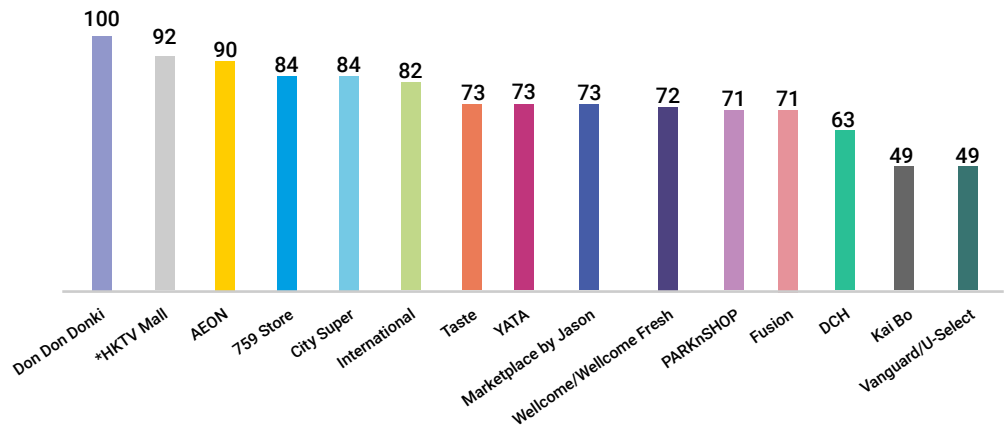
<sup>3</sup> [https://www.thestandard.com.hk/breaking-news/section/4/182969/Wellcome-teams-up-with-Foodlink-to-launch-a-HKD\\$5,000,000-Rice-Donation-Charity-Programme](https://www.thestandard.com.hk/breaking-news/section/4/182969/Wellcome-teams-up-with-Foodlink-to-launch-a-HKD$5,000,000-Rice-Donation-Charity-Programme)

## Emotional Connection



Leading the way in Emotional Connection is Don Don Donki (referred to simply as “Donki” from here on in). The Japanese banner is the clear leader in this area, followed by HKTVMall in 2nd and AEON in 3rd.

### Emotional Connection



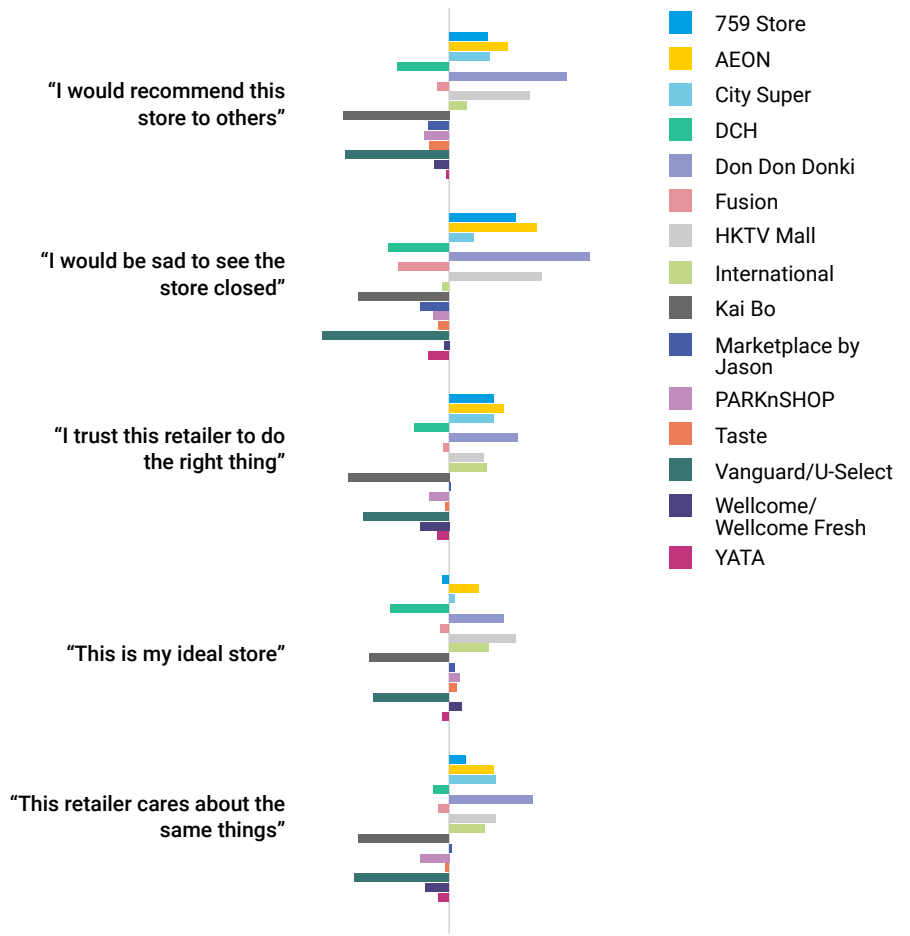
\*Pureplay

Donki leads the way in four out of the five questions that relate to Emotional Connection, the only exception being that relating to what Hong Kong shoppers see as their “perfect” grocery store. There, HKTVMall is perceived to be a little closer to the ideal.

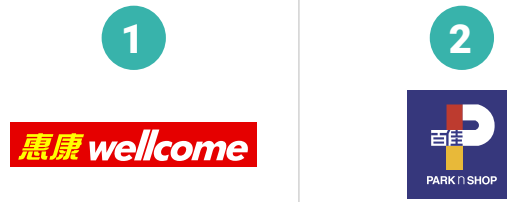
AEON, in 3rd, scores well across each of the questions too – particularly in terms of the banners that shoppers trust to act with their



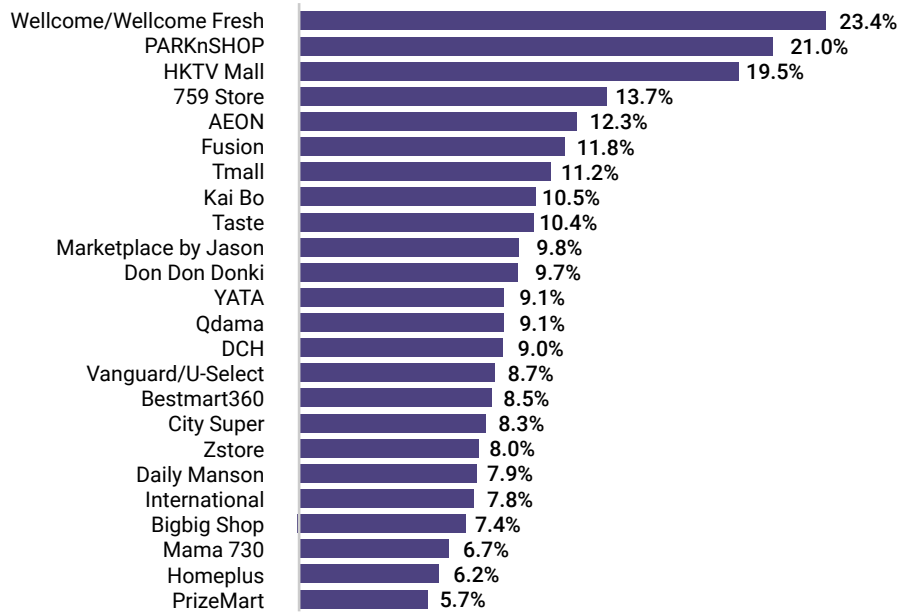
### Scores for the individual Emotional Connection questions



## Share of Wallet



## Share of Wallet

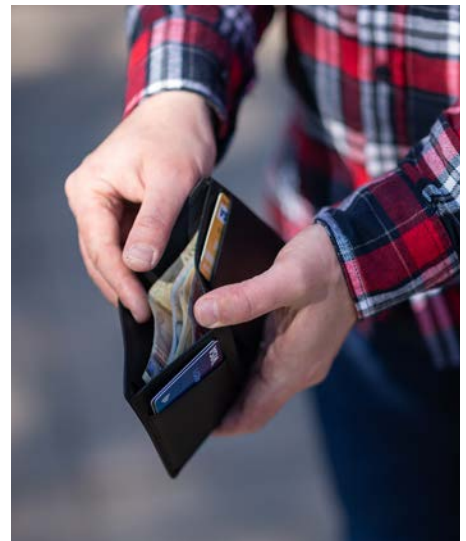


As mentioned above, Wellcome is the dominant force in terms of Share of Wallet. While PARKnSHOP and HKTVMall remain relatively close in 2nd and 3rd, Wellcome has a significant lead over the rest of the market.

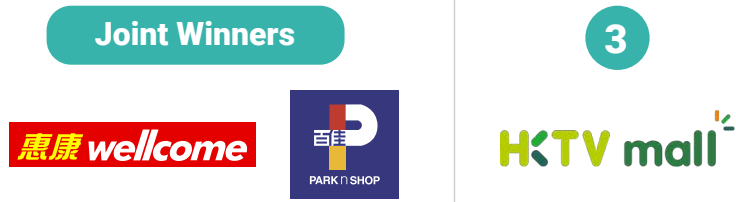
An average Wellcome shopper spends almost a quarter of their monthly grocery budget at one of those stores (23%). For PARKnSHOP (21%) and HKTVMall (20%), that figure is closer to one fifth. Below these three, most retailers have to settle for around a tenth or less.

These results help to reinforce the huge impact that Wellcome, PARKnSHOP, and HKTVMall have on Hong Kong's overall Loyalty Index

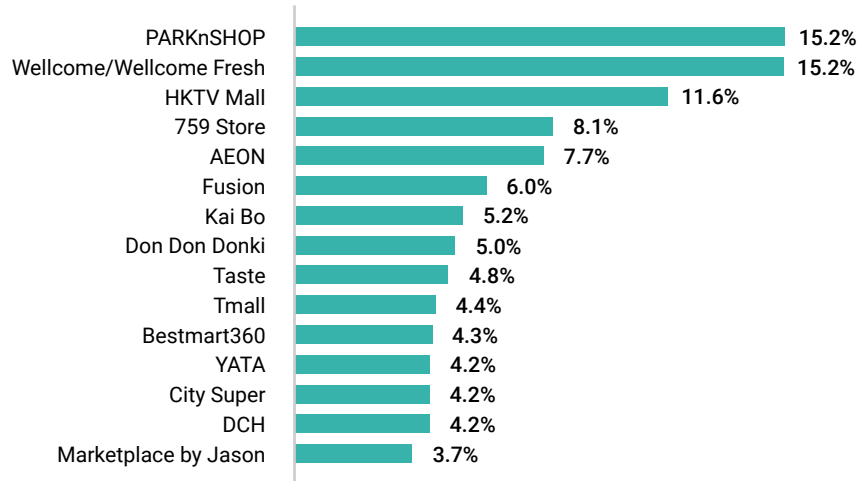
score. If these banners were to perform more in line with the rest of the market, that figure would be much lower than it is.



## Market Share



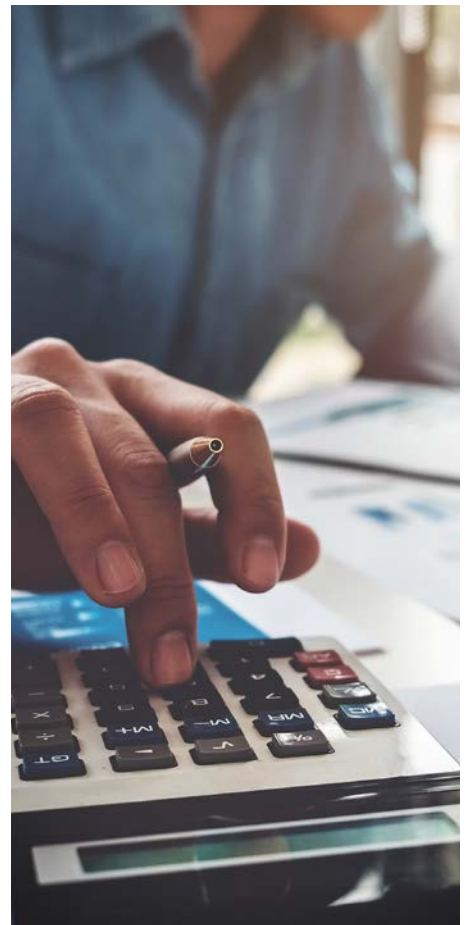
## Market Share



Wellcome’s exceptional performance continues here, though the banner ultimately shares 1st place with PARKnSHOP.

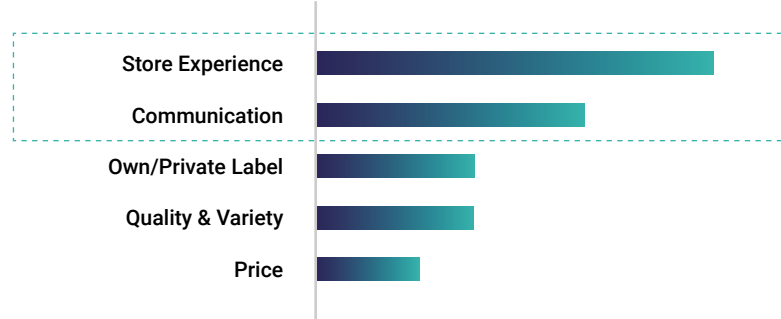
As a reminder, Market Share reflects the percentage of the total spend amongst all respondents that took place at each store. This explains why Wellcome and PARKnSHOP can tie for 1st place.

Notably, even the leaders in this area have a comparatively small share of the market – 15% in the case of both PARKnSHOP and Wellcome. This speaks to a significant opportunity for any retailer with the right approach to loyalty, something we discuss in more detail in our conclusion.



# Preference Pillar performance: In-store

## Overall Pillar Importance

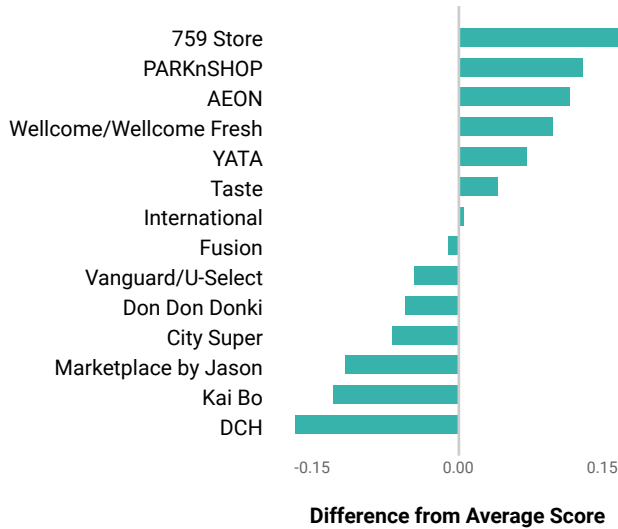


Let's now explore each of the five Preference Pillars relating to the in-store experience, the star performers in each, and the main strengths and weaknesses of every retailer included in the study.

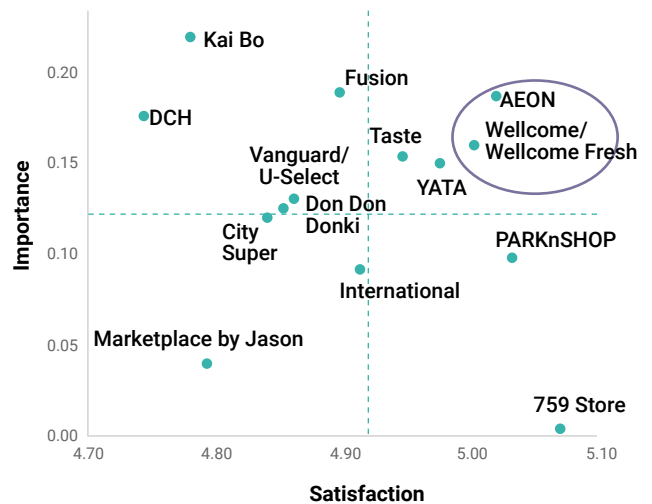
## Pillar 1: Store Experience



### Store Experience



### Store Experience Value map



While it places joint 4th overall, 759 Store enjoys a breakout performance in this first and most influential Preference Pillar. Respondents were overwhelmingly positive about the experience they found when shopping at a 759, awarding it the highest score for both ease of shopping and speed of checkout – the two most influential variables in the Store Experience Pillar.

Overall, though, 759’s winning display is based on consistency rather than its ability to lead the market in multiple areas. While others take the crown in terms of convenient locations (Wellcome) and the quality of the store environment (AEON), 759 Store is well regarded enough across the entirety of the Pillar to warrant its position at the top.

The 759 Store network – and parent company CEC International – has

been notably agile in its approach to location during the past couple of years. The company’s annual results for 2020/21 mention that it had been “reviewing its shop network in the year, actively searching for promising regions and shop sites to extend its business”. As a result, while 13 existing 759 Stores closed, 10 new ones opened up<sup>4</sup> in tandem.

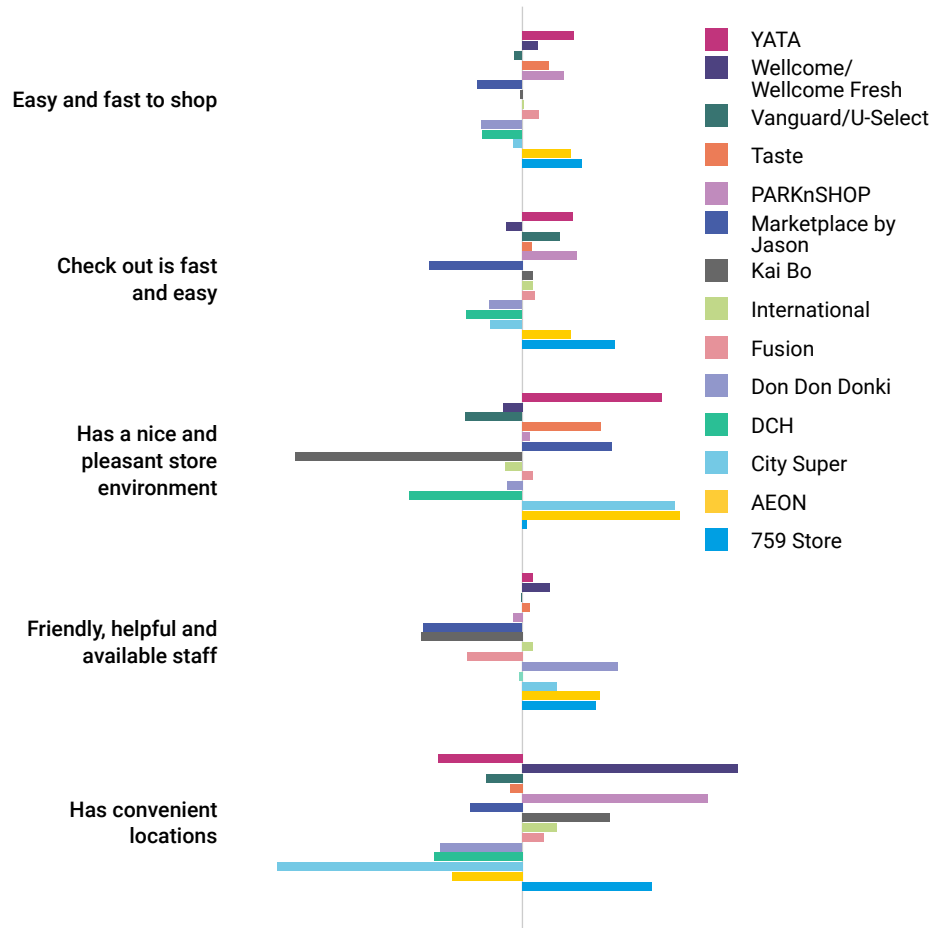
PARKnSHOP, which fends off strong competition from AEON in 3rd, again ranks highly primarily thanks to its overall consistency. The company’s investment into electronic shelf labels (ESL) in recent times<sup>5</sup> may have helped to enhance its reputation for ease of shopping, while the opening of the TASTE x FRESH concept store last year will likely have been hard to miss for shoppers in Kowloon Bay<sup>6</sup>.

<sup>4</sup> [www.0759.com/doc/art/announce/2021072801/default.htm](http://www.0759.com/doc/art/announce/2021072801/default.htm)

<sup>5</sup> <https://www.ewinstore.com/2019/03/21/hong-kongs-largest-retailer-transforms/>

<sup>6</sup> <https://retailasia.net/stores/exclusive-news/taste-x-fresh-crossover-concept-store-offers-offlineonline-shopping-option>

**% diff to standard score**



Elsewhere, Donki is praised for the helpfulness and availability of staff, while City Super pushes AEON hard in terms of the store environment.

One final note on this Pillar, and one that will be clear to anyone studying the accompanying “Store Experience” value map; while shoppers believe 759 Store to be the best in this area, they see Store Experience as an issue of incredibly low importance for the banner. The likely explanation for this is that 759 meets their expectations so well, shoppers no longer see Store Experience as something that the retailer needs to focus on.



**Strengths, weaknesses and opportunities**

How can some of Hong Kong’s leading retailers improve their performance in Store Experience, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
759 Store	Convenient locations	Has a nice and pleasant store environment
AEON	Friendly, helpful, and available staff	Convenient locations
City Super	Has a nice and pleasant store environment	Checkout is fast and easy
DCH	Friendly, helpful, and available staff	Has a nice and pleasant store environment
Don Don Donki	Friendly, helpful, and available staff	Convenient locations
Fusion	Convenient locations	Friendly, helpful, and available staff
International	Convenient locations	Has a nice and pleasant store environment
Kai Bo	Convenient locations	Friendly, helpful, and available staff
Marketplace by Jason	Has a nice and pleasant store environment	Friendly, helpful, and available staff
PARKnSHOP	Convenient locations	Friendly, helpful, and available staff
Taste	Has a nice and pleasant store environment	Convenient locations
Vanguard/U-Select	Checkout is fast and easy	Has a nice and pleasant store environment
Wellcome/Wellcome Fresh	Convenient locations	Has a nice and pleasant store environment
YATA	Has a nice and pleasant store environment	Convenient locations

<sup>7</sup> <http://www.0759.com/doc/art/announcement/2021072801/202107280001.pdf>

## Retailer profile: 759 Store



759 Store – named after parent company CEC International Holdings' stock exchange code – opened its first location in Kwai Chung Plaza in 2010. A decade of rapid expansion has followed, with the network closing out its previous financial year with a total of 174 shops across Hong Kong.

759 operates primarily as an import retailer, offering daily necessities, snacks, food groceries, household, and personal care items from territories including Japan, Korea, the European Union and more. This diverse offering may have been key to its success in recent times, with the company highlighting the “flexibility and autonomy” of its supply chain as key to meeting changing shopper needs during the pandemic.

The company enjoys a strong performance in this inaugural RPI for Hong Kong. Finishing joint 4th in the overall rankings, 759 is supported by a strong Emotional Connection with shoppers and Share of Wallet and Market Share scores that offer some distance from the chasing pack.

Of those, AEON is 759's closest competitor, leading the CEC-owned banner in Emotional Connection, but falling behind in terms of actual Shopping Behaviour. Regardless, the two are tied overall, and AEON's strong performance in many of the Preference Pillars suggests that 759 Store will need to work hard in order to maintain parity with its Japan-centric peer.

### What customers like best:

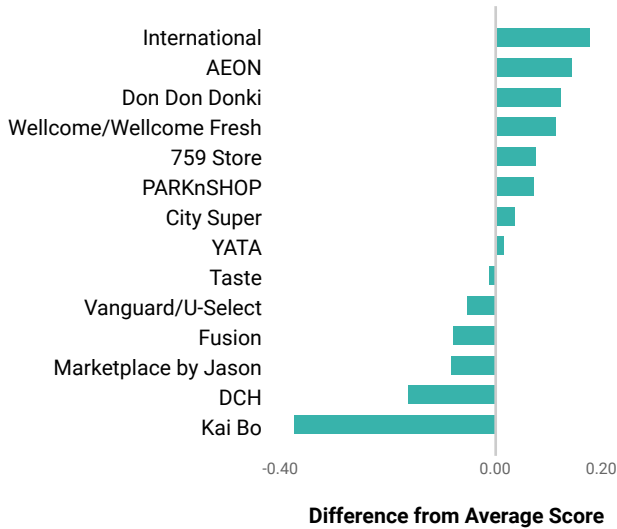
- “Many brands and products that are not available in general supermarkets.”
- “The place is neat and clean.”
- “The price of goods after the membership discount is very cheap.”



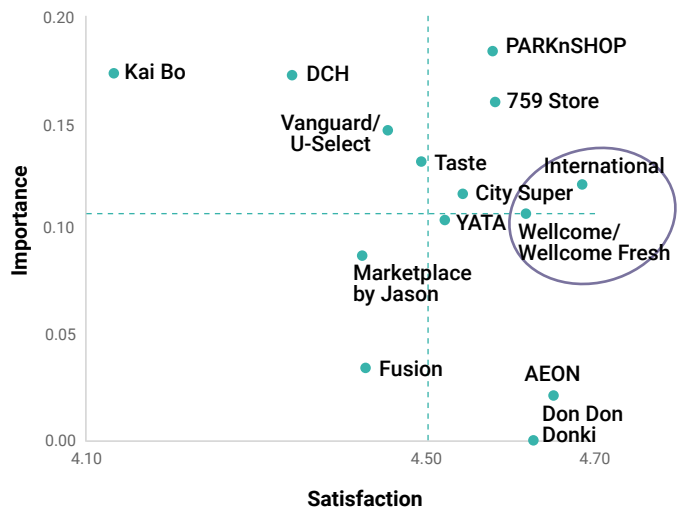
# Pillar 2: Communication



Communication



Communication Value map



Communication is a theme that appears frequently across our global RPIs, but rarely so prominently. Moreover, shoppers tend to heavily conflate Communications with rewards, prioritising personalised discounts and offers above inspiration and advice.

That's not the case in Hong Kong, where tailored recommendations are front of mind. This may be a reflection on the region's advanced ecommerce market and the abundant personalisation opportunities that it presents, or it could simply be a cultural norm. While that remains uncertain, we do know that it is unusual for shoppers to be so invested in proactive communications from retailers.

PARKnSHOP's International banner leads the way here, consistency

once again paving the way to success. While shoppers say that there's only one part of the Pillar in which International truly dominates – digital tools that make shopping easier – the banner is the second highest ranked for the usefulness of its communications, the relevance of the products it recommends, and the rewards that it offers.

One curious aside here is that, while International ranks 1st, PARKnSHOP itself sits 6th, with Taste and Fusion in 9th and 11th respectively. With all four of these banners sitting under the overall PARKnSHOP brand – and presumably operating in the same way when it comes to communications and rewards – it is puzzling to see such distance between them.

<sup>8</sup> <https://www.aeonstores.com.hk/new/detail?id=513>

<sup>9</sup> <https://www.aeonstores.com.hk/new/detail?id=511>

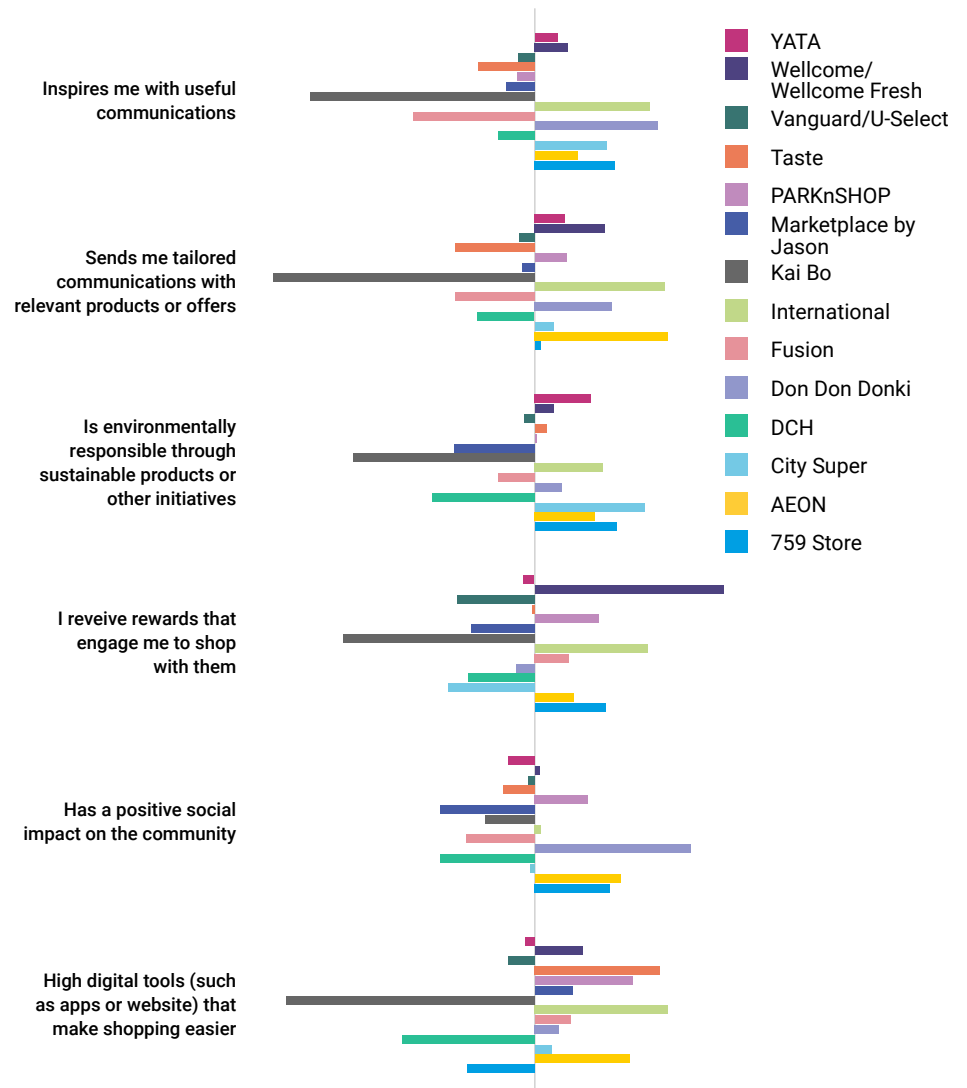
<sup>10</sup> [https://www.aeonstores.com-hk.translate.google.com/new/detail?id=490&x\\_tr\\_sl=zh-TW&x\\_tr\\_tl=en&x\\_tr\\_hl=en-GB&x\\_tr\\_pto=op,sc](https://www.aeonstores.com-hk.translate.google.com/new/detail?id=490&x_tr_sl=zh-TW&x_tr_tl=en&x_tr_hl=en-GB&x_tr_pto=op,sc)

AEON, ranked 2nd here, performs particularly well on both the relevance of its communications and its impact on the community. Notably, the company secured three key accolades last year, finishing as the runner-up in the Hong Kong Green Building Retail Alliance awards<sup>8</sup>, taking 1st place in the Quality Food Source Tracking Scheme 2021<sup>9</sup>, and winning the InnoESG Philanthropy Prize 2021<sup>10</sup>.

Other high performers in this Pillar include Donki – recognised for its positive social impact – and Wellcome, for the quality of its rewards.



**% diff to standard score**



### Strengths, weaknesses and opportunities

How can some of Hong Kong’s leading retailers improve their performance in Communication, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
759 Store	Is environmentally responsible	Digital tools that make shopping easier
AEON	Sends me tailored communications	Engaging rewards
City Super	Is environmentally responsible	Engaging rewards
DCH	Inspiring communications	Digital tools that make shopping easier
Don Don Donki	Positive social impact	Engaging rewards
Fusion	Digital tools that make shopping easier	Inspiring communications
International	Digital tools that make shopping easier	Is environmentally responsible
Kai Bo	Is environmentally responsible	Sends me tailored communications
Marketplace by Jason	Digital tools that make shopping easier	Positive social impact
PARKnSHOP	Digital tools that make shopping easier	Inspiring communications
Taste	Digital tools that make shopping easier	Sends me tailored communications
Vanguard/U-Select	Positive social impact	Engaging rewards
Wellcome/Wellcome Fresh	Engaging rewards	Positive social impact
YATA	Is environmentally responsible	Positive social impact

### Retailer profile: AEON



Part of Japanese multinational AEON Group, Hong Kong’s AEON line of stores made their entry into the market with a flagship destination at Kornhill, Taikoo. The AEON banner incorporates a number of store formats including AEON SUPERMARKET, Living Plaza by AEON, Japanese take-away Bento Express, and the bakery La Bohème. AEONCity serves as the company’s online arm.

The company has been extremely active in recent times. October last year saw the opening of its fourth AEON STYLE location in Hong Kong<sup>11</sup>, a concept store that focuses on imported merchandise and the TOPVALU private brand. A month later, the company moved ahead with a nine-year lease in preparation for the opening of a megastore at Yau Tong’s Domain Mall<sup>12</sup>.

Like 759 Store, AEON occupies a unique space in the rankings, well positioned between the market leaders and the remainder of the market. A strong performer in every Pillar bar price, a higher Share of Wallet would likely propel it beyond 759 in the rankings, and even put it within touching distance of HKTVmall. It’s Emotional Connection is already on par with the pureplay, after all.

#### What customers like best:

- “Has the latest products from Japan.”
- “I like the service attitude, it’s very friendly. And delivery is fast.”
- “The \$12 shop, with all products priced the same.”

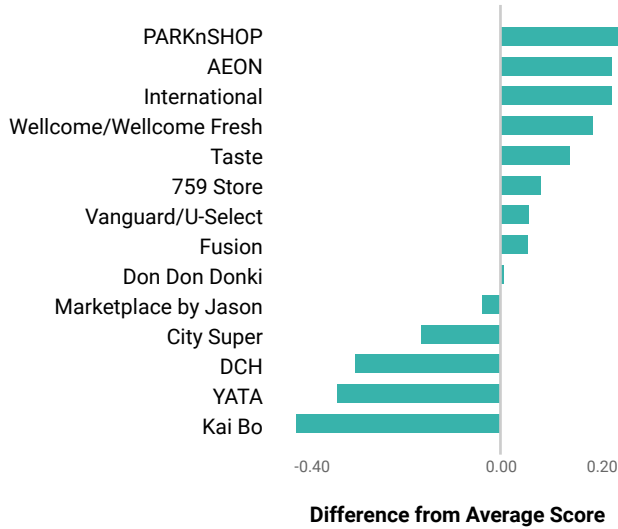
<sup>11</sup> <https://www.aeonstores.com.hk/new/detail?id=500>

<sup>12</sup> <https://www.marketing-interactive.com/aeon-displays-confidence-in-retail-as-it-inks-nine-year-lease>

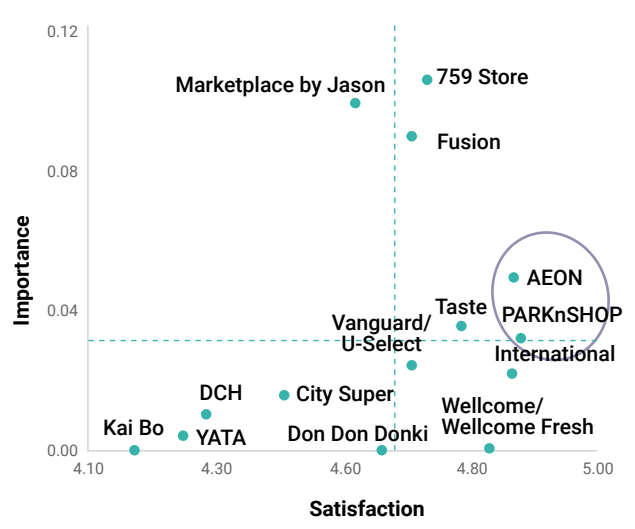
# Pillar 3: Own/Private Label



## Own/Private Label



## Own/Private Label Value map



<sup>13</sup> <https://www.marketing-interactive.com/supermarkets-get-house-brands-in-order>

<sup>14</sup> <https://www.aeonstores.com.hk/new/detail?id=520>

<sup>15</sup> <https://www.aeonstores.com.hk/new/detail?id=515>

<sup>16</sup> <https://www.aeonstores.com.hk/new/detail?id=498>

In terms of its influence on shopper preference, Own/Private Label is practically tied with our fourth Pillar – Quality & Variety. But while in some markets Own/Private Label is linked to other issues (sustainability in Singapore, for instance, and price in Australia), in Hong Kong it stands as its own, important theme.

Here, shoppers are looking for quality, variety, and price, in that order. The three banners they commonly associate with that are PARKnSHOP, AEON, and International, with the latter two seen to be almost inseparable. PARKnSHOP and International’s relationship helps to explain the similarity in their scores here.

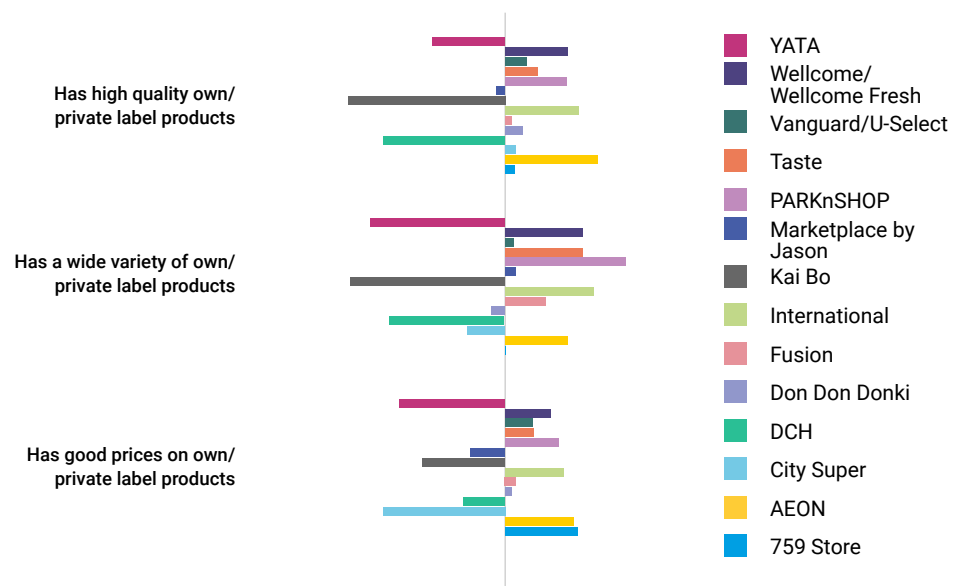
PARKnSHOP, which receives the highest ratings for the variety of its Own/Private Label produce, offers a wide assortment that combines local produce with international

goods. In addition to a number of lines that cover local tastes, foods from Waitrose in the UK and Woolworth’s in Australia appear exclusively in the A.S. Watson-owned store. Commentators note that PARKnSHOP has also invested heavily in marketing its house brand goods<sup>13</sup>.

At AEON, the company puts a similar emphasis on its TOP VALU line of private label products. AEON runs regular communications campaigns emphasising the benefits of everything from its confectionery<sup>14</sup> and snacks<sup>15</sup>, through to its range of soups<sup>16</sup>, with those efforts usually tied to a seasonal promotion. TOP VALUE scores highly for both quality and price, even if 759 wins out overall on the latter.



% diff to standard score



Strengths, weaknesses and opportunities

How can some of Hong Kong’s leading retailers improve their performance in Own/Private Label, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
759 Store	Good prices on Own/Private Label products	A good variety of Own/Private Label products
AEON	High quality Own/Private Label products	A good variety of Own/Private Label products
City Super	High quality Own/Private Label products	Good prices on Own/Private Label products
DCH	Good prices on Own/Private Label products	High quality Own/Private Label products
Don Don Donki	High quality Own/Private Label products	A good variety of Own/Private Label products
Fusion	A good variety of Own/Private Label products	High quality Own/Private Label products
International	A good variety of Own/Private Label products	Good prices on Own/Private Label products
Kai Bo	Good prices on Own/Private Label products	High quality Own/Private Label products
Marketplace by Jason	A good variety of Own/Private Label products	Good prices on Own/Private Label products
PARKnSHOP	A good variety of Own/Private Label products	Good prices on Own/Private Label products
Taste	A good variety of Own/Private Label products	Good prices on Own/Private Label products
Vanguard/U-Select	Good prices on Own/Private Label products	A good variety of Own/Private Label products
Wellcome/Wellcome Fresh	A good variety of Own/Private Label products	Good prices on Own/Private Label products
YATA	High quality Own/Private Label products	A good variety of Own/Private Label products

## Retailer profile: PARKnSHOP



One of four A.S. Watson banners included in our study – the others being International, Taste, and Fusion – PARKnSHOP is one of the giants of Hong Kong grocery. The company operates more than 270 stores both here and in Macau.

A strong focus on sustainability seems to be at the core of PARKnSHOP's current agenda. Singapore's ALTN brand of plant-based products launched in its stores at the beginning of 2022<sup>17</sup>, while parent company A.S. Watson was named as Hong Kong's highest ranked retailer for sustainable seafood in a recent WWF report<sup>18</sup>. Going further back, PARKnSHOP's Green School Programme educates children on the importance of sustainable farming, energy efficiency, waste reduction, and recycling<sup>19</sup>.

PARKnSHOP has a finely-balanced relationship with Hong Kong's shoppers. While it performs phenomenally well in terms of Shopping Behaviour – tying Wellcome for Market Share, and trailing only slightly in Share of Wallet – its Emotional Connection with customers is low. Admittedly, Wellcome faces the same challenge.

Winning the Own/Private Label Pillar and highly regarded in Store Experience, PARKnSHOP is consistently strong across the rest of the Pillars too, with good results in Communication, Quality & Variety, and Price. As with Wellcome though, while shoppers seem comfortable with the overall value proposition that they see today, some key areas of the PARKnSHOP offering may ultimately need to be better aligned to customer needs in order to protect its position in the future.

### What customers like best:

- “Convenient locations and product variety.”
- “The goods are neatly arranged, making it easy to find what you need.”
- “Their staff are very polite.”



<sup>17</sup> <https://www.greenqueen.com.hk/the-week-in-plant-based-january-26-2022/>

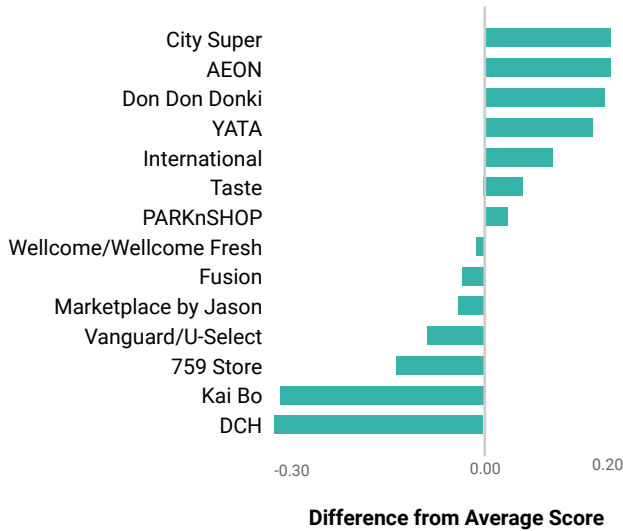
<sup>18</sup> <https://www.seafoodsource.com/news/environment-sustainability/as-watson-tops-wwf-seafood-sustainability-rankings-of-hong-kong-retailers>

<sup>19</sup> <https://www.aswatson.com/building-a-greener-world/>

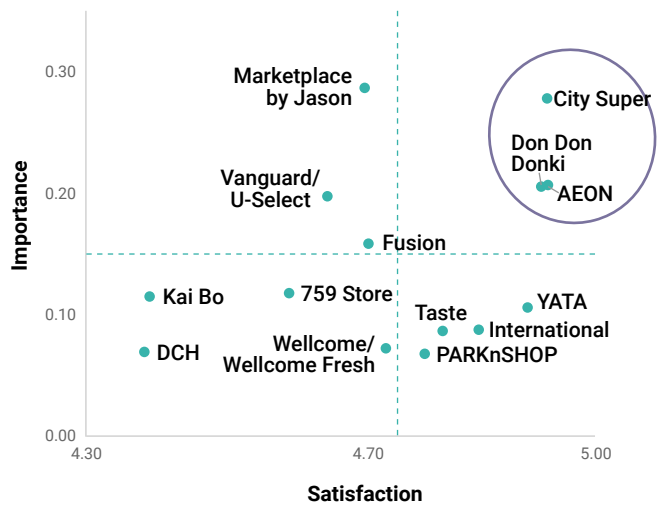
# Pillar 4: Quality & Variety



## Quality & Variety



## Quality & Variety Value map



The Quality & Variety Pillar covers a vast selection of issues, ranging from the freshness of certain lines to whether shoppers can get everything they need from a single store. Respondents tend to place greater value on the variety of natural and organic goods, and the appeal of prepared and ready-to-eat foods.

AEON has another excellent showing here, very nearly tying with City Super for 1st place. It is the latter banner that takes the crown however, driven by market leading scores in its natural and organic assortment, as well as the quality of its fresh meat, fruits, and vegetables. While AEON performs well around the theme of variety, lower scores around natural and organic prevent it from taking top spot.

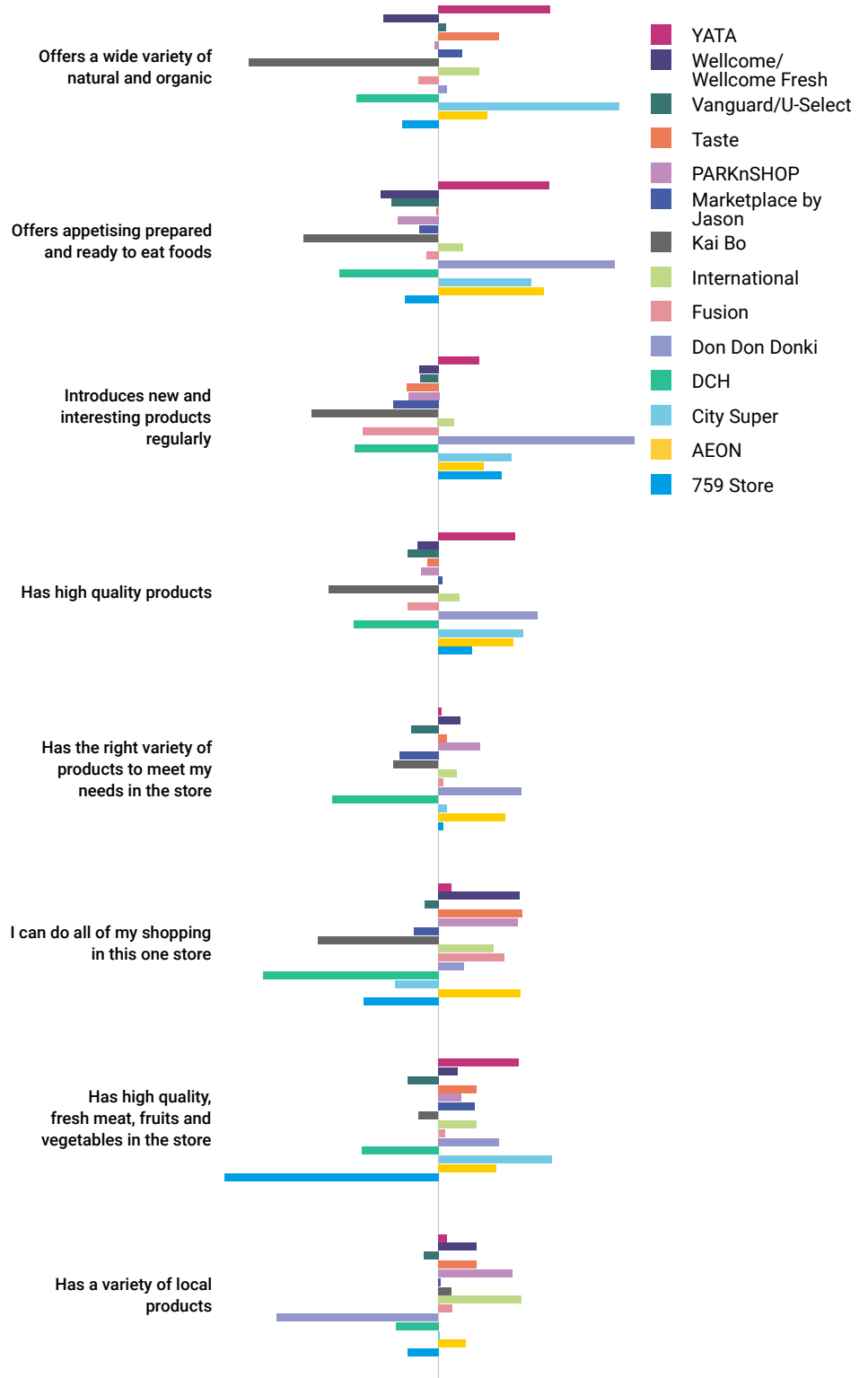
City Super's strong showing here shouldn't come as a surprise to

anyone familiar with the banner's value proposition. Self-described as a supplier of "premium... products from around the world for busy urban professionals who pursue a premium quality of life," the company positions itself heavily at the quality end of the value spectrum. This is reflected not only in its comparatively low Share of Wallet, but its performance in our next and final Pillar as well.

AEON's strengths here lie primarily in its assortment. Shoppers are quick to say that AEON has the right selection of goods to meet their needs, and that a single visit allows them to do all of their shopping at once. Quality is another strong area for the Japanese brand, though City Super and Donki push ahead in that regard.

Donki's performance in this Pillar speaks to both the opportunity and threat that comes with its unique offering. Shoppers love its RTE range and overall quality, and are enamoured with the new products that it brings to market – factors that came through strongly when respondents were given free rein to tell us what they liked most about the store. At the same time, poor scores around natural and organic, as well as local product variety keep it from going higher than 3rd overall.

**% diff to standard score**





### Strengths, weaknesses and opportunities

How can some of Hong Kong's leading retailers improve their performance in Quality & Variety, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
759 Store	Introduces new and interesting products regularly	High quality fresh meat, fruits, and vegetables
AEON	Appetising prepared and RTE foods	Variety of local products
City Super	Wide variety of natural and organic	Variety of local products
DCH	Variety of local products	Customers can do all shopping in one store
Don Don Donki	Introduces new and interesting products regularly	Variety of local products
Fusion	Customers can do all shopping in one store	Introduces new and interesting products regularly
International	Variety of local products	Introduces new and interesting products regularly
Kai Bo	Variety of local products	Wide variety of natural and organic
Marketplace by Jason	High quality fresh meat, fruits, and vegetables	Introduces new and interesting products regularly
PARKnSHOP	Customers can do all shopping in one store	Appetising prepared and RTE foods
Taste	Customers can do all shopping in one store	Introduces new and interesting products regularly
Vanguard/U-Select	Wide variety of natural and organic	Appetising prepared and RTE foods
Wellcome/Wellcome Fresh	Customers can do all shopping in one store	Appetising prepared and RTE foods
YATA	Wide variety of natural and organic	High quality overall

## Retailer profile: City Super



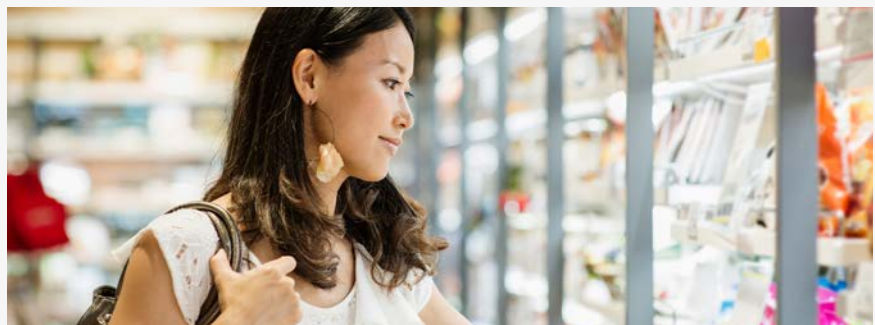
Launching the “Mega Lifestyle Specialty Store” concept into the market in 1996, while City Super operates a select number of stores in Shanghai and Taiwan, the majority of its locations can be found in Hong Kong. Vanguard and U Select owner China Resources Group purchased a controlling stake in City Super in mid-2020<sup>20</sup>.

Many recent developments at the chain seem to have their roots in a response to the pandemic. A 30-minute food and drink delivery service was launched in May of 2020, with self-service checkouts introduced a few months later<sup>21</sup>. The company also operates a customer engagement-focused initiative in the City Super Culture Club – a multichannel programme that offers in-person workshops alongside online recipes and tips.

These efforts seem to go a long way with shoppers. While City Super lags the market in terms of Share of Wallet and Market Share – understandable for a banner with a comparatively small geographic footprint – its Emotional Connection is strong enough to tie with 759 for 4th place in those rankings. Even slight gains in terms of Shopping Behaviour would likely drive it to a higher overall RPI score.

Those gains may be hard to come by, however. Not only is City Super operating in a part of the market where most retailers are separated by just single percentage points in terms of wallet share, its performance across the Preference Pillars suggests that its focus doesn't always align with what shoppers want most.

Love it as they clearly do for its Quality & Variety, City Super isn't always their preferred choice for regular shopping.



### What customers like best:

- “The brand feels professional and trustworthy.”
- “They have items that are difficult to find in normal supermarkets.”
- “The environment is clean and comfortable, and the variety of goods makes shopping more fun.”

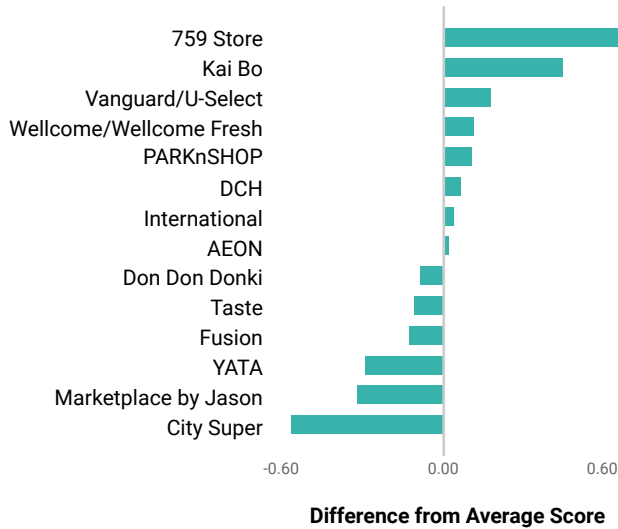
<sup>20</sup> <https://www.globallegalchronicle.com/china-resources-capital-management-limiteds-hk1-5-billion-acquisition-of-city-super/>

<sup>21</sup> <https://www.citysuper.com.hk/en/Footer-Pages/corporate-profile/company-milestones>

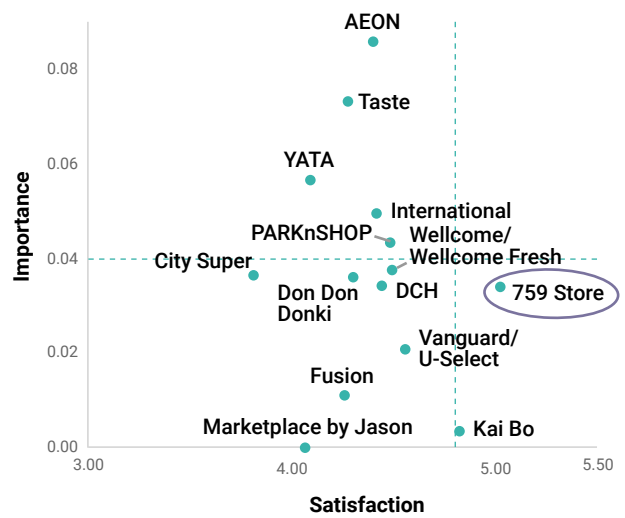
# Pillar 5: Price



## Price



## Price Value map



While Price might be less influential than the four Pillars that go before it, it does still have an impact on shopper preference. The two drivers here – everyday low pricing, and offers and discounts – have an identical weighting, meaning that shoppers treat both as being equally valuable.

Following on from its market-leading performance in the first Pillar, 759 Store again takes the top spot. While Kai Bo is another contender here, 759 enjoys a clear gap between 1st and 2nd, with Vanguard / U-Select a relatively distant 3rd. Discounts are the banner’s key advantage, with respondents scoring 759’s reductions significantly higher than for any other retailer. Kai Bo enjoys similar success in terms of its base pricing.

The Price value map makes for particularly interesting reading in this Pillar. While 759 and Kai Bo perform well despite shoppers having fairly low expectations for them to do so, the same can’t be said for the likes of AEON and Taste. For those banners, customers place far greater importance on Price – which contrasts with their middling-to-low scores in that area. Even slight improvements here could go a long way.

% diff to standard score



**Strengths, weaknesses and opportunities**

How can some of Hong Kong’s leading retailers improve their performance in Price, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
759 Store	Discounts on items shoppers buy regularly	Low prices even when not using deals
AEON	Discounts on items shoppers buy regularly	Low prices even when not using deals
City Super	Discounts on items shoppers buy regularly	Low prices even when not using deals
DCH	Low prices even when not using deals	Discounts on items shoppers buy regularly
Don Don Donki	Low prices even when not using deals	Discounts on items shoppers buy regularly
Fusion	Discounts on items shoppers buy regularly	Low prices even when not using deals
International	Low prices even when not using deals	Discounts on items shoppers buy regularly
Kai Bo	Low prices even when not using deals	Discounts on items shoppers buy regularly
Marketplace by Jason	Discounts on items shoppers buy regularly	Low prices even when not using deals
PARKnSHOP	Discounts on items shoppers buy regularly	Low prices even when not using deals
Taste	Discounts on items shoppers buy regularly	Low prices even when not using deals
Vanguard/U-Select	Low prices even when not using deals	Discounts on items shoppers buy regularly
Wellcome/Wellcome Fresh	Discounts on items shoppers buy regularly	Low prices even when not using deals
YATA	Discounts on items shoppers buy regularly	Low prices even when not using deals

## Retailer profile: Kai Bo



In many ways, Kai Bo's RPI performance tells the story about the relationship between Hong Kong's shoppers and price – and the inherent risk that comes with focusing on a discount-based value proposition above all else.

Founded in 1991 as the Zaak Hing Meat Shop in Shau Kei Wan, the company adopted the Kai Bo mantle and moved into the supermarket arena six years later. Unlike other supermarkets, Kai Bo focuses exclusively on food.

While Kai Bo is a clear leader in Price, the relatively limited importance of that factor in Hong Kong – combined with struggles elsewhere – conspire to keep the banner at the lower end of the rankings. Poor scores in Store Experience (14th), Communication (15th), Own/Private Label (15th), and Quality & Variety (14th) help to explain Kai Bo's overall joint-bottom RPI ranking.

At the same time, the company ranks 8th in terms of Share of Wallet – something that would typically enough to drive a retailer further up the rankings. The fundamental problem for Kai Bo is that this disconnect with what shoppers want translates into poor Emotional Connection, respondents struggling to believe that the banner aligns with their own priorities.

In many other markets, Kai Bo's model would most likely translate into a much higher ranking. In Hong Kong, however, Price alone is not enough to win preference.

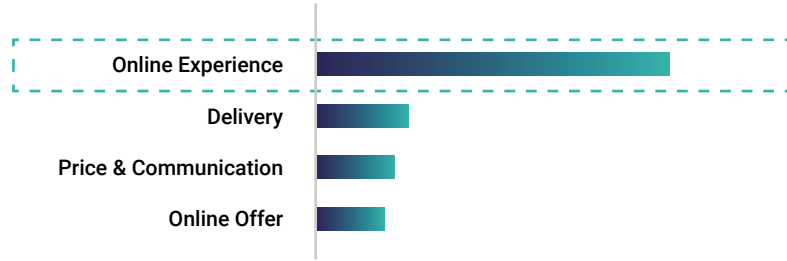


### What customers like best:

- "Items are cheaper than at normal supermarkets."
- "More choice of frozen meats."
- "The prices are good and they take cash payments."

# Preference Pillar performance: Online

## Overall Pillar Importance



We know what Hong Kong’s customers are looking for when shopping in a physical store, but what about online? And which retailers are the best at meeting those needs? Let’s now look at the four Preference Pillars for online grocery.

## Pillar 1: Online Experience

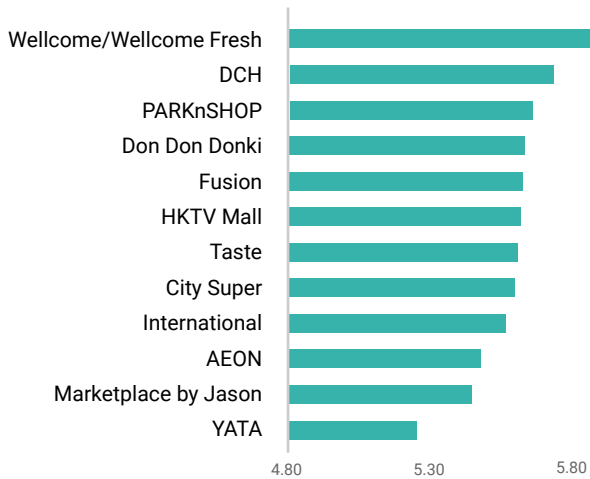
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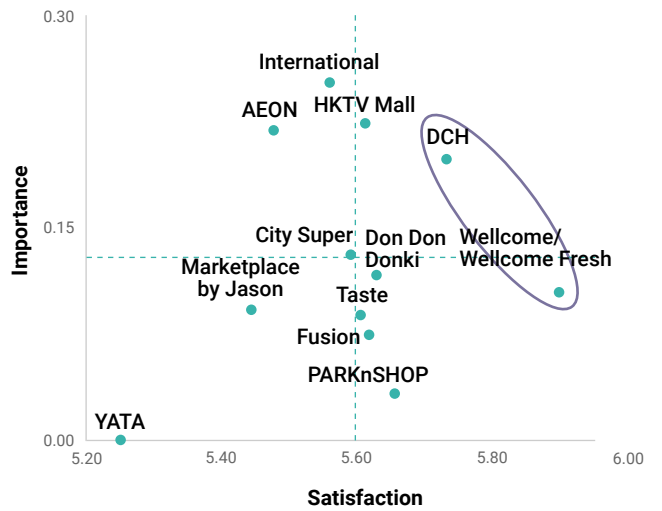
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### Online Experience



### Online Experience Value map



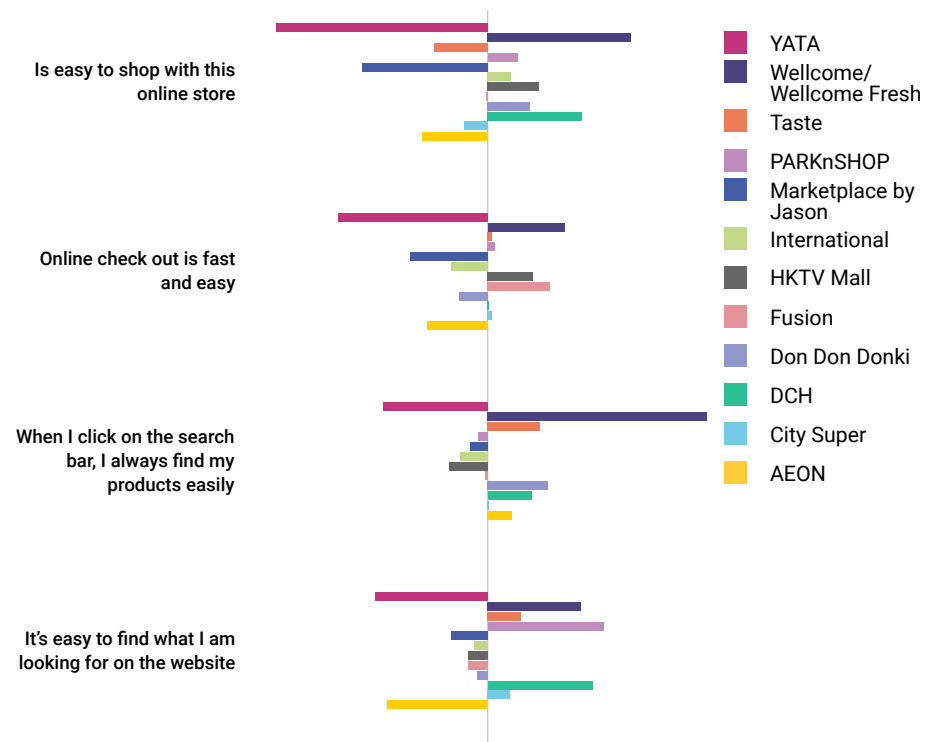
The Online Experience Pillar explores the core interactions that a shopper has with a retailer's apps and website. In the same way that convenience is a major factor in Store Experience, when shoppers buy their groceries online, they're looking for simplicity, speed, relevance, and clarity; an easy, frictionless experience is paramount.

Wellcome is seen as the banner that delivers best on those expectations. Its search functionality is unanimously seen as the best, and it leads the market on both overall ease and speed of checkout too. In fact, the only area in which Wellcome falls behind is on website navigation, where PARKnSHOP and DCH are seen to be better.

The latter of those banners places 2nd in this Pillar, though checkout seems to be an issue that may require attention; this is the only issue on which respondents are neutral, with DCH scoring highly across the other drivers here.

Three banners in particular may benefit from improvements to their Online Experience. Shoppers of International, HKTVMall, and AEON all say that this Pillar is highly important to them – while average satisfaction scores for those retailers suggest that more could be done to meet customer needs.

**% diff to standard score**



### Strengths, weaknesses and opportunities

How can some of Hong Kong's leading retailers improve their performance in Online Experience, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
AEON	The search function helps me find products easily	It's easy to find what I need on the website
City Super	It's easy to find what I need on the website	The search function helps me find products easily
DCH	It's easy to find what I need on the website	Online checkout is fast and easy
Don Don Donki	The search function helps me find products easily	Online checkout is fast and easy
Fusion	Online checkout is fast and easy	It's easy to find what I need on the website
HKTVMall	It's easy to find what I need on the website	The search function helps me find products easily
International	It's easy to find what I need on the website	Online checkout is fast and easy
Marketplace by Jason	The search function helps me find products easily	It's easy to find what I need on the website
PARKnSHOP	It's easy to find what I need on the website	The search function helps me find products easily
Taste	The search function helps me find products easily	It's easy to find what I need on the website
Wellcome/Wellcome Fresh	The search function helps me find products easily	Online checkout is fast and easy
YATA	The search function helps me find products easily	It's easy to find what I need on the website

## Pillar 2: Delivery

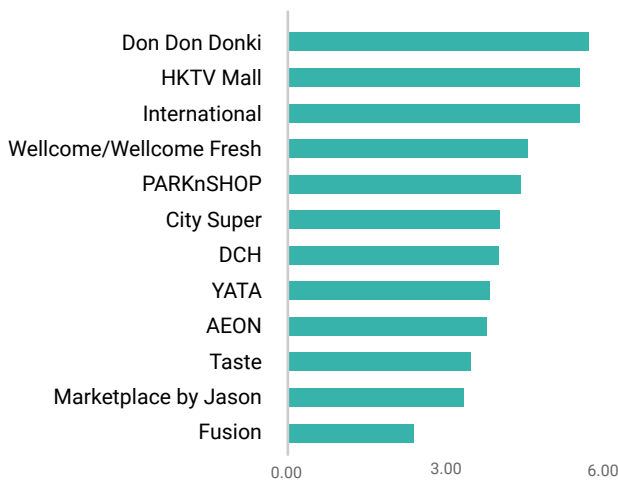
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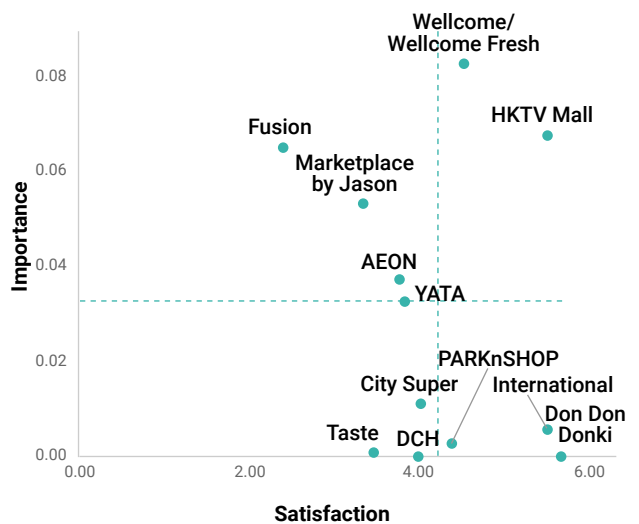
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### Delivery



### Delivery Value map

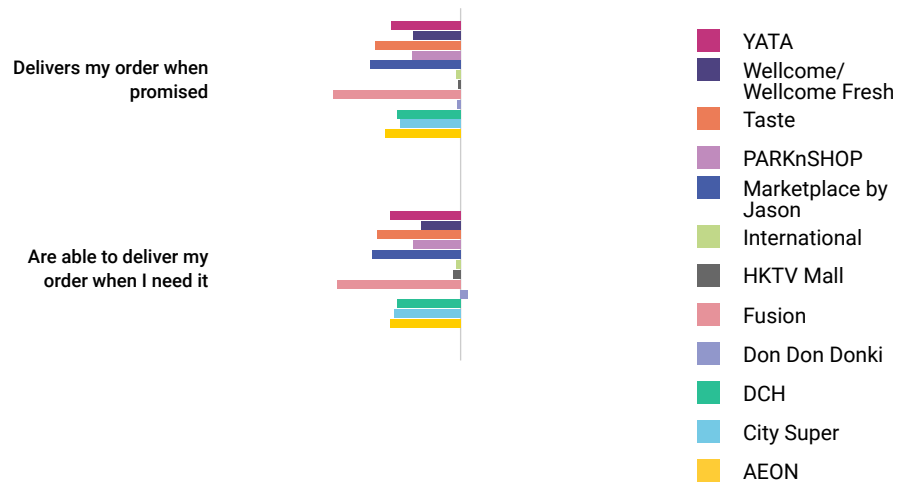


Delivery is a contentious Pillar, with the vast majority of shoppers discontent with the service that they receive. Donki tops the rankings here, and is in fact the only banner that receives some degree of praise (and even then, only for its range of delivery options).

The other issue covered by this Pillar is the reliability of fulfilment, something that respondents are vocal about. While International, HKTVMall, and Donki escape relatively unscathed, the other banners are all scored negatively, with Fusion singled out as the worst offender. PARKnSHOP performs similarly poorly around availability of delivery.

While every banner could do better here, Wellcome has a clear opportunity to gain ground; indeed, our verbatim responses suggest that many of its own customers don't even know that it has an online offering. While the retailer has the lowest instore/online revenue split, its shoppers say that the reliability and availability of delivery options is a highly important factor to them.

### % diff to standard score



### Strengths, weaknesses and opportunities

How can some of Hong Kong's leading retailers improve their performance in Delivery, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
AEON	I can get my order delivered when I need it	My order arrives when promised
City Super	My order arrives when promised	I can get my order delivered when I need it
DCH	I can get my order delivered when I need it	My order arrives when promised
Don Don Donki	I can get my order delivered when I need it	My order arrives when promised
Fusion	I can get my order delivered when I need it	My order arrives when promised
HKTVMall	My order arrives when promised	I can get my order delivered when I need it
International	Rated equally	
Marketplace by Jason	I can get my order delivered when I need it	My order arrives when promised
PARKnSHOP	I can get my order delivered when I need it	My order arrives when promised
Taste	I can get my order delivered when I need it	My order arrives when promised
Wellcome/Wellcome Fresh	I can get my order delivered when I need it	My order arrives when promised
YATA	Rated equally	



## Retailer profile: HKTVmall



<sup>22</sup> [https://www.hktv.com.hk/press\\_admin/files\\_upload/PR\\_20211027\\_E.pdf](https://www.hktv.com.hk/press_admin/files_upload/PR_20211027_E.pdf)

A wholly-owned subsidiary of Hong Kong Technology Venture, HKTVmall launched in 2015 and is described by the company as the region’s “largest 24-hour online shopping mall”.

Finishing 3rd in the overall rankings, HKTVmall is one of the few pureplay banners to make it onto the podium across our global studies. This speaks both to the strength of Hong Kong’s ecommerce market, and the retailer’s own capabilities as well – more than half of customers who have purchased groceries online have shopped with HKTVmall.

The company’s recent initiatives seem to be in line with needs around Delivery, HKTVExpress promising rapid fulfilment of both takeaway food and grocery, but scores in the other online Preference Pillars tell a different story. A middling showing in Online Experience gives way to market lagging Price & Communication and Online Offer scores.

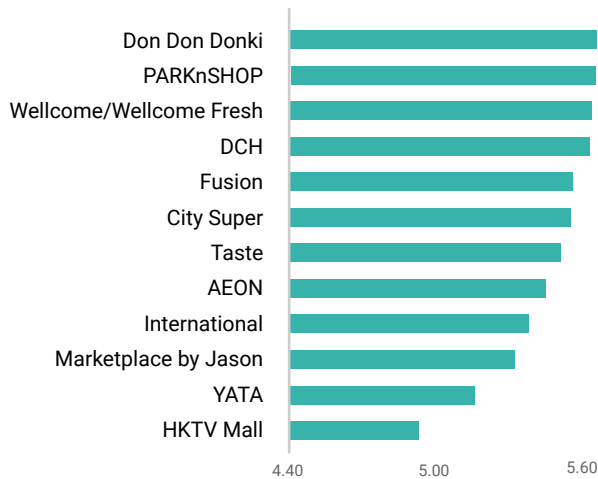
Ordinarily, this would point to danger ahead. Instead, however, Hong Kong’s shoppers seem to have a “unique” relationship with HKTVmall; as unsatisfied as they are with its proposition in some areas, they have an exceedingly strong Emotional Connection with the banner and are fiercely loyal to it. It will be interesting to see if that bond remains intact in future studies.

While it is included here as a pureplay retailer, HKTVmall did make news with the launch of its first offline supermarket in October last year. The HKTVmall Supermarket in Tseung Kwan O District’s Savannah Place offers shoppers a choice of over 3,000 product lines<sup>22</sup>.

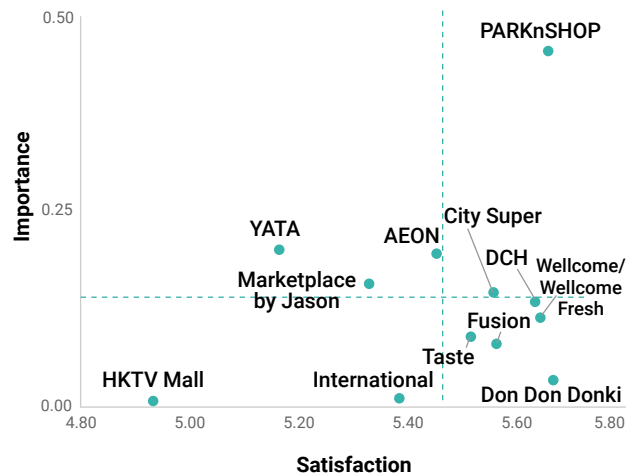
## Pillar 3: Price & Communication



### Price & Communication

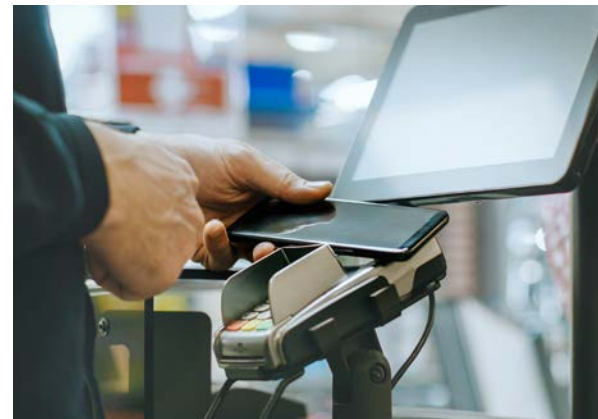


### Price & Communication Value map



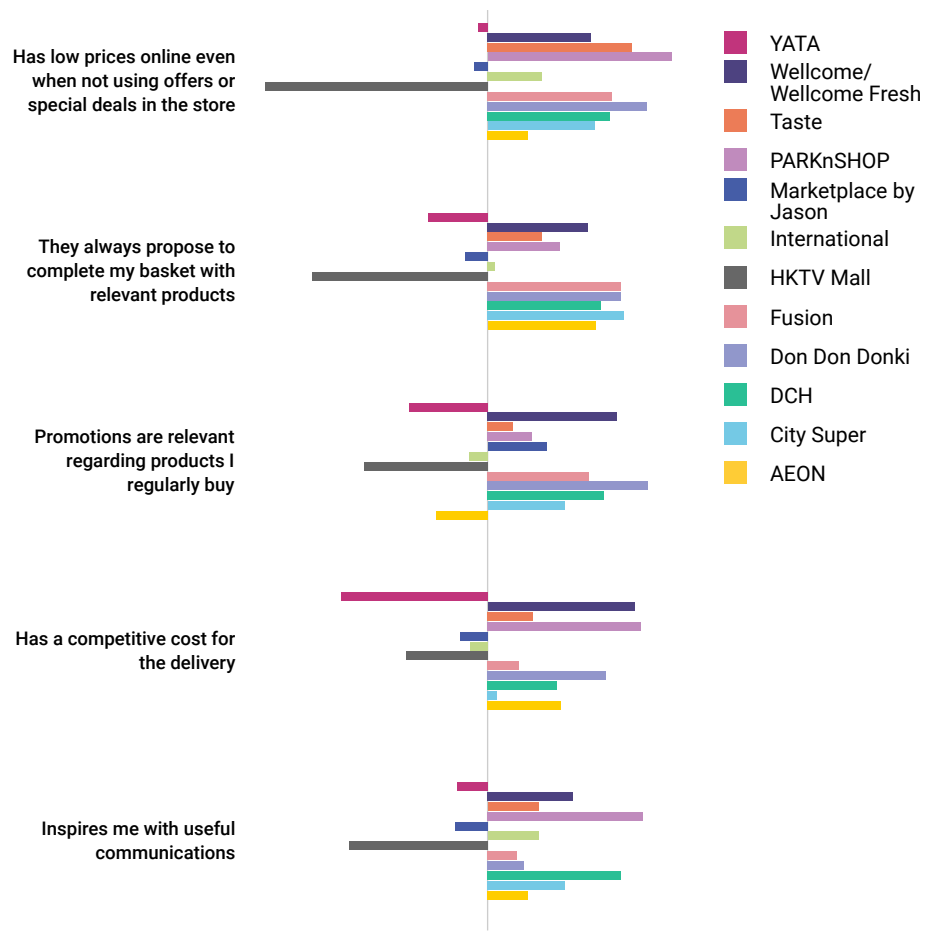
While Price and Communication warrant their own Pillars from an instore perspective, they have a shared level of influence when customers go online. As a result, issues like everyday low pricing mingle with relevant recommendations in this third Preference Pillar.

A more positive outlook returns here, with respondents happy to highlight the perceived successes of various retailers. Donki again takes 1st place, showing solid scores across every Preference Driver bar one – the quality of its tailored communications. In that area, and perhaps as a reflection of International’s performance in equivalent instore Pillar, PARKnSHOP ranks the highest.



Overall, this is a well contested Pillar, with many of the market’s retailers showing off their differing expertise. PARKnSHOP is praised for its pricing, City Super for relevant products, Donki for promotions, and Wellcome for delivery cost. HKTVMall and YATA are the exceptions here, both suffering from generally negative perceptions.

% diff to standard score



Strengths, weaknesses and opportunities

How can some of Hong Kong’s leading retailers improve their performance in Price & Communication, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
AEON	Relevant products that help me build my basket	Promotions are relevant to products I buy
City Super	Relevant products that help me build my basket	The delivery cost is competitive
DCH	Inspires me with useful communications	The delivery cost is competitive
Don Don Donki	Promotions are relevant to products I buy	Inspires me with useful communications
Fusion	Relevant products that help me build my basket	Delivery cost / relevant promotions
HKTVmall	The delivery cost is competitive	Low prices even without deals
International	Low prices even without deals	Delivery cost / relevant promotions
Marketplace by Jason	Promotions are relevant to products I buy	Inspires me with useful communications
PARKnSHOP	Low prices even without deals	Promotions are relevant to products I buy
Taste	Low prices even without deals	Relevant products that help me build my basket
Wellcome/Wellcome Fresh	The delivery cost is competitive	Inspires me with useful communications
YATA	Low prices even without deals	The delivery cost is competitive

## Pillar 4: Online Offer

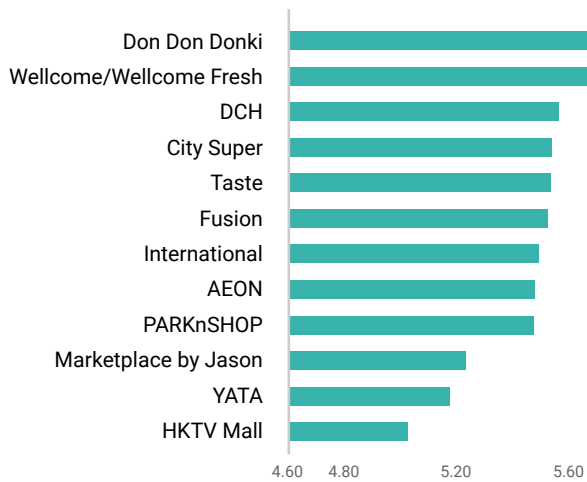
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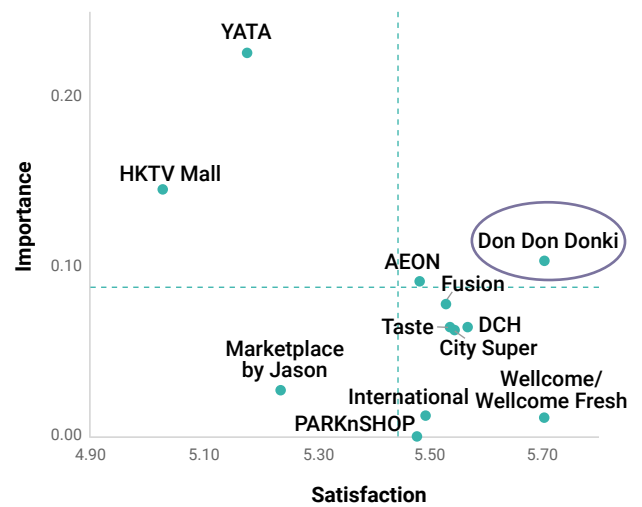
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### Online Offer



### Online Offer Value map



This final Pillar combines issues of quality, convenience, and assortment under the overarching theme of the Online Offer. As with the third Pillar, most banners are perceived positively here, though HKTVMall, YATA – and now Marketplace by Jason – seem to struggle.

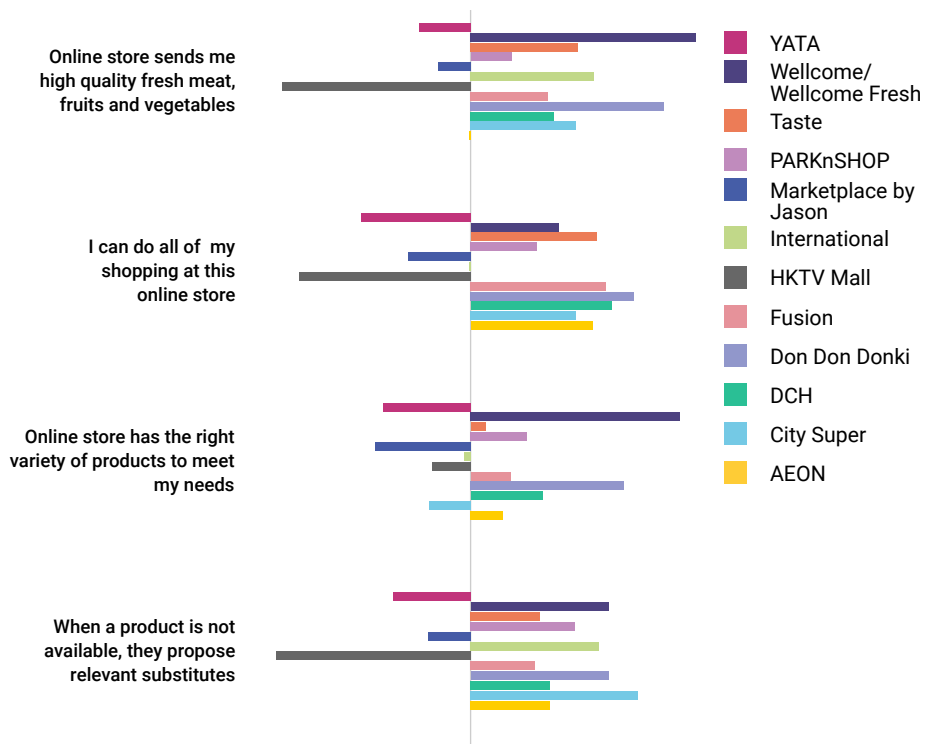
Donki tops this Pillar by the finest of lines, Wellcome finishing a very close 2nd. This is a strong result for the Japanese banner, with its customers placing much more importance on the Online Offer than those who frequent Wellcome.

With the exception of substitutability, the two leaders essentially trade wins here. Wellcome takes top scores for quality and variety, while Donki leads the way in helping customers get all of their shopping done at once. City Super tops a

good all-round performance by being the highest ranked for relevant substitutions.



% diff to standard score



Strengths, weaknesses and opportunities

How can some of Hong Kong’s leading retailers improve their performance in Online Offer, and where do they already excel?

Banner	Strongest attribute	Biggest opportunity to improve
AEON	I can do all of my shopping here	The store has the right variety to meet my needs
City Super	They propose relevant substitutes	The store has the right variety to meet my needs
DCH	I can do all of my shopping here	The store has the right variety to meet my needs
Don Don Donki	They send me the best quality fruits, meat, and veg	They propose relevant substitutes
Fusion	I can do all of my shopping here	The store has the right variety to meet my needs
HKTVmall	The store has the right variety to meet my needs	They propose relevant substitutes
International	They propose relevant substitutes	The store has the right variety to meet my needs
Marketplace by Jason	They send me the best quality fruits, meat, and veg	The store has the right variety to meet my needs
PARKnSHOP	They propose relevant substitutes	They send me the best quality fruits, meat, and veg
Taste	I can do all of my shopping here	The store has the right variety to meet my needs
Wellcome/Wellcome Fresh	They send me the best quality fruits, meat, and veg	I can do all of my shopping here
YATA	They send me the best quality fruits, meat, and veg	I can do all of my shopping here

# Hong Kong and other APAC markets

We already know a little about Hong Kong’s grocery market in the global context thanks to earlier comparisons around loyalty and ecommerce. But what about Asia-Pacific specifically? How do the results of this first study for Hong Kong stack up against what is happening elsewhere in the region?

Our studies in APAC now date back to 2020, giving us ample opportunity to contrast our findings for Hong Kong against a number of others. The table below provides a high-level comparison between our six studies in Asia-Pacific to date.

Country	Highest RPI	Pillar 1	Pillar 2	Pillar 3	Pillar 4	Pillar 5
Korea 2020	Costco	Price/Promotion	Store Experience	Convenience	Operations	Commute
Thailand 2020	Tesco Hypermarket	Sustainable/Quality	Assortment	Convenience	Customer Engagement	Store Experience
Singapore 2021	FairPrice Supermarket	Ease of Shopping	Price & Variety	Store Experience	Sustainable & Own/Private Label	High-end Feel
Australia 2021	Woolworth/ Coles	Convenience	Price	Customer Engagement	Quality of products	
Japan 2021	Aeon	Store Experience	Quality of products	Own label	Price	Sustainability
Hong Kong	Wellcome/ Wellcome Fresh	Store Experience	Communication	Own/Private Label	Quality & Variety	Price

### *United by preference*

From a performance standpoint, there’s no great commonality between the leading retailers in each of the six countries. While respondents in Korea and Thailand lean towards the hypermarket model (Costco and Tesco being the highest performers in each country respectively), those in Singapore, Australia, Japan, and Hong Kong tend to favour traditional supermarkets.

One thing that is clear is that recent studies have seen local brands emerging as the overall winners. While Costco and Tesco – both multinationals, of course – took 1st place in our 2020 studies, subsequent reports have seen homegrown banners take the crown. Wellcome, with its Dairy Farm Retail Group parentage, is no different.

Where we see the greatest uniformity between the six studies is in the Preference Pillars. In both Singapore and Australia, convenience – or “ease of shopping” – are the most influential themes. And while Store Experience tops the table in Japan and Hong Kong, convenience plays a major role in those Pillars in those studies.

We also see the relative unimportance of Price highlighted once again here. As influential as it is in Korea and Australia, Price ranks fourth in Japan and last in both Singapore and Hong Kong. In Thailand, pricing doesn’t even warrant its own Pillar. This represents a significant deviation from our Western studies, where Price can typically be found as one of the three most prominent concerns.

# The impact of Covid-19

Two years in to the global pandemic, we were keen to learn how the region's shoppers were continuing to adapt. While our Consumer Pulse research programme addresses that issue specifically, that study only includes respondents from the mainland. As a result, our RPI included some questions designed to investigate the view specifically from Hong Kong.

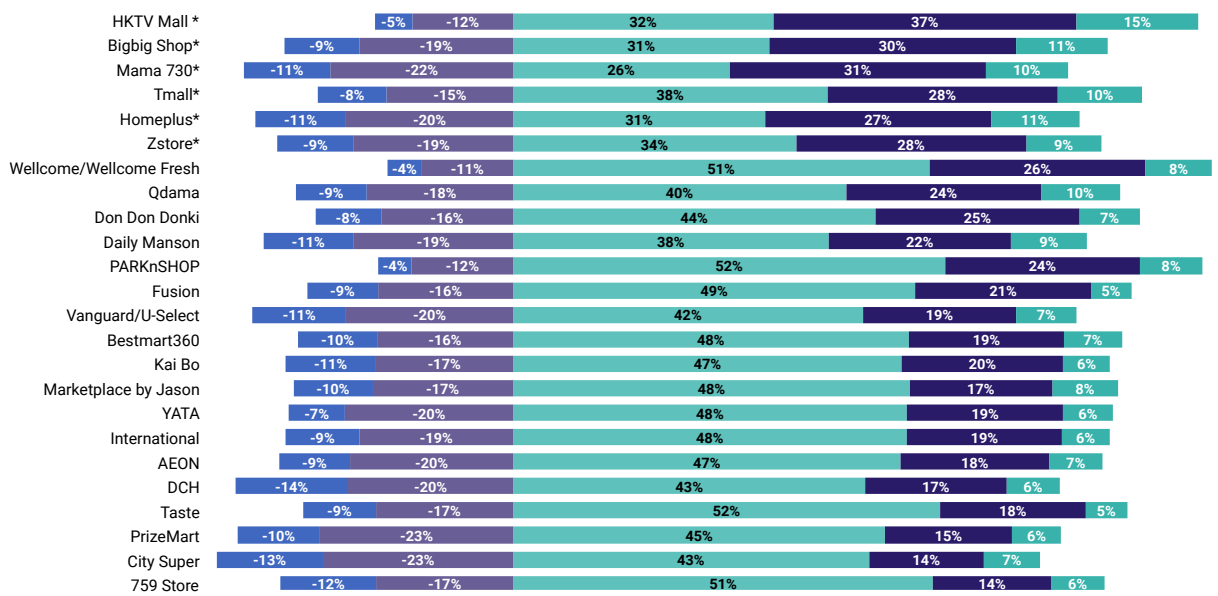
With some distance from the initial outbreak, and as is the case in many other countries, the priority for many is no longer on staying safe. Instead, the focus has turned towards value, with significant numbers of shoppers searching for cheaper products and deals.

## How people are dealing with Covid-19



While that may be so, it isn't necessarily the discount stores that have won out. Instead, the greatest uplift in spend has been reserved for the online pureplays, with HKTVMall and Bigbig shop among the main beneficiaries. Bearing the results of our Online Preference Pillars in mind, particularly in relation to Price, HKTVMall's surge here is surprising. City Super – with its clear focus on premium goods – has seen the biggest overall drop in spending.

## How spending changed due to Covid-19



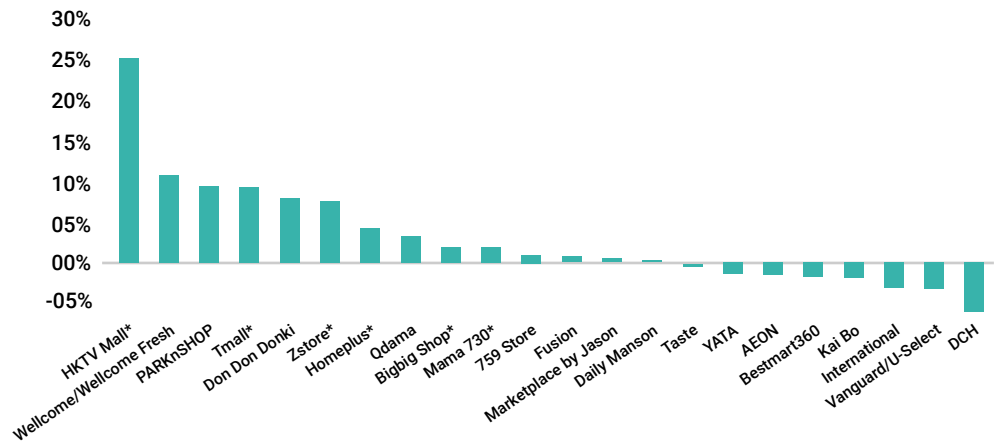
\*Pureplay

Buy lot less Buy little less No change Buy little more Buy lot more

This trend doesn't look like it will be short-lived, either. Asked what their future spending patterns were likely to be, more than a quarter of respondents said that they planned to spend more with HKTVMall. The pureplay significantly outperforms its competition in these future predictions, with around twice as many shoppers planning to spend more there over the coming months than say the same of Wellcome and PARKnSHOP.

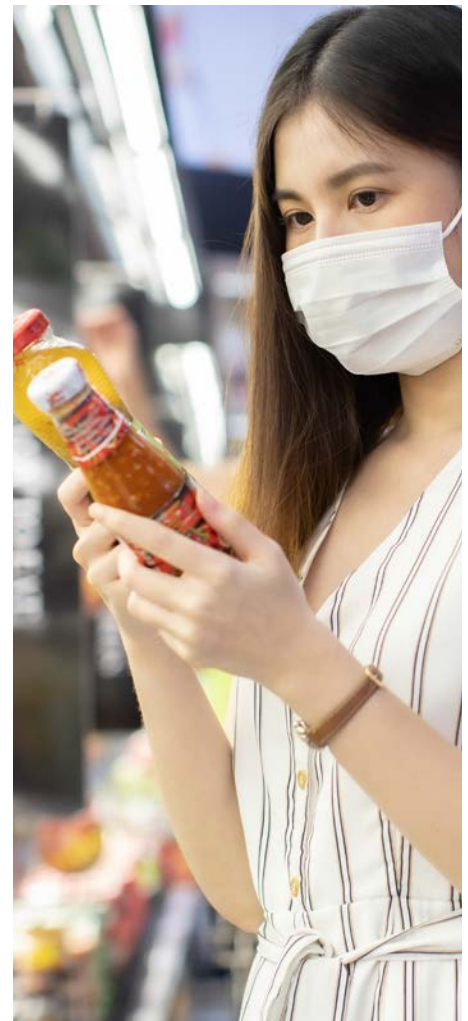
### What the future holds

(Net of those who will continue to spend more minus those who will continue to spend less)

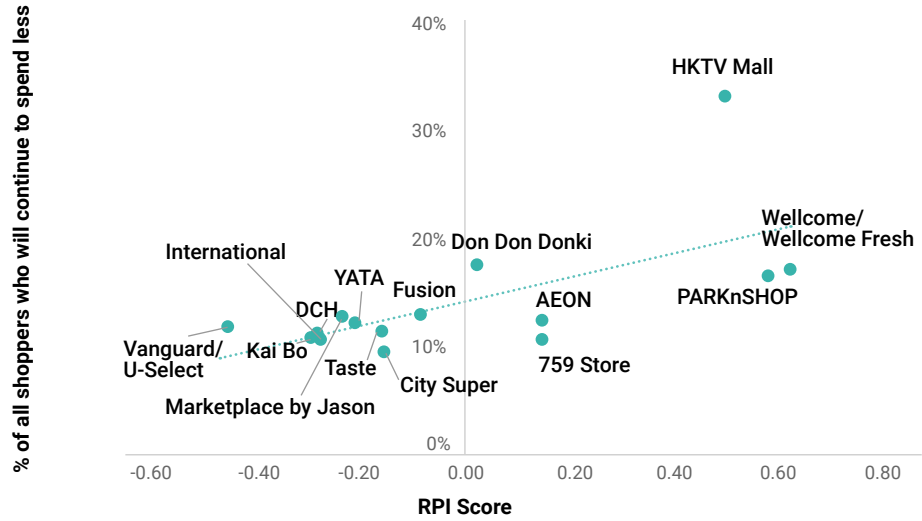


\*Pureplay

While we see clear evidence of the RPI at work here – higher ranking banners set to enjoy greater consumer spending in the future – the strength of that sentiment towards HKTVMall makes it an undoubted outlier. Its projected growth here may have to do with the size of its existing audience, the fact that they seem to find the banner highly convenient, and continued uptake of the online channel overall.



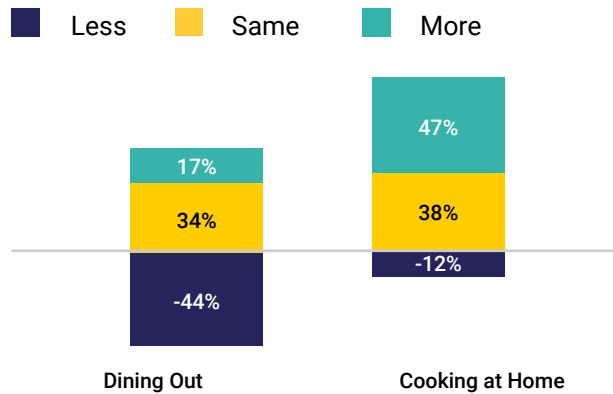
### RPI and Future Behaviour



Finally, we see signs that the pandemic has driven a fundamental change in many people’s eating habits. With the Consumer Pulse having tracked a significant move away from dining out and towards cooking at home during the early months of the outbreak, there are strong indications that this behaviour will continue once Covid has faded from memory in Hong Kong.

Around half of respondents (44%) say that they will continue to dine out less after the pandemic than they did before it began, with a similar number (47%) believing that they will cook at home more. Short-term behaviours are rapidly becoming long-term norms.

### Post-Covid habits compared to pre-Covid



# Hong Kong's loyalty card conundrum

The prominence of Communication in the instore Preference Pillars tells us much about the importance of loyalty and insights to Hong Kong's grocery market. From useful communications and relevant recommendations, through to personalised rewards, the level of service that shoppers want can only be delivered with an appropriate level of insight – something that is typically achieved via loyalty data.

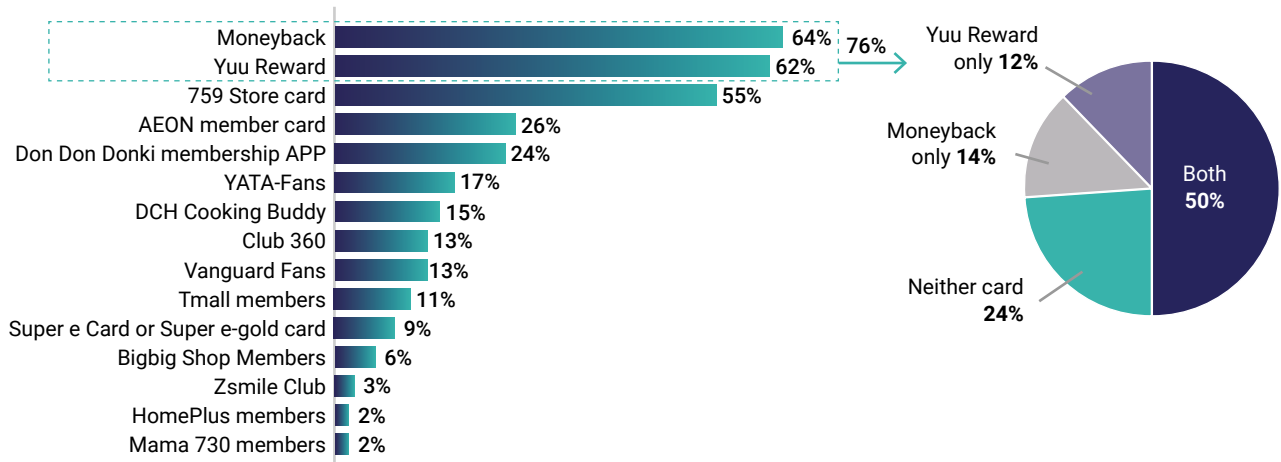
In light of this, it was surprising to learn that not only do some of Hong Kong's loyalty schemes fail to strengthen the bond between customer and retailer, some of them actually seem to weaken it.

Before we explore the strange dynamics at play here, let's look at the overall loyalty landscape in Hong Kong.

The two most widely used cards here are Moneyback and Yuu Rewards. Operated by A.S. Watson and Dairy Farm Retail Group respectively, these multi-partner networks cover a wide range of retailers and other services.

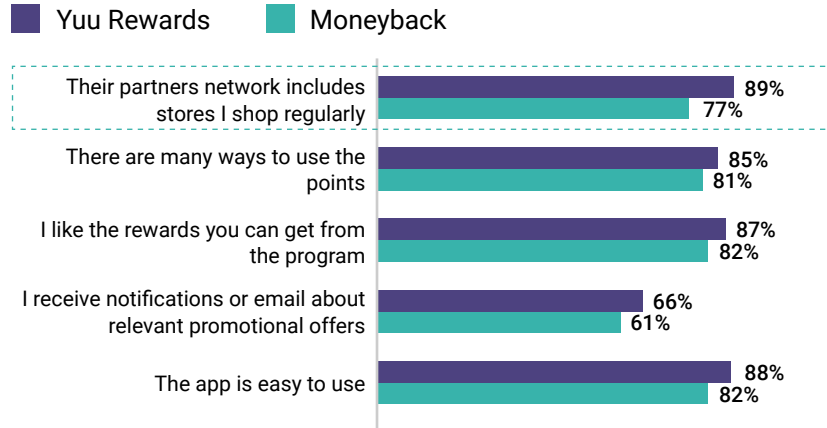
The results of our study show just how dominant these cards are. Around two-thirds of shoppers use one of them, and half of Hong Kong uses both. While the 759 Store Card (a pure discount card) is also well subscribed, comparatively few use similar cards from the likes of AEON, Donki, YATA, and DCH.

## Loyalty Cards Used



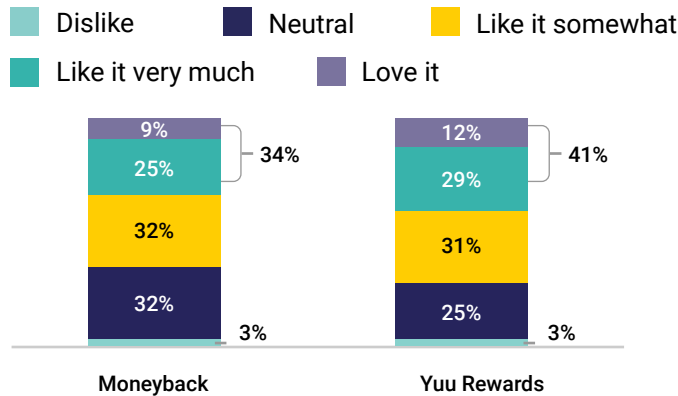
When asked how important each of the benefits offered by the Moneyback and Yuu Rewards schemes are, shoppers tended to place near equal value on each. The only real distinguishing factor between the two are their partner networks, with Moneyback holders less likely to cite this as a key benefit.

### How important are these features?



The same is true in terms of affinity towards the two cards, though Yuu Rewards holders do tend to be more vocal about how much they like it; 41% like it very much or love it, compared to 34% who say the same of Moneyback.

### Affinity for Card



In most cases, this affinity equates to sales uplift. When looking at cardholder and non-cardholder spend at the various A.S. Watson and Dairy Farm Retail Group banners, we see a substantially higher Share of Wallet amongst those who use the relevant card at one of those stores. For the A.S. Watson stores, Share of Wallet rises from around 40% to 57% between the two groups, and from 24% to 37% at the Dairy Farm Retail Group.

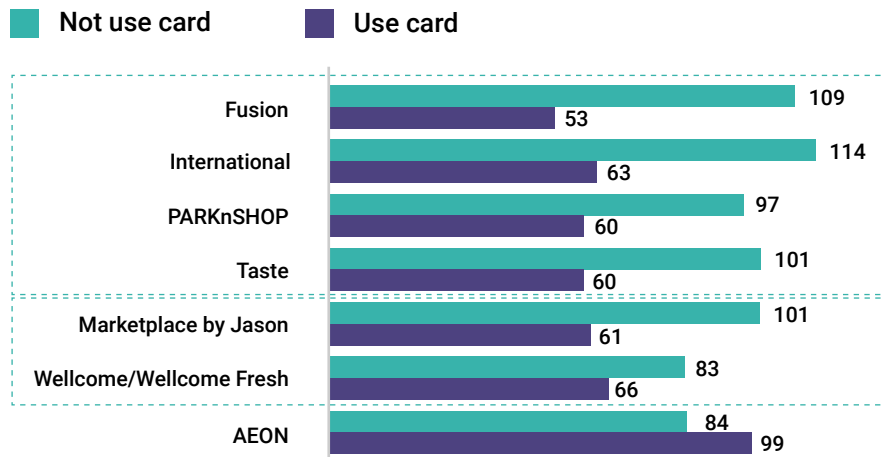
This is a considerable difference in comparison with the AEON Member Card. While Share of Wallet “only” rises from 10% to 16% from non-cardholders to active users, in real terms that represents a 50% increase between the two groups – significantly more than for the larger retailers.

	Share of Wallet					
	Use Moneyback Card		Use Yuu Rewards Card		Aeon Member	
	No	Yes	No	Yes	No	Yes
<b>Fusion</b>	8.6	13.7	11.0	12.3	12.6	9.9
<b>International</b>	6.4	9.2	6.8	8.8	8.2	6.9
<b>PARKnSHOP</b>	16.3	22.8	20.9	21.1	22.9	15.6
<b>Taste</b>	8.2	11.5	10.1	10.6	11.1	8.9
<b>Total AS Watson</b>	<b>39.5</b>	<b>57.2</b>	48.9	52.8	54.9	41.3
<b>Marketplace by Jason</b>	9.4	10.1	7.9	11.0	10.5	8.1
<b>Wellcome/Wellcome Fresh</b>	22.9	23.6	16.4	26.1	25.4	18.0
<b>Total Dairy Farm Retail Group</b>	32.2	33.7	<b>24.3</b>	<b>37.2</b>	35.9	26.1
<b>Aeon</b>	11.9	12.6	12.2	12.4	<b>10.2</b>	<b>15.6</b>

While this is a positive result on the surface, things become more complex when we look at the difference in Emotional Connection between users and non-users.

In a highly unusual turn, the Emotional Connection that **non**-cardholders feel towards the A.S. Watson and Dairy Farm Retail Group is almost double that of those who do use Moneyback and Yuu Rewards. Cardholders like those cards, and understand the benefits they confer, but they are much less attached to the banners at which those schemes operate.

### Emotional Connection by Card Usage

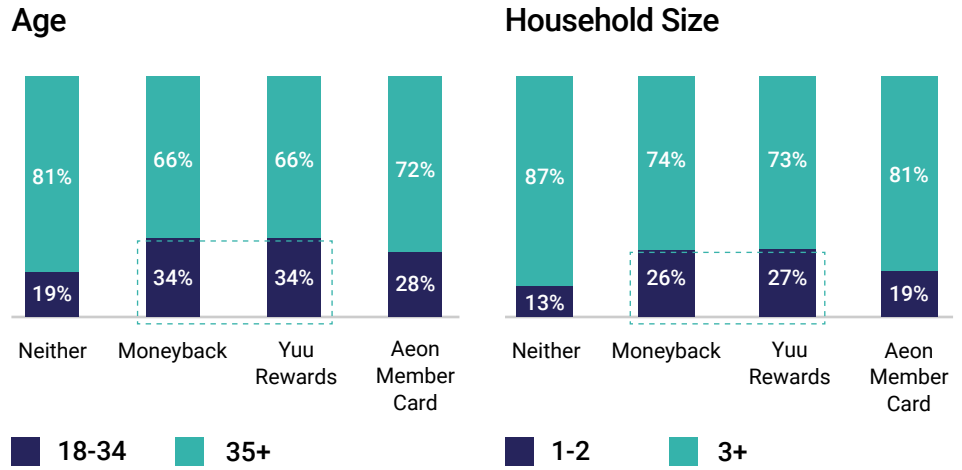


The problem that we see developing here is that shoppers are becoming loyal to the cards themselves, rather than the retailers that operate them. Instead of helping customers feel like they are being rewarded by shopping at a particular grocery store, they instead inspire holders to chase down points – developing an affinity for the card, but not those who run it.

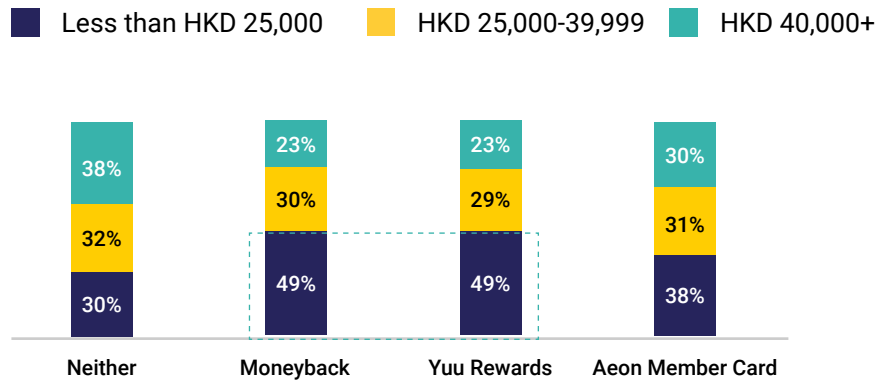
Part of the issue here may be the extensive nature of the Moneyback and Yuu Rewards schemes. The sheer scale of the partner networks for those cards essentially serves to neutralise any specific brand loyalties. With cardholders

able to collect points at such a wide assortment of stores and sites, each partner simply becomes another mechanic by which shoppers can boost their balance – rather than a truly valuable part of their retail ecosystem.

This becomes clearer still when we look at the demographics for those two cards, with younger, smaller, and less affluent households more likely to opt for one of the two schemes. The cards offer undoubted benefits, but holders might not associate that value with the retailers themselves.



### Monthly Income



This is an admittedly complex problem to solve. It isn't as simple as scaling back the partner network to focus on a smaller number of retailers, or to launch specific schemes for those individual stores. Doing so would likely be disastrous, because the scale of the network is one of the key benefits that customers associate with those programmes. At the same time, a loyalty programme that encourages spend – but not actual loyalty – is also problematic.

Our main recommendation here is that the operators of these schemes focus on positioning their own brands at the heart of these offerings. Having a wide network of partners is good, but reminding shoppers where those benefits originate from is unlikely to hurt either.

# Conclusions and recommendations

This first RPI study for Hong Kong tells us much about the mindset of the region's shoppers – and the expectations that retailers need to deliver on if they're to increase their market share.

Below are our closing thoughts, as well as a few key recommendations for Hong Kong's grocery retailers.



## The importance of a good online offering is only going to increase

Ecommerce penetration in Hong Kong is already huge in comparison to the rest of the world. At the same time, evidence from neighbouring regions tells us that the market hasn't reached its peak just yet.

The key opportunity we see here is that, at present, no retailer is really delivering everything that customers want. Wellcome is the only company that respondents believe offers an exceptional Online Experience, and even then only 8% of the company's Share of Wallet comes from its online operations.

For those who can break the mould and offer something truly exceptional, huge opportunity awaits.

## Conclusions

### Store diversity makes for a tough market, but presents opportunities to win

Loyalty in Hong Kong is heavily skewed by Wellcome and PARKnSHOP. If we removed those banners from our calculations, the region's Loyalty Index would fall significantly, with shoppers here spreading their grocery budget across a large number of stores.

On the one hand, that makes it difficult for those retailers in the second and third tiers of our rankings to drive up their market share, because they're in constant competition with so many other banners. On the other, that means that there will always be new customers to appeal to, and new loyalties to earn. As a result, a well-aligned value proposition can go further here than it might elsewhere.

### Consistent appeal is better than singular strength

While those retailers at the top of our overall rankings don't always win in the Preference Pillars, they do at least score consistently highly. In contrast, those banners who may enjoy a standout performance in one Pillar don't necessarily see that translate into overall success (759 is the notable exception).

While there's undoubted benefit to being a market leader in one or two areas, the lesson we see here is that it's better to be consistently good than uniquely brilliant. Shoppers seem to be more appreciative of a solid and well-rounded value proposition than one that offers them brilliance in one or two areas alone.

## Recommendations

### **The importance of Communication offers great potential**

While our RPI studies are designed to help retailers understand what customers want, there's a big difference between knowing and doing. Issues like Store Experience, Quality & Variety, and Price aren't things that can be addressed overnight – all of them requiring significant strategic shifts to implement effectively.

While it isn't necessarily something that's "easy" to fix, the standard of a retailer's Communication is at least a little easier to control – certainly in comparison to issues like location, range, or price. With Hong Kong's shoppers placing so much value on Communication, we'd suggest that anyone with an interest in improving their ranking starts here.

### **Focus on Experience and Delivery as a way to differentiate online**

When it comes to ecommerce, the Online Experience counts for just about everything. And, with the exception of Wellcome and maybe DCH, shoppers are typically neutral or negative about what they see here. Simple refinements may go a long way to winning new customers in the longer term.

While respondents are at least vaguely content with the Online Experience though, that's not the case with Delivery. Donki is the only banner with a positive reputation here, making it an area of huge potential for differentiation. For any retailer looking to capture more of the online market, a Delivery service that customers genuinely love will likely go a long way.

### **Give customers reasons to stay loyal**

With Hong Kong's shoppers splitting their wallet across so many grocery retailers each month, this market is one in which is imperative to give customers a clear and compelling reason to keep coming back.

While a few banners have the luxury of what seems to be almost guaranteed custom, most are in fierce competition for every dollar spent. Winning a customer outright is near impossible, so the focus should be on incrementality – one more item purchased each visit, one more visit each week. Whether it's pricing or rewards, personalisation or quality, focus on finding ways to keep each customer coming back.

### **Look to the value maps for personalised improvements**

The value maps present in each of the Preference Pillars show two things: how important shoppers say it is for a retailer to do something well, and the extent to which they actually deliver on that.

When we look at those things in tandem, we're presented with what is essentially a "to-do list" of improvements. If shoppers say that it's important for you to do better at something than you currently are, that's a clear point of focus. If you're leading the way but shoppers are relatively neutral about the need to do so, there may be an opportunity to ease off on that specific lever.

Please consider looking at each of these value maps, and how they might help you improve your future RPI ranking.

# Appendix

## 1. Which banners do shoppers choose to achieve specific shopping missions?

	RTE Meal	Snack/ beverage between meals	Personal care	A few food items	A few non-food items	Larger trip
759 Store	0.72	1.82	0.45	1.42	0.65	0.54
AEON	1.34	0.89	1.01	1.00	0.76	1.05
Bestmart360	1.03	1.70	0.50	1.28	0.57	0.64
Bigbig Shop*	1.34	1.03	1.20	0.69	0.99	0.93
City Super	1.28	1.11	1.25	0.83	0.75	0.86
Daily Manson	1.15	1.10	1.05	0.90	1.03	0.81
DCH	1.26	1.00	0.79	1.13	0.93	0.85
Don Don Donki	1.46	1.35	1.11	0.83	0.44	0.88
Fusion	0.74	0.93	0.98	1.08	1.13	1.08
HKTVMall*	0.42	0.71	1.58	0.77	1.32	1.29
Homeplus*	0.85	0.82	1.13	0.87	1.23	1.18
International	0.94	0.96	0.95	1.09	1.09	0.93
Kai Bo	0.76	0.77	0.66	1.62	0.90	0.98
Mama 730*	0.75	0.97	1.24	0.82	1.01	1.28
Marketplace by Jason	0.99	0.85	0.95	1.02	1.03	1.17
PARKnSHOP	0.72	0.87	0.83	1.16	1.30	1.05
PrizeMart	0.85	1.23	0.68	1.28	0.89	0.86
Qdama	1.10	0.68	0.87	1.29	0.75	1.23
Taste	0.87	0.80	0.86	1.20	1.06	1.13
Tmall*	1.04	0.87	1.35	0.53	1.41	1.07
Vanguard/U-Select	0.93	0.94	0.92	1.05	1.11	1.02
Wellcome/Wellcome						
Fresh	0.67	0.88	0.71	1.24	1.23	1.15
YATA	1.31	0.95	0.94	1.08	0.63	1.09
Zstore*	0.65	0.92	1.00	0.94	1.56	0.94

Under-index for trip      Over-index for trip

## 2. Which categories are most popular at which banners?

Index	759 Store	AEON	City Super	DCH	Don Don Donki	Fusion	HKTVMall	International	Kaibo	Marketplace by Jason	PARKnSHOP	Taste	Tmall	Vanguard	Wellcome
Bakery	134	66	106	73	91	107	93	121	49	100	126	99	113	149	72
RTE	95	131	126	77	155	87	79	98	57	80	92	128	76	97	121
HH products	59	94	74	63	53	127	195	105	60	86	147	137	80	156	61
Alcohol	81	97	149	77	131	98	124	111	62	131	98	103	61	98	78
Soft drinks, juice, water	105	89	92	75	98	105	145	101	76	97	138	114	82	120	62
Health & Beauty	36	97	103	70	159	93	228	122	48	99	104	101	84	91	66
Fresh fish, seafood	41	79	111	97	86	93	68	147	101	117	99	123	102	143	92
Fresh fruit, vegetable	31	94	82	81	62	121	35	114	133	120	130	134	89	169	104
Fresh meat, poultry	34	86	95	81	72	124	64	115	140	127	114	122	87	135	103
Frozen food	101	108	82	140	75	106	103	81	142	84	99	86	75	127	92
Eggs and dairy products	51	112	96	85	97	121	55	112	79	117	135	115	82	158	84
Baby	90	116	143	106	95	130	123	133	80	93	61	84	81	65	100
Packaged food	111	112	87	72	98	105	119	107	63	97	134	112	81	128	72
Confections and snack food	157	104	92	51	182	92	101	99	30	94	107	106	70	122	92
Daily cooking	83	97	75	89	66	118	139	109	76	111	132	110	77	150	69
Natural/organics	64	98	218	80	87	92	116	106	40	121	79	126	93	72	109

Under-index for Category      Over-index for category

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