



PRESS RELEASE

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PolyU releases latest Customer Perceived Value in Hong Kong's retail sector

According to the latest research report on "Customer Perceived Value in Hong Kong's Retail Sector" released by The Hong Kong Polytechnic University (PolyU), the overall satisfaction level on the service quality of Hong Kong's retailers remains at high level. There are 20.4 per cent of tourists who indicated that they would definitely shop again at the same store.

Conducted between January and February 2006, this survey was undertaken by the Asian Centre for Brand Management under the Department of Management and Marketing (MM) to track the performance of Hong Kong retailers in terms of a number of measures like product and service quality, customer satisfaction and perceived value.

In the recent survey, 2,432 completed questionnaires collected at some local shopping districts were used for statistical analysis. Respondents were shoppers from Hong Kong, the mainland and overseas countries. This survey identified nine factors affecting the overall quality of retail service, namely perceived risk and safety, enhancement of self-image, service attitude and skills, product quality, promise and interaction, price, shop environment, efforts spent in purchasing and consuming the service, and ability of the merchandise to match the life-style of the shopper.

According to the survey, the overall satisfaction level and perceived value of customers remain at high level with an average score of 5.27 and 5.19 respectively, with seven being the highest score. The ability of frontline personnel in speaking English improved from an average score of 5.31 in the last survey to 5.4. This score is even higher than 5.28 in the first survey conducted in July and August 2004. Though Putonghua proficiency shows slight improvement from 4.94 to 5.05, it is still lower than 5.28 as reported in 2004.

Another figure which catches retail industry's attention is that scores on store service (4.65), product quality (4.66) and performance of frontline employee (4.51) given by Hong Kong shoppers were all lower than the average scores of 4.88, 4.87 and 4.74 respectively. It reflects that Hong Kong shoppers are more stringent in evaluating our retail services than shoppers from other countries.

Dr Sheriff Luk, Director of Asian Centre for Brand Management and Associate Professor of MM, said, "The index of 100 is calculated by using the performance level in the first survey during the period of July and August 2004. The overall index combining all service dimensions rises from 99.8 in the last survey to 100.1. It shows that Hong Kong retailers are able to maintain their performance level as measured in July and August 2004."

Prof. Judy Tsui, Dean of Faculty of Business and Director of Graduate School of Business said, “This is the fourth survey we have done and the survey results have provided the retail industry with reliable statistics and insights to enhance their service quality and achieve a higher service standard.”

The Asian Centre for Brand Management was founded in 2005 which focuses at conducting vigorous applied research on branding issues with practical value for improving business performance. Inter-disciplinary and cross-functional approaches are adopted to develop reliable assessment of brand value and brand asset. Prof. Edward Snape, Head and Prof. of MM, said, “We anticipate that with the establishment of the Asian Centre for Brand Management, a sustainable knowledge platform bridging the academia and industry can be well established.”

Since its inception in February 2004, the project on “Customer Perceived Value in Hong Kong’s Retail Sector” has conducted four surveys in the periods of July and August 2004, January and February 2005, July and August 2005 and January and February 2006 respectively. With an aim to understand how shoppers evaluate the services quality of Hong Kong’s retailers and to assess how likely tourists are to come back and shop again in Hong Kong, the project is expected to assist in enhancing the service quality of local retailers.

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