

1. Project Details

Please mark with "*" if any of the following project details is different from that in the project proposal appended to the project agreement.

Project Reference and Title

Branding for Returns: The Path to Strong Brands for SMEs (D09 001 027)

Project Summary (in not more than 150 words)

Most SMEs in Hong Kong to date lack adequate knowledge of brand building and management, and even follow traditional, product-oriented approaches to developing brands. To ensure sustainable growth in brand equity and deliver the value desired by customers, SMEs need to employ rigorous brand planning and management protocols.

This project aims to help SMEs in Hong Kong create and manage their own brand by introducing an innovative, yet robustly tested framework known as "Holistic Brand Management Approach and Brand Equity Measurement System". The framework is developed within the business context of Hong Kong and Mainland China, in particular the situations confronted by typical SMEs in Hong Kong.

The deliverables of this project include: i) in-depth interviews and focus group interviews with SMEs in Hong Kong and Mainland China, ii) one case book, iii) a series of seminars and training workshops, and iv) project website.

Project Objective(s) (in not more than 80 words)

- 1) To enable Hong Kong manufacturers and SMEs to build sustainable brand equity.
- 2) To provide local SMEs with the framework and techniques for the identification of brand ingredients and the development of brand building and management plans to improve their brand performance.
- 3) To facilitate knowledge transfer from distinguished business leaders who attain positive brand equity to industry practitioners across multiple sectors in Hong Kong and Mainland China.
- 4) To develop a framework of brand creation, management and development and a set of guidelines for individual SMEs.
- 5) To explore brand management issues unique to the Mainland China market and often encountered by Hong Kong SMEs in the process of brand building.
- 6) To benchmark the brand creation and management experience of pioneer firms so as to deal with various brand management related issues in a more efficient manner.
- 7) To provide the local government with guidelines for helping SMEs in the process of brand building in Hong Kong and Mainland China.

Recipient/Collaborating/Implementation Organisation

Recipient Organisation : The Hong Kong Brand Development Council Company Limited

Collaborating Organisation(s) : The Chinese Manufacturers' Association of Hong Kong

(1) Asian Centre for Brand Management, The Hong Kong Polytechnic University; and

Implementation Agent(s) : (2) PolyU Technology & Consultancy Company Limited

Key Personnel

	<u>Name</u>	<u>Company/Organisation</u>	<u>Tel No. & Fax No.</u>
Project Co-ordinator	<u>Dr. Sheriff Luk</u>	<u>The Hong Kong Polytechnic University</u>	<u>Tel. :2766 7143 Fax. : 2365 7415</u>

Deputy Project Co-ordinator	: Mr. Hilson Yan	The Hong Kong Brand Development Council	Tel. : 2542 8631 Fax. : 3421 1092
--------------------------------	------------------	--	--------------------------------------

Project Period

	<u>Commencement Date</u> (day/month/year)	<u>Completion Date</u> (day/month/year)	<u>Project Duration</u> (No. of months)
As stated in project agreement	<u>1/10/2009</u>	<u>31/12/2010</u>	<u>15 months</u>
Revised (if applicable)	<u></u>	<u>28/2/2011</u>	<u>17 months</u>

Methodology Employed

- Desk Research: Secondary data on the industry's macro-environment such growth trends, opportunities for branding as well as stakeholders' interest were gathered.

- Primary Data:

Primary data was collected via the following methods:

- A) In-depth interviews: 25 local and mainland SMEs were sampled. Senior executives in charge of branding and marketing activities were also invited for interview to collect information pertaining to i) brand orientation; ii) brand planning techniques; iii) organization structures; iv) unique challenges in creating brands in Hong Kong and mainland China, and v) key success factors for brand building in China.
 - B) Focus group interviews: 6 Selected SMEs were approached for conducting focus group interviews with both their senior and frontline staff to identify their training needs and tactical issues in implementing brand planning protocols.
 - C) Data retrieved from an existing survey on "Customer Perceived Value in Hong Kong's Retail Sector" conducted by ACBM from 2004 till 2009 were used to identify the competitive positions of leading brands in Hong Kong.
-

2. Summary of Project Results

Project Deliverables

Please list out the targeted project deliverables as stated in the project proposal appended to the project agreement and provide details of actual result achieved, including beneficiaries, for each of them.

1.) In-depth interviews & Focus Group Interviews:

25 local and mainland SMEs were interviewed. Among them, 8 were from fashion and textile industry, 7 from food and beverage, 5 from jewelry and watch; and 5 came from other industries, including toy, electricity, lighting, software design, and household appliance.

6 companies were selected to go through the in-depth analysis by focus group interviews.

2.) Seminars & Workshops:

Four 3-hour seminars and 2 phases of four half-day workshops (28 hours in total) were organized, the topics and attendance of each activities were as follows:

- Seminar 1 - Building Brand Equity Seminar for SMEs: Are You Ready?
Number of attendance: 100 (enrolments 125)
- Seminar 2 - Building Brand Equity Seminar for SMEs: Decision Making Process of Brand Management
Number of attendance: 140 (enrolments 160)
- Seminar 3 - Building Brand Equity Seminar for SMEs: Real-life Branding in China
Number of attendance: 120 (enrolments 136)
- Seminar 4 - Building Brand Equity Seminar for SMEs: On The Path to Strong Brand
Number of attendance: 120 (enrolments 129)
- Workshop phase 1 & 2
Number of attendance: 49 (enrolments 59)

3.) Case Book:

The 176 page Casebook is made up of two main sections – theoretical background and case studies.

Theoretical background comprises five chapters:

- (1) The Change in Brand Strategy and Management in the 21st Century;
- (2) The Value Driven Brand Management Structure;
- (3) The Process of Brand Strategy Formulation and Management;
- (4) Design and Manage Brand Experience;
- (5) Own Created Brand Business Model.

The case studies part is divided into three chapters:

- (6) Brand Behaviors and Strategy of Local SMEs: An Overview;
- (7) Case Study on 22 Local SMEs;
- (8) Golden Rules on Brand Building.

Up to mid-May, 1,254 out of 2,000 copies of case books had been distributed to local SMEs.

4.) Project Website & Online Training Manual:

A website for the project has been established. The gist of the materials used in the seminars and workshops was uploaded as on-line training manual for SMEs' easy and free download and referencing.

Actual Benefits to SMEs

Please indicate *in clear, specific, tangible and quantifiable terms* the benefits of the project and its contribution to enhancing the competitiveness of Hong Kong's SMEs in general or SMEs in specific sectors, in not more than 400 words.

This project has helped local SMEs to acquire systematic knowledge and practical skills in branding which are especially relevant to the current business environment of Hong Kong and the market situation of Mainland China, such as the concept of sustainable brand equity, the importance and the reasons for brand building, the benefits to be a brand driven company, the method and procedure of brand development. The Project has provided not only theoretical framework but also valuable real-life cases and experience sharing by pioneer firms from a variety of industries.

With the knowledge transferred at the Project, SMEs would be in a better position to identify the problems that they are faced when building up their own brands. In particular, they could use the skills and techniques taught in the workshops to construct a sound planning for brand development, taking a step to move from a sales driven company to a brand driven one by changing organizational culture and management mindset.

As an evidence for the Project's popularity among the SMEs, the seminars and workshops it redelivered achieved an average show-up rate as high as over 85%, and over 90% of the participants were SMEs. Besides, 311 questionnaires were collected from participants to the four seminars and two serial workshops, and 85% of the respondents admitted they could gain useful knowledge in branding and management skills from the activity concerned, whereas 40% said the seminar/workshop could bring direct benefit to their own business development. Moreover, over 85% of the respondents agreed that the training program could help increase competitiveness of their companies, and 90% believed that they could apply those theories and experiences to their operations. In a nutshell, most of the respondents were satisfied with the training contents, which were commended for being able to combine theorems and practices.

For the casebook, 2,000 copies were printed and over half of the copies had been distributed within a short span of time; and the Organizer continues to receive enquires or collection requests from interested SMEs. For those who cannot receive the hardcopy of casebook or who missed the seminars and workshops, they can download an electronic version from the Project's official website.

Milestones (in chronological order)

Please indicate if the milestone is completed (C), deferred (D) or not achieved (N). If it is deferred, please indicate the revised completion date. For those milestones which are deferred or not achieved, please also provide the reasons under item 2.4.

	<u>Milestone</u> (as set out in the project proposal appended to the project agreement)	<u>Original target completion date</u>	<u>Revised target completion date</u> (if applicable)	<u>Status</u> (C/D/N) #
(a)	Completion of desk research and primary data analysis	31/10/2009		C
(b)	Completion of first seminar	31/10/2009		C
(c)	Completion of in-depth interviews with selected companies	30/04/2010		C
(d)	Completion of second seminar	31/03/2010		C
(e)	Completion of focus group interviews	30/09/2010		C
(f)	Completion of the preliminary draft of case book, and completion of the framework of project website	31/05/2010		C
(g)	Completion of third seminar	31/07/2010		C

(h)	Completion of the first round of management training workshops	31/08/2010	C
(i)	Completion of the second round of management training workshops	31/10/2010	C
(j)	Completion of fourth seminar	15/12/2010	C
(k)	Completion of feedback received from the workshops and completion of the finalized version of case book; Uploading of the on-line training manuals	28/02/2011	C

Marketing/Dissemination Activities (in chronological order)

Please provide details of all completed and on-going promotional and/or dissemination activities for each of the project deliverables. Such activities may include advertisements, seminars, workshops, etc.

<u>Date/ Period</u>		<u>Description</u>	<u>No. of beneficiaries</u> (Please specify whether they are SMEs or not)
25/09-23/10/2009	First Seminar	<ul style="list-style-type: none"> (a) Websites: i) HKBDC, ii) CMA and iii) project website (b) Email and E-newsletter: i) over 400 HKBDC corporate members and SME Branding Club members; ii) over 8,000 CMA member companies and affiliated companies, and iii) over 10,000 PolyU alumni (from ACBM's database) (c) Fax to a database containing over 30,000 companies affiliated to the CMA (d) E-mail and e-newsletters through Supporting Organizations, including HKTDC, SUCCESS 	121 enrolments with over 90% turn-up rate, 90% of them were SMEs by estimation
10/2009 – 04/2010	For In-depth interviews	<ul style="list-style-type: none"> (a) The First Seminar: Key research personnel of this project promoted the deliverable to the participants of the first seminar. (b) Email and E-newsletter: i) over 400 HKBDC corporate members and SME Branding Club members; ii) over 8,000 CMA member companies and affiliated companies 	20 HK-SMEs, 3 Mainland companies & 2 Hong Kong companies that have successfully transformed from SMEs to more established brands
31/03/2010	Second Seminar	<ul style="list-style-type: none"> (a) Websites: i) HKBDC, i) CMA and iii) roject website (b) Email and E-newsletter: i) over 400 HKBDC corporate members and SME Branding Club members; ii) over 8,000 CMA member companies and affiliated companies, and iii) over 10,000 PolyU alumni (c) Fax to a database containing over 40,000 companies affiliated to the CMA (d) E-mail and e-newsletters through Supporting Organizations, including HKTDC, SUCCESS 	159 enrolments with over 90% turn-up rate, 90% of them were SMEs by estimation
28/05/2010	Third Seminar	<ul style="list-style-type: none"> (a) Websites: i) HKBDC, ii) CMA and iii) project website (b) Email and E-newsletter: i) over 400 HKBDC corporate members and SME Branding Club members; ii) over 8,000 CMA member companies and affiliated companies, and iii) over 10,000 PolyU alumni (from ACBM's 	124 enrolments with over 90% turn- up rate, 90% of them were SMEs by estimation

			database)	
		(c)	Fax to a database containing over 30,000 companies affiliated to the CMA	
		(d)	E-mail and e-newsletters through Supporting Organizations, including HKTDC, SUCCESS	
16-28/07/2010	First round of management training workshops	(a)	Websites: i) HKBDC, ii) CMA and iii) project website	59 enrolments, 45 participants were selected with over 95% turn- up rate, 95% of them were SMEs by estimation
		(b)	Email and E-newsletter: i) over 400 HKBDC corporate members and SME Branding Club members; ii) over 8,000 CMA member companies and affiliated companies	
		(c)	Fax to a database containing over 30,000 companies affiliated to the CMA	
30/07-17/08/2010	Second round of management training workshops	(a)	Websites: i) HKBDC, ii) CMA and iii) project website	59 enrolments, 45 participants were selected with over 95% turn- up rate, 95% of them were SMEs by estimation
		(b)	Email and E-newsletter: i) over 400 HKBDC corporate members and SME Branding Club members; ii) over 8,000 CMA member companies and affiliated companie	
		(c)	Fax to a database containing over 30,000 companies affiliated to the CMA	
04-09/2010	For Focus Group interviews	(a)	In-depth interviews: Key research personnel of this project promoted the deliverable to the participants during the in-depth interviews.	-5 HK-SMEs -1 Hong Kong company that has successfully transformed from SMEs to more established brands
15/12/2010	Fourth Seminar	(a)	Websites: i) HKBDC, and ii) CMA	129 enrolments with over 90% turn- up rate, 90% of them were SMEs by estimation
		(b)	Email and E-newsletter: i) over 400 HKBDC corporate members and SME Branding Club members; ii) over 8,000 CMA member companies and affiliated companies, and iii) over 10,000 PolyU alumni (from ACBM's database)	
		(c)	Fax to a database containing over 30,000 companies affiliated to the CMA	
		(d)	E-mail and e-newsletters through Supporting Organizations, including HKTDC, SUCCESS	
		(e)	Advertisement posted at Hong Kong Economic Times	
24-28/02/2011	Casebook	(a)	Advertisement: Promotion of casebook on (i) Ming Pao, (ii) Sing Tao, (iii) Hong Kong Economic Times and (iv) Hong Kong Entrepreneur.	1,254 copies were distributed to local SMEs

- (b) Fax promotion to BDC and CMA database and through local industrial organizations
- (c) Distribution of cases book at BDC or CMA brand- related seminars/trainings

- Total no. of beneficiaries - no. of SMEs	About 1,700
no. of companies which are <u>not</u> SMEs	About 110

Future Plan for Promoting the Project Deliverables

The on-line training manual and the project website is keeping beyond the project period until the end of 2011 and provide a convenient and effective avenue to transferring and disseminating knowledge, skills and experience in brand building, freely accessible to local SMEs as well.
