

**SME Development Fund
Final Report of Approved Project**

Project Title : Connected Anywhere, Hong Kong – an affordable and effective
(Reference No.) smartphone apps adoption campaign for retail and catering
sectors (D11 002 011)

Period covered : From 1/03/2012 to 28/02/2013
(dd/mm/yy) (dd/mm/yy)

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

Connected Anywhere, Hong Kong – an affordable and effective smartphone apps adoption campaign for retail and catering sectors

Project Summary (in not more than 150 words)

A paradigm shift in communications and culture

Smartphones are experiencing exponential growth in global shipments with new smartphone and tablet shipments already exceeded PC shipments in 4Q2010 (over 400 million units). Users are no longer using their smartphones for simple telephone conversations. Most people are using them to get connected to the Internet, socialising with their friends through social networks, finding out point of interests for dining and shopping as well as checking their email messages.

Being connected anywhere with a smartphone is now a part of every modern worker daily life. According to an interim result of a HKPC survey on consumer preference of smartphones (「推動利用智能手機創作富有新創意的廣告及市場推廣」消費者調查) in June 2011, 70% respondents indicated that they were using smartphones while approximately 53% of respondents use smartphone apps on a daily basis.

Resource-constrained SMEs have a difficult time in catching up

In response to this changing consumer behaviour in Hong Kong, large corporations such as Hang Seng Bank, Citibank, and MTR, have already used smartphone apps for marketing and customer relationship management. Similarly in the US, over 78% of SMEs are using smartphone apps in their business according to an April 2011 AT&T survey. However, many local SMEs neither have the knowhow or resources to respond to such behavioural changes. In the face of the increasing trend of the X and Y generations in carrying out shopping activities on the Internet, it is critical for local SMEs to take note of this new paradigm shift in marketing their services/products.

The need to lower the entry barrier for the use of apps in SMEs

This project is concerned with a "Smartphone Apps Adoption Campaign" that includes two programs. First, a *promotion and training program* is set up to make the target SME sectors of retail and catering aware of the importance and requirements of smartphone apps in marketing and customer relationship management, and, second, a *business matching and mini-exhibition program* to lower the entry barrier for smartphone apps adoption.

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

The proposed project aims to achieve the following objectives:

1. To raise SMEs awareness on the use of smartphone apps in marketing and customer relationship management (CRM)
 2. To lower the entry barriers for SMEs to adopt smartphone apps through the mini-exhibition and business matching as well as a "SaaS" (Software as a Service) payment model.
 3. To provide SMEs with practical knowledge on how to adapt to this rapid shift in communications and culture, particularly with regards to products/services development and marketing plans
 4. To demonstrate the use of smartphone apps for marketing of products and services amongst the target industry sectors of retail and catering
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Recipient/Collaborating/Implementation Organisation

Recipient Organisation : Hong Kong Wireless Technology Industry Association (WTIA)

Collaborating Organisation(s) : Hong Kong Wireless Development Centre
The Hong Kong Retail Management Association
Hong Kong Retail Technology Industry Association

Implementation Agent(s) : Hong Kong Productivity Council (HKPC)

Key Personnel

	<u>Name</u>	<u>Company/Organisation</u>	<u>Tel No. & Fax No.</u>
Project Co-ordinator	Mr. To Cheung	WTIA	2190 9428 (T) 2190 9499 (F)
Deputy Project Co-ordinator	Dr. Lawrence Cheung	HKPC	2788 5774 (T) 2788 5770 (F)
Project Manager	Dr. Victor Ng	HKPC	2788 5880 (T) 2788 5860 (F)

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	01/03/2012	28/02/2013	12
Revised (if applicable)			

Methodology Employed

The following summarizes the project implementation methodology.

- **Awareness Promotion**
Arrange editorials and awareness seminars to promote awareness of smartphone apps to the target SMEs. Invite user companies and industry experts as seminar speakers to share experience, and promote the awareness seminars through email invitation and media advertisement.
- **Business Matching**
Recruit smartphone apps vendors to participate in the mini-exhibitions and business matching sessions. Invite SMEs from the target industries to participate and facilitate business matching between targeted SMEs and smartphone apps service industry.
- **Guidebook**
Perform desktop research, conduct market survey and interviews, and collect success cases of mobile apps in marketing and customer relationship management. Identify practical tips on smartphone apps adoption, and develop a step-by-step guide for SME to plan and utilize smartphone apps for mobile marketing and customer relationship management. Publish the contents in the guidebook.
- **Training Workshops**
Organize two rounds of training workshops: to educate SMEs on the basics of smartphone apps for business use, and to educate SMEs on specific smartphone apps for marketing their products/services and managing customer relationships.

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. Smartphone apps mini-exhibition and business matching program
 - 2 half-day mini-exhibitions and business matching sessions were organised on 30 Jul and 19 Oct 2012 (which were held on the same days as Seminars 2 & 3).
 - 517 participants attended these events (averaging 258.5 participants per event) to see live demonstration of smartphone apps for business use and to talk to smartphone apps service providers.
 - 22 and 23 exhibitors, respectively, took part in the events on 30 Jul and 19 Oct 2012.
2. Smartphone Apps Adoption Guidebook.
 - The guidebook “香港中小企業智能手機應用指南” was published in Dec 2012.
 - 1,500 hardcopies as well as a softcopy of the guidebook were made and distributed through websites and other marketing channels.
3. Editorial Coverage
 - 2 advertorials were published: “掌握智能手機市況 助中小企拓展商機” (4 Jan 2013) and “零售餐飲業作試點 推手機應用程式” (28 Feb 2013) on the Hong Kong Economic Times.
 - Readers of the newspaper learned about the project message, the use of smartphone apps for marketing and customer relationship management in the retail and catering sector, as well as the Guidebook.
4. Awareness Seminars
 - 4 half-day seminars were organised on 8 Jun, 30 Jul, 19 Oct and 3 Dec 2012, to promote the project and disseminate the project results (Seminars 2 & 3 were held on the same days as the two mini-exhibitions and business matching sessions).
 - 794 participants attended the seminars (averaging 198 participants per seminar).
5. Training Workshops
 - 6 one-day training workshops were organised on 20 Jul, 13 Sep, 9 Oct, 20 Nov, 29 Nov 2012 and 1 Feb 2013, to train up SMEs on the use of smartphone apps for businesses, covering the basics in one series and more in-depth application topics in another series.
 - 237 participants attended the training workshops (averaging 39.5 participants per workshop).

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.

The project has contributed to enhancing the competitiveness of Hong Kong's SMEs by introducing the benefits of smartphone apps for marketing to the target SMEs and providing matching between SMEs and service providers / apps developers. According to the survey results of the 2 mini-exhibitions, 4 seminars and 6 workshops, on average 99.10% of the respondents found the mini-exhibitions/seminars/workshops helpful to their businesses, and 97.17% indicated an interest in using smartphone apps.

The beneficiaries participating through project activities include participants to mini-exhibition/business matching events, seminars and workshops (1,031) and those reached through distribution of the Guidebooks, on-line channels and advertisements (over 60,000).

Through the Guidebook“香港中小企業智能手機應用指南”, SMEs gained important insights into the market trend and user behaviour regarding smartphone apps for marketing and for customer relationship management. The guidebook summarizes key statistics on smartphone usage in Hong Kong and around the world, presents a five-step procedure on how to select and implement mobile app marketing, illustrates through 21 success cases of mobile app marketing, and offers expert advices to SMEs in retail and catering. The guidebook was distributed in print (1,500 hardcopies) and in electronic copy downloadable from the applicant website.

2 pieces of advertorial coverage about the project were found on Hong Kong Economic Times (4 Jan 2013 and 28 Feb 2013), promoting the project benefits to a wider audience.

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) Promotion & Awareness Seminars (10 months) – Arrange editorial coverage – Organize 4 awareness seminars on smartphone apps	1 Mar – 31 Dec 2012		C
(b) Mini-Exhibitions & Business Matching (9 months) – Conduct 10 in-depth interviews – Prepare smartphone apps requirements – Organize 2 mini-exhibitions and business matching sessions	1 Apr – 31 Dec 2012		C
(c) Guidebook Preparation (7 months) – Conduct desktop research on overseas practices – Interview local mobile marketing experts – Develop a step-by-step guidebook – Arrange guidebook production	1 Aug 2012 – 28 Feb 2013		C
(d) Training Workshops (11 months) – Conduct 1 st round of training workshops – Conduct 2nd round of training workshops	1 Apr 2012 – 28 Feb 2013		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.

Seminars and Workshops

<u>Date/ Period</u>	<u>Description</u>	<u>No. of beneficiaries (Please specify whether they are SMEs or not)</u>
04/2012 – 02/2013	Database promotion via HKPC marketing database and member list of supporting organizations	Promoted to over 50,000 users via database provided by HKPC and supporting organizations
30/07/2012 19/10/2012	Mini-Exhibitions and Business Matching (x2)	Attracted 517 participants
08/06/2012 30/07/2012 19/10/2012 03/12/2012	Seminars (x4)	Attracted 794 participants
20/07/2012 13/09/2012 09/10/2012 20/11/2012 29/11/2012 01/02/2013	Training Workshops (x6)	Attracted 237 participants
04/01/2013 28/02/2013	Advertorial coverage on Hong Kong Economic Times	Over 10,000
31/05/2012 01/06/2012 13/07/2012 23/07/2012 03/09/2012 12/10/2012 15/10/2012 29/01/2013 30/01/2013 31/01/2013 28/02/2013	Newspaper advertisements (on Metro Daily, AM730 and HK Economic Times)	Over 30,000
02/2013	Advertorial coverage on LinuxPilot	Over 10,000
12/2012 – 02/2013	Guidebook distribution	1,500
Total no. of beneficiaries no. of SMEs		: Over 60,000

no. of companies which are not SMEs : [n/a]

Future Plan for Promoting the Project Deliverables

The electronic copy of the Guidebook is available for download on the project applicant's (WTIA) website.
