

**SME Development Fund/  
Dedicated Fund on Branding, Upgrading and Domestic Sales  
(Organisation Support Programme)**

**Final Report of Approved Project**

Project ref. no. : BUD 12 2 005  
Project title : HK Logistics Practitioners Upgrading and Branding  
Program  
Period covered : From 01/02/2013 to 31/01/2014  
(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

HK Logistics Practitioners Upgrading and Branding Program

### Project Summary (in not more than 150 words)

Under the 12 Five-year plan, Mainland China will consider domestic sales as one of the main economic development model. When we expand the domestic demand and develop the service industry, logistics industry is one of the major pillar in supporting the enterprises via customs clearance, transportation, warehousing, supply chain development and direct door-to-door delivery services.

The current Mainland China domestic reference materials lack of the logistics elements. In this connection, HKSTLA members would like to exchange the winning operation tactics with the retailers in conquering the Mainland domestic market, and introduce our brilliant services to the retailers. We shall produce a HK Logistics Player Directory with best practices case sharing Guidebook, so that we can promote our HK Logistics Player brand image to the Mainland China customers. Also, a series of training workshops will be organized for the SME logistics players and upgrade the industry to a new horizon.

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

- Equip Logistics SMEs with customer intelligence through in-depth focus group workshop between HK Retailers and HK Logistics Players in multiple product areas.
- Document these discussion results, and formulate the winning strategy for HK Logistics Players in delivering logistics service for different retail products. Together with the HK Logistics Players directory, the Guidebook will serve as an important reference material for the industry.
- Organize multiple workshops to educate the fellow SME logistics industry practitioners and raise the whole industry knowledge level to a new horizon.

### Grantee /Collaborating/Implementation Organisation Agent

Grantee : Hong Kong Sea Transport and Logistics Association Limited (HKSTLA)

Collaborating Organisation(s) : N.A.

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

### Key Personnel

	<u>Name</u>	<u>Company/Organisation</u>	<u>Tel No. &amp; Fax No.</u>
Project Co-ordinator	: <u>Mr. Paul Li</u>	<u>Hong Kong Sea Transport and Logistics Association Limited</u>	<u>Tel: 2216 6878 Fax: 2793 0070</u>
Deputy Project Co-ordinator	: <u>Mr. Eric MS Wong</u>	<u>Hong Kong Sea Transport and Logistics Association Limited</u>	<u>Tel: 2216 6878 Fax: 2793 0070</u>

### 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>01/02/2013</u>	<u>31/01/2014</u>	<u>12 months</u>
Revised (if applicable)	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>

## **Methodology Employed**

### **1. Preparation Stage**

- (1) Formed a project Steering Committee to oversee the working direction of the project.
- (2) Formed an Organizing Committee (Working Team) to organize the project work details for the implementation agent.
- (3) The working committee invited Supporting Organizations and representatives in different industry sectors to speak in the seminars, and to participate in the focus groups and subsequent training workshops.

### **2. Project Promotion**

- (1) Organized a half-day (3 hours) opening seminar to let HK Logistics Players aware of the program and to encourage participation in future project activities.

### **3. Focus Groups and HK Logistics Company Guidebook Preparation**

- (1) Eight (8) Focus Groups addressing different product specific logistics needs were conducted. Hong Kong logistics experts and representatives from the following target industries were invited to join the discussions, and to share their experience and opinion regarding entering the Mainland China market:
  - Food;
  - Wine;
  - Catering;
  - Health Food;
  - Cosmetic;
  - Luxury Goods;
  - Departmental Store; and
  - E-Commerce B-2-C Market.
- (2) Focus Groups results were documented and based on the results, the winning strategies and operation tactics for the HK Logistics Players were formulated with highlights on the strategy's business benefits to the HK Retailers.
- (3) A HK Logistics Company Guidebook with the discussion results and winning strategies (best practices case sharing), together with the HK Logistics Player Directory, were published and distributed for free to HK Logistics Players, and to practitioners in the above eight industries. In total three thousand (3,000) copies of Guidebook were printed and distributed for free in project activities, such as the result dissemination seminar and training workshops.

### **4. Result Dissemination**

- (1) The Focus Group results and Guidebook content were shared in the result dissemination seminar and training workshops. In these events, representatives from the logistics industry and the above eight logistics service user industries were invited to share their experience and opinion regarding entering the Mainland China market.

### **5. Industry Upgrade Training Workshops**

- (1) Nine (9) Industry Training Workshops were organized to share the focus group discussion results, winning strategies (best practices case sharing), and HK Logistics Players' solutions with the general logistics practitioners and logistics service users in the above eight industries.

### **6. Project Closure**

- (1) A closing seminar was organized to summarize the project results and experience gained, in particular the new business potentials revealed through the Guidebook preparation, and the insights for HK Logistics Players to move forward and further expand their market in the Mainland.
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## 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. Organization Structures

A project Steering Committee with 13 members and an Organizing Committee (Working Team) with 11 members had been officially formed in February 2013 for project monitoring, planning and implementation.

#### Result Achieved:

Forming these two Committees serves as a good foundation for project direction setting and project execution. In particular, the 13 Steering Committee members not only provided useful suggestions to the project, but also helped invite totally 25 Supporting Organizations for the project. These organizations from different industries then invited their members to join the project activities, and promoted project deliverables to members. All these resulted in a high-level of awareness about the project among the eight target industries mentioned above.

#### 2. A Project Opening Seminar (18 April 2013, 9:30am-12:30pm, HKPC Building)

An Opening Seminar had been implemented to introduce this project to the industry, and to recruit participants for subsequent focus group discussions.

#### Result Achieved:

In total 200 attendants joined the seminar (exceeding the quota "120 participants" mentioned in the proposal). The event allowed project working team to share further details of the project, giving the attendants a clear picture about the project background and benefits to industries. The seminar aroused attendants and industry practitioners' interests in this project.

#### 3. Eight Focus Groups (11 July 2013, 29 July 2013, 2 September 2013, and 27 September 2013; all in HKPC Building)

Eight (8) Focus Groups addressing different product specific logistics needs were conducted. Hong Kong logistics experts and representatives from the target industries were invited to join the discussions, and to share their experience and opinion regarding logistics needs in Mainland China.

#### Result Achieved:

Date	Time	Venue	Focus Group Topic	No. of Participant
11 Jul 2013	2:30-4pm	HKPC	Food Industry	9
11 Jul 2013	4:30-6pm	HKPC	Wine Industry	9
29 Jul 2013	2:30-4pm	HKPC	Catering Industry	12
29 Jul 2013	4:30-6pm	HKPC	e-Commerce Industry	15
2 Sep 2013	2:30-4pm	HKPC	Health Food Industry	8
2 Sep 2013	4:30-6pm	HKPC	Cosmetic Industry	10
27 Sep 2013	2:30-4pm	HKPC	Department Store Industry	6
27 Sep 2013	4:30-6pm	HKPC	Luxury Goods	7

In total 76 industry practitioners attended the focus groups. The focus groups series served as a good platform for the eight industries' practitioners and Hong Kong logistics experts to exchange ideas and industry information. The focus groups were fruitful in terms of ideas collected. Discussion results were documented and based on the results, winning strategies and operation tactics for Hong Kong logistics companies were formulated with highlights on how the proposed strategies facilitate Hong Kong logistics companies entering the mainland market, and how these strategies benefit the Hong Kong retailers who want to enter the mainland market/ how these strategies support their expansion in the Mainland.

#### 4. A Logistics Guidebook

A HK Logistics Company Guidebook (中國內銷物流攻略) were published for the project purpose. Specifically, this around-200-page guidebook covers the focus group discussion results and winning logistics strategies (best practices case sharing) in Mainland China. There is also a HK Logistics Player Directory to showcase Hong Kong logistics industry's service offerings and competitiveness. The guidebooks are distributed for free to HK Logistics Players, practitioners in the above eight industries, academics, and other members in the society who are interested in the guidebook. A complete softcopy of the guidebook is also available in the project website (<https://sites.google.com/a/hkstla.org/bud/>) for free download.

##### Result Achieved:

Three thousand (3,000) guidebook copies were printed and distributed for free in project activities, such as the result dissemination seminar and training workshops. Below is the detailed breakdown of the distribution:

- Distributed in the project Result Dissemination Seminar: **240 copies** (21 Nov 2013)
- Distributed in the nine Training Workshops: **360 copies** (21 Nov 2013 – 14 Jan 2014)
- Distributed in the project Closing Seminar: **160 copies** (23 Jan 2014)
- Distributed to local universities and IVE: **100 copies** (Dec 2013)
- Delivered to TID: **60 copies** (29 Nov 2013)
- Other copies distributed via HKSTLA network (incl. fulfilling the request for guidebook from the public): **1,280 copies** (Dec 2013 – Apr 2014)
- Other copies distributed via HKPC network (incl. fulfilling the request for guidebook from the public): **800 copies** (Dec 2013 – Apr 2014)

In short, the guidebook provides valuable information by shedding light on the winning logistics strategies for Hong Kong logistics companies and retailers to be successful in Mainland China.

#### 5. A Result Dissemination Seminar (21 November 2013, 9:30am-12:30pm, HKPC Building)

In the event, the project team shared the highlights of focus group results and guidebook content with the public. The project team also invited representatives from the logistics industry and the above eight logistics service user industries to share their experience and opinion regarding entering the Mainland China market.

##### Result Achieved:

In total 241 industry practitioners attended the seminar (doubling the quota "120 participants" mentioned in the proposal). The event served as an effective platform to disseminate the results of the project team's research, and to facilitate practitioners from different industries exchanging their logistics experience.

#### 6. Nine Training Workshops (21 Nov 2013 – 14 Jan 2014, all in HKPC Building)

Nine workshops were organized to share the focus group results, winning logistics strategies, and Hong Kong logistics company's service offerings in details with local logistics practitioners and logistics service users in the above eight industries.

##### Result Achieved:

Date	Time	Venue	Focus Group Topic	No. of Participant
21 Nov 2013	2:30-5:30pm	HKPC	Luxury Goods	31
26 Nov 2013	2:30-5:30pm	HKPC	Health Food Industry	25
27 Nov 2013	2:30-5:30pm	HKPC	Food Industry	32
28 Nov 2013	2:30-5:30pm	HKPC	Cosmetic Industry	36
5 Dec 2013	2:30-5:30pm	HKPC	e-Commerce Industry	34
18 Dec 2013	2:30-5:30pm	HKPC	Wine Industry	39
18 Dec 2013	2:30-5:30pm	HKPC	Department Store Industry	38
20 Dec 2013	2:30-5:30pm	HKPC	Catering Industry	26
14 Jan 2014	2:30-5:30pm	HKPC	Concluding Session	101

In total 362 practitioners attended the workshop series. The results were so encouraging, as on average there were 40 attendants per each workshop, doubling the quota "20 participants per workshop" mentioned in the proposal. Also new ideas and strategies about Mainland China logistics were also inspired throughout the sharing of the guidebook content by project team members and guest speakers. By sharing and discussion, the workshops helped bring the industry knowledge to a new level.

**7. A Project Closing Seminar (23 January 2014, 9:30am-12:30pm, Chiang Chen Studio Theatre)**

A closing seminar was organized to summarize the project results and experience gained, in particular the new business potentials revealed through the industry research for guidebook preparation, and the insights for Hong Kong logistics companies to move forward and further expand their market in the Mainland.

*Result Achieved:*

In total 159 industry practitioners attended the seminar (exceeding the quota "120 participants" mentioned in the proposal). The event served as an important platform to consolidate the knowledge and experience gained in the project, and to stimulate the industry practitioners thinking of more winning logistics strategies for entering and operating in Mainland China.

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## Actual Benefits to SMEs/Enterprises

(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 / enterprises in general or SMEs / enterprises in specific sectors / assist Hong Kong enterprises in general or in specific sectors in developing brands, upgrading and restructuring business operations, and promoting domestic sales in the Mainland, in not more than 400 words.)

### To Hong Kong logistics industry:

- Through in-depth focus group discussion, extensive training workshops and seminars, the project team has successfully equipped Hong Kong logistics SMEs with the latest information on mainland logistics industry development and mainland logistics market opportunity. With the information and insights shared in these activities, Hong Kong logistics SMEs can better think of their positioning in the mainland market, and better design their solutions for mainland clients and Hong Kong retailers targeting the mainland market. In short, through the sharing and discussion, the project team has successfully brought the local logistics industry's knowledge to a new level.
- The HK Logistics Company Guidebook (中國內銷物流攻略) has been an important and comprehensive reference material to the Hong Kong logistics industry (and Hong Kong retailers). Covering the mainland logistics industry situation, related customs and other mainland regulations, potential business directions, winning mainland logistics strategies, and the HK Logistics Player Directory, the guidebook provides timely, relevant and actionable suggestions to the industry. This facilitates Hong Kong logistics SMEs entering the mainland market. Besides, the HK Logistics Player Directory section serves as a good channel to showcase the industry's service offerings and competitiveness, helping the industry promote to Hong Kong retailers in Mainland China and other logistics service users.

### To Hong Kong retailing industry:

- Apart from benefiting the logistics industry, the information shared in project activities (such as the mainland import regulations) also benefits Hong Kong retailers or other companies interested in mainland market. The information allows them to design or to improve their logistics strategies, so as to enhance their logistics performance and the company's overall competitiveness in the mainland.
- The HK Logistics Company Guidebook (中國內銷物流攻略) allows Hong Kong retailers to search for logistics partner to support their operation in the mainland, ultimately facilitates business growth in the mainland of these Hong Kong companies.

## 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.)

Milestone (as set out in the approved project proposal appended to the project agreement)	Original target completion date	Revised target completion date (if applicable)	Status (C/D/N) #
(a) Steering Committee and Organizing Committee Formation	1/2/2013 – 28/2/2013		C
(b) Opening Seminar and Preparation	1/3/2013 – 31/3/2013		C
(c) 8 Focus Groups	1/4/2013 – 31/5/2013		C
HK Logistics Company Guidebook	1/6/2013 –		
(d) Production	31/8/2013		C
(e) Result Dissemination Seminar	1/9/2013 – 30/9/2013		C
(f) 9 Workshops	1/10/2013 – 31/12/2013		C
(g) Closing Seminar	1/1/2014 – 31/1/2014		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 (SMEs/Enterprises*)</u> *please delete as appropriate
2/2013 – on-going	Internet promotion via official project website	Hong Kong logistics and other industries
2/2013 – on-going	Internet promotion via HKSTLA's website	Hong Kong logistics industry
1/2/2013 – 31/1/2014	Internet promotion via 25 Supporting Organizations' websites and eDM with members	Hong Kong logistics and other industries
11/3/2013	Promotion in HKSTLA annual dinner 2013	Over 200 attendants (incl. SMEs and enterprises, Legislative Councilors, academics, and the press)
3/2013 – 4/2013	eDM invitation to project opening seminar	Hong Kong logistics and other industries
18/4/2013	Project opening seminar	200 attendants (incl. SMEs and enterprises, academics, and the press)
19/4/2013	Media coverage in Ta Kung Pao (大公報)	Hong Kong logistics and other industries
30/4/2013	Media coverage in Wen Wei Po (文匯報)	Hong Kong logistics and other industries
4/2013 – 9/2013	eDM invitation to focus groups	Hong Kong logistics and other industries
11/7/2013 – 27/9/2013	Focus groups (11 July 2013, 29 July 2013, 2 September 2013, and 27 September 2013)	76 attendants (incl. SMEs and enterprises, academics)
10/2013 – 11/2013	eDM promotion for result dissemination seminar and the guidebook (with media partner "GoFunCard" and "HKSG Group" supported)	Over 10,000 recipients (incl. SMEs and enterprises in logistics and other industries)
21/11/2013	Result dissemination seminar	241 attendants (incl. SMEs and enterprises, academics)
11/2013 – 1/2014	eDM promotion for training workshops and the guidebook (with media partner "Shippers Today")	Over 10,000 recipients (incl. SMEs and enterprises in logistics and other industries)
21/11/2013 – 14/1/2014	Training workshops (21 Nov 2013, 26 Nov 2013, 27 Nov 2013, 28 Nov 2013, 5 Dec 2013, 18 Dec 2013, 20 Dec 2013 and 14 Jan 2014)	362 attendants (incl. SMEs and enterprises, academics)
11/2013 – 1/2014	eDM promotion for project closing seminar and the guidebook (with media partner "Shippers Today")	Over 10,000 recipients (incl. SMEs and enterprises in logistics and other industries)
23/1/2014	Project closing seminar	159 attendants (incl. SMEs)



		and enterprises, academics)
2/2014	Promotion in HKPC's "Industry Focus" magazine	Hong Kong logistics and other industries
3/3/2014	Promotion in HKSTLA annual dinner 2014	Over 200 attendants (incl. SMEs and enterprises, Government Officials, Legislative Councilor, academics, and the press)
31/3/2014	Promotion in HKPC "News Flash" e-newsletter	Hong Kong logistics and other industries
Total no. of beneficiaries :		Over 31,438 beneficiaries

### **Future Plan for Promoting the Project Deliverables**

The HK Logistics Company Guidebook (中國內銷物流攻略) softcopy will be continuously promoted in the appropriate events of HKSTLA, HKPC and Project Supporting Organizations in the near future.

And the speakers' PowerPoint presentation files used in the Training Workshops and Seminars will continuously be available for free download in the project website. This serves as another way to continue promoting the project.

Also the project team used the camera to record a video in the Project Opening Seminar. The video was uploaded to YouTube for free online viewing. The project team will continuously promote the video, together with the Guidebook and PowerPoint files, to form an integral plan to keep promote the project in the near future.