

# Synovate Survey 'Checks Out' Hong Kong Consumers' Grocery Shopping Style

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Global market intelligence firm Synovate released data from its global grocery shopping survey across 10 markets.

Revealing six in ten grocery shoppers in Hong Kong would go out of their way to shop 'green', 67% do not shop with a shopping list, and 84% of grocery shoppers think items are over-priced.

Mark Berry, Synovate's Executive Vice President of Shopper Insights research, said:

"Grocery retailers need to take into account myriad attitudes and approaches, and make the experience satisfying for customers and profitable for the company. Like all marketers, to get that balance right, they need to know how people feel, their habits and what they like."

Synovate asked more than 6,700 people across 10 markets to spill the beans on their grocery shopping approach.

## Grocery shopping - Hong Kong style

Consumers in Hong Kong were the group most likely to indicate they shop when they have time (32%), instead of setting a regular time (may it be monthly, weekly, or daily) to do their grocery shopping.

"Life is fast here and it's a national sport to be busy and feel time poor," said Eliza Wong of Synovate Aztec, the company's scan data specialist. "When you couple that with the population density of the city and the fact that there are grocery shopping options everywhere, no one really has to plan a trip to the store."

The majority of Hong Kong consumers (66%) buy their groceries at supermarkets.

For the 21% that seems to be extremely time stressed, they shop at quick convenience stores like 7-Eleven and Circle K - 10% more than the other respondents globally.

In Hong Kong, only 2% are getting their groceries online.

To explore this topic further, when asked on whether they would buy their grocery items online if the service is ensured to be secure and they would receive the highest quality of food, 48% of consumers said they would, while 49% said no.

## The majority decides on what to buy when in store

Sixty-seven percent of shoppers in Hong Kong do not shop with a shopping list. This means, they do not plan ahead on what to buy and only decide on what they want when in store.

Scott Lee, Executive Director of Synovate in Hong Kong who recently presented on the topic "Winning the War in store," commented:

"This majority of deciders represent vast opportunities for brands to alter purchase decisions in store through displays or other functional elements such tasting booths. The products that inspire consumers will be the ones that end up in the grocery cart."

## Price sensitive shoppers

Grocery retail marketing is specialised because the act of buying groceries is so necessary in most people's lives - they walk into the store with the intent to buy and at least some idea of what to buy.

Accordingly, price becomes a major differentiation point. Synovate's survey looked at attitudes towards the money spent in the world's supermarkets, and found that consumers in Hong Kong are very price sensitive.

Fifty-six percent said they will switch food brands if they find a cheaper alternative, while 73% indicated they always go to the stores that offer the biggest discounts.

Such price sensitivity is likely due to consumers' perception of grocery costs. Eighty-four percent of those surveyed in Hong Kong said grocery items here are over-priced and should be cheaper.

Overwhelmingly, 89% have indicated the government should do more to monitor food prices at supermarkets, hypermarkets and grocery stores.

### Delights in store

When consumers across 10 markets were asked on what they want most from a grocery shopping experience, those in Hong Kong topped the list in wanting lots of time to themselves to browse and choose.

Under a similar rationale, 31% would like a one-stop-shop where they can buy groceries, homewares, entertainment needs and even clothing all under one roof.

### Wong added:

"There's no room in this crowded city and you are always getting bumped into by trolleys and other people... browsing with time to yourself is a novelty. And one-stop-shops are most ideal as they save time by allowing consumers to get what they want in one go."

### Ideas for brands and grocery retailers

Widely believe as an effective way to attract and retain customers, loyalty programmes are prevalent in Hong Kong. However, a surprise finding from this survey is 55% of Hong Kong consumers disagree that loyalty programmes are an important incentive when they decide where to shop.

### Lee added:

"Coupled with the knowledge that Hong Kong consumers are very price sensitive, an effective pricing strategy will be one of the key ways for stores and brands to increase share of wallet."

To look ahead at what grocery retailers can do to delight and attract shoppers, the survey asked what other features would respondents find useful or interesting in a grocery store.

A novel concept, but something worth exploring further, is that 63% of consumers said they would find it useful if a grocery store has a place for women to relax and wait for other shoppers.

Similarly for the opposite sex, 57% said a place for men to enjoy sports or a drink while waiting would be nice.

### What about a place for children?

Fifty-nine percent of respondents would like an in store playground for the little ones.

As Hong Kong becomes more environmentally conscious, most recently with the implementation of the plastic bag levy, 86% indicated that recycling facilities in store will be useful.

### About the In:fact global grocery shopping survey

This Synovate In:fact survey on grocery shopping was conducted in July 2009 across 10 markets – Brazil, Canada, France, Hong Kong, Malaysia, Netherlands, Russia, Republic of Serbia, the United Arab Emirates (UAE) and the United States of America (US). It covered over 6,700 grocery shoppers.

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