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### 1. Introduction

Hung Fook Tong is a chain of herbal tea shops established in Hong Kong since 1986.

The group engages in the production, wholesale and retail of a variety of herbal and non-herbal products like tortoise herbal jelly. It runs more than 110 and 20 outlets in Hong Kong and mainland China respectively currently. In July 2014, it was listed on the Main Board of the Stock Exchange of Hong Kong Limited, with stock code 1446.

In this proposal, a research on Hung Fook Tong's business is carried out and its financial performance is analyzed. Business plans are formulated aiming to improve the operations of Hung Fook Tong. Based on the financial reports ended 31 December 2015 and 2016, we pointed to its weaknesses and proposed a proposal in order to increase sales by 3.5% to 5%, improve brand image and widen the customer base.

A market survey is also carried out so as to obtain information of consumers' taste and preference. Our recommendations are developed in light of the results of the survey.

### 2. Executive summary

**Mission:** Hung Fook Tong's mission is to take genuine care of customers by providing natural, high-quality and healthy herbal products, with the core value "Naturally Made, Wholeheartedly Good". The group aims at becoming a trendsetter in the healthy food

and beverage industry, inheriting the Chinese tradition herbal wisdom and realizing the pursuit of healthy lifestyle of Hong Kong people at the same time.

**Current state of business:** Hung Fook Tong opened 4 additional stores in year 2017. However, due to various external economic factors and internal limitations such as ineffective promotion, the revenue of Hung Fook Tong fell significantly by 1.16% to HK\$715,207,000 in 2017. The group is currently facing a difficult time.

**Summary of financial analysis:** With decreasing revenue and increasing operational cost, the profitability of Hung Fook Tong has dropped in 2017, reflected by the significant drop of the net profit margin. The fall in the net profit before tax has also undermined Hung Fook Tong's long-term solvency and investment ratios. When compared to its major competitor, Vitasoy, Hung Fook Tong has shown itself less competitive and moving backward in sales boosting.

**Summary of non-financial analysis:** SWOT analysis is performed. Internal and external factors that may both positively and negatively affect the group's performance and development are spotted in this part. Findings are used for making suggestions in the promotional plan aimed at Hung Fook Tong's operation.

**Key findings:** Based on the market survey and the SWOT analysis, we found that the company has ineffective promotion, which customers only know little information about the products, most of the interviewees only know that the company sells herbal tea and know nothing about other products. Besides, it has a narrow group of customers, which hinders growth of sales. Therefore, in order to alleviate its operational problems, we have launched some promotional activities.

**Main conclusion:** Compared to its major competitor in the food and beverage industry, Vitasoy, the performance of Hung Fook Tong is not desirable. The rising operational cost and changes in consumers' preferences are also expected to continue for a period of time. It is important for Hung Fook Tong to utilize its existing strengths and opportunities, while eliminating its weaknesses and avoiding threats. A promotion plan has been built based on the current situation of the group.

**Summary of recommendations:** We have suggested various policies to help Hung Fook Tong with its operation in our promotional plan. They can be categorized into 4 aspects: new promotional products and services, launching new sales promotional activities, promotional activities for the potential market-seniors market, and utilizing technologies for promotion.

### 3. Financial analysis—ratio and trend analysis

Ratio	2016	2015	% Change
<b>Profitability Ratios</b>			
<b>Gross Profit Margin</b>	61.65%	60.66%	+1.63%
<b>Net Profit Margin</b>	0.611%	1.47%	-58.45%
<b>Return on Average Assets</b>	1.53%	1.64%	-6.41%
<p>The gross profit margin has slightly increased by 1.63% from 2015 to 2016. However, the net profit margin has decreased rapidly by 58.45%. It shows that although the company has used more money to cover operating and non-operating expenses, it was <b>less able to control its operating expenses</b> in 2016.</p> <p>The return on average assets has slightly dropped by 6.41%. It indicates that the company is <b>converting the money</b> it has to invest into net income <b>ineffectively</b>. The company is earning less money on more investment. The company has a worrying future and new promotional campaign and management strategies have to be implemented so that the net profit margin and return on average assets can improve.</p>			
<b>Management Efficiency Ratios</b>			
<b>Average Inventory Turnover Period</b>	38.61days	42.82 days	-9.84%
<b>Average Trade Receivables Collection Period</b>	30.10 days	30.11 days	-0.0236%
<b>Average Trade Payables Repayment Period</b>	35.20 days	37.69 days	-6.61%

The inventory turnover period has decreased from 42.8 days in 2015 to 38.6 days in 2016, while the trade receivables collection period was in line with that of 2015, which is around 30.1 days. The company holds inventory four days less before selling it. The company needs almost the same time as last year to collect trade receivables. It indicates a **high effectiveness of a company's credit and collection policies** on the company. The average trade payables repayment period has decreased by 6.610%. It shows that the company has to settle the payables around 2 days earlier on average. A shorter average trade payables repayment period may hinder the cash flow of the company for future investments.

#### **Liquidity Ratios**

<b>Current Ratio</b>	1.0158:1	1.01:1	+0.56%
<b>Quick Ratio</b>	0.886:1	0.880:1	+0.47%
<b>Cash Ratio</b>	0.529:1	0.468:1	+13.06%

The current ratio, quick ratio and cash ratio show an increase trend during the year 2016. It shows that the company does not have short term or immediate debt-paying problem, because there are sufficient current assets or cash in hand to pay off the short term debts. In short, the company's liquidity remains stable.

#### **Solvency Ratios**

<b>Gearing Ratio</b>	16.01%	14.35%	+11.62%
<b>Debt to Equity Ratio</b>	115.84%	123.22%	-5.98%
<b>Time Interest Earned</b>	3.15times	5.40times	-41.67%

The gearing ratio increased from 14.3% in 2015 to 16.0% in 2016. The rise in gearing ratio indicates the company is **more debt-financing**. However, the debt to equity ratio fell from 123.2% in 2015 to 115.8% in 2016. It shows the shareholder's equity account for a larger portion in the business assets. The time interest earned decreased from 5.40 times to 3.15 times. It indicates that the company has a weaker ability to meet interest payment from current debt compared to last year.

#### **Return on Investment Ratios**

<b>Earnings per Share (EPS)</b>	\$0.0136 /share	\$0.0133 /share	+2.26%
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<b>Price-earnings Ratio</b>	47.79times	63.91 times	<b>-25.22%</b>
<b>Dividend Cover for Ordinary Sharers</b>	1.74 times	1.87 times	<b>-7.18%</b>

The earning per share increased slightly by \$0.0003/share (2.26%). It indicates the higher potential return on holding the shares of the company so shareholders are more willing to invest on the company. The price-earnings ratio decreased by 25.22% to 47.79 times in 2016, showing that **investors have a lower degree of confidence in the company's prospects**. Furthermore, the dividend cover fell from 1.87 times in 2015 to 1.74 times in 2016. There is a higher risk that business will not be able to continue making same amount of dividend payments.

#### 4. Financial performance—Competitor analysis

We have chosen **Vitasoy Int'l Ltd** as Hung Fook Tong's major competitor as their positions in the market are similar—Vitasoy also provides beverage with low prices and targeting similar group of people. Vitasoy also produces 'Tsing Sum Zhan' series, which are herbal tea, which directly compete with Hung Fook Tong's herbal beverages. The following table shows the financial performance of operations of Hung Fook Tong and Vitasoy in Hong Kong.

Firm/ Figure	Hung Fook Tong			Vitasoy International Ltd.		
	2016	2015	%Change	2016	2015	%Change
<b>Revenue (HK\$'000)</b>	715,207	723,578	<b>-1.16%</b>	5,551,898	5,051,827	<b>+9.90%</b>
<b>Net profit before tax (HK\$'000)</b>	4,368	10,635	<b>-58.93%</b>	599,308	523,609	<b>+14.46%</b>
<b>Net profit margin</b>	0.6107%	1.4697%	<b>-58.45%</b>	10.795%	10.364%	<b>+4.15%</b>

In terms of **revenue** of the operation in Hong Kong of Hung Fook Tong, it **decreased** by 1.16% from 2015 to 2016. During the same period of time, that of Vitasoy's revenue increased by 9.90%.The contrast in change of revenue is due to the ineffectively

promote its products to the customers. However, Vitasoy's product line is more focused and its products are more well-known.

In terms of **net profit before tax** of the operation in Hong Kong of Hung Fook Tong, it **decreased** by 58.93% from 2015 to 2016 while that of Vitasoy increased by 14.46%. The contrast in change of net profit before tax is attributed to the external economic changes: rapidly increasing rental expenses, especially in MTR stations and shopping malls, which Hung Fook Tong's retail shops mainly located. But Vitasoy does not have shops so the rent expense does not need to bear. The rise of cost of ingredients such as herbs also put a huge financial burden to Hung Fook Tong. Hung Fook Tong has to take immediate action to reduce costs and raise the sales in order to compete in this market and overcome the future economic threats.

### 5. Non-financial performance—SWOT analysis

Strength	
✓	<b><u>Extensive retail network:</u></b> Hung Fook Tong is currently operating more than 110 outlets over Hong Kong, located mainly in MTR stations and shopping malls. It has also reached out to customers via its own mobile application which enhances convenience to attract more customers. Some of the wholesale products such as herbal tea and tortoise jelly are available in supermarkets and convenience stores, making the firm's products <b>highly accessible for sale</b> .
✓	<b><u>Mechanization for quality assurance:</u></b> The production line is mechanized for strict quality control. Winning ISO 22000 and HACCP certificates from ACI. The quality of the products is highly appreciated and recognized by the customers, thereby <b>enhancing the confidence of buying Hung Fook Tong's products</b> .
✓	<b><u>A wide range of promotional strategies:</u></b> Hung Fook Tong's own membership programme (自家 CLUB), advertisements in various places and media, including newspapers, outdoor areas, and embedded advertisements in TV programmes. It has also joint promotions and inviting celebrities and key opinion leaders (KOL) to promote the brand, <b>making the promotion of the brand and the products comprehensive</b> .

### Weakness

- ✘ **Narrow group of customers:** From our market research, the customers of Hung Fook Tong are mainly middle-aged people who aged from around 30 to 50. The elderly hesitate to buy Hung Fook Tong's products because the tastes of the products cannot satisfy the preference of them. They even doubt the health benefit of the beverage while young people are generally not interested in herbal tea and soup, leading to **a limited revenue**.
- ✘ **Ineffective promotion:** Despite various promotional campaigns, the effectiveness is low. According to our questionnaire, more than half of respondents do not know the existence of some products, such as vegetarian food and festive food. This shows that the promotion campaigns **fail in promoting the products and raising brand awareness**, thus contributing to **the insignificant growth of sales but a waste of resources**.

### Opportunities

- ★ **Social trends:** Awareness of having healthy lifestyle keeps growing nowadays. More people consider whether the food is **organic and healthy** and they desire a **warm nest feeling** from the products. Hung Fook Tong's mission – take genuine care of customers by providing natural, high-quality and healthy herbal products, well caters the social trends.
- ★ **Trend of online media:** The rapid development of the Internet and social media enhances the **cost-effectiveness of promotion** since offline promotion generally costs much less than offline promotion but with a similar effectiveness of attracting customers. This allows the firm to have a **better resources allocation** to facilitate promotion.

### Threats

- ★ **Rising operational cost:** The rise of rents in shopping malls and MTR stations, wages and price for raw materials, such as herbs, contribute to an overall continuous increase in the operational cost. The will be a financial burden on the firm, lowering its profit and making resources allocation more difficult.

- ★ **Fierce and intensifying market competition:** Some direct competitors, such as the Vitasoy are strong rivals of Hung Fook Tong in the catering business. They have higher brand awareness and top-of-mind awareness of customers, hence having a **scope of influence in the market** and revenue of the firm. This alerts Hung Fook Tong's future development since the market competition becomes more vigorous and it will be more difficult and require more resources to attract new customers.
- ★ **Changes in consumers' preferences:** At present, **new products are invented every day and customers' preferences change frequently.** The firm always has to **keep up with the continuously changing market demand**; otherwise, it will result in loss of customers.

## 6. Business plan

### New promotional products and services

Due to the narrow market base, Hung Fook Tong cannot attract different segments of customers. We reckon that the firm should expand the customer base to office workers, the elderly as well as the younger generation. By genuinely satisfying their demands, the firm can attract loyal customers and increase the sales.

- ⊕ **New package of herbal tea—instant beverage (即冲包装):** Nowadays, more people are pursuing healthy lifestyles, but they have neither free time to cook herbal tea by themselves nor buy the fresh drink each time when they want to consume them. We suggest that Hung Fook Tong can produce a new product with instant package in powder form of herbs and packed in small plastic packets. Customers can directly dissolve the instant beverage and drink directly which occupies less space and requires less time to prepare for the herbal tea. We believe that it will be popular among office workers, thereby further **expanding the market share in this customer segment** and moderately increase the sales from office workers.
- ⊕ **Sugar-free herbal tea—鴻福堂健怡涼茶飲品:** Many housewives and elderly refuse to purchase our product because of the sweet flavour of herbal tea and



the use of condensed extract (萃取物), narrowing the customer base. We suggest Hung Fook Tong should introduce sugar-free herbal tea, which does not have extra sugar or condense extract. It is expected that there will be an increase of sale of herbal tea in the senior markets. The brand awareness of “company selling healthy food and drinks” will be further enhanced as well.

- ★ **Seasonal collection—鴻福堂迷你瓶子收藏限定:** Since people always want to finish a collection due to the human pursue of “completeness”, by introducing new collections of specially-designed bottles with collaborating with cartoon figures, such as Sanrio and Marvel, **continuously**, customers especially youngsters will be more motivated to purchase and **increase the loyalty of them** as they continuously purchase our products for collection, which can **boost the long-term sale**. Moreover, since customers will **share their collection on the Internet**, this helps the promotion of HFT’s products indirectly and widens our customer base.

### Launching new sales promotional activities

Sales can only increase when sales promotional activities accompany with new promotional products. The ineffective promotion is seen to be the weakness of Hung Fook Tong. We believe that a series of new promotional campaigns have to be carried on to raise the company’s brand awareness and attract loyal customers.

- ★ **Flash mob for Fortune—快閃贈‘福’袋:** Ineffective promotion leads to **insignificant echo** from it. We recommend Hung Fook Tong to launch the campaign, **Flash mob for Fortune**. By posting the location that Hung Fook Tong will have flash mob a few hours before the activity on social media sites, the online promotional sources are traced around the clock by the customers.

Moreover, the fortune pack contains Hung Fook Tong’s new series of herbal tea, homemade soup and coupons. Products like homemade soup are in the **growth stage of the product life cycle** and they may be tried and accepted by more people through this activity. There will be higher attention of public and **a buzz is created** in society, bringing a **surge of popularity of the brand**.

- ★ **Bottle recycling for new drinks:** Customers can have 1 stamp when they bring

5 empty and clean Hung Fook Tong herbal tea plastic bottles to Hung Fook Tong stores for recycling in this promotion. They can get a **free bottle of drink** of Hung Fook Tong's drink in exchange for 5 stamps. The campaign informs the existing customers the new products and the loyalty of customers increases as they **receive 'refund'** when they continuously buy our products.

- ✪ **Hosting live shows on social media sites for teaching knowledge about Chinese medication periodically:** As mentioned in the SWOT analysis, one of the opportunities is the **social trend of striving for healthy lifestyle**. We recommend Hung Fook Tong may host live shows on different social media sites to teach knowledge about Chinese medication **periodically**. **Different key opinion leaders and celebrities** can be invited to discuss with the Chinese medicine practitioners about different health issue in the shows also. By teaching the public how to improve immunity or choose the right Chinese supplementary foods or drinks to improve their health, e.g. Tortoise Herbal Jelly, people are more eager to try Hung Fook Tong's products in order to improve their health. Thus, the sales will moderately increase, especially in the young adult markets. With the **celebrity effect**, this increase the incentive of netizens trying the products as well. As celebrities in the shows may share about the products and the experience of eating them in the shows, this leads to **closer ties between the brand and the public** also.
- ✪ **Microfilm competition:** One of the major threats of the group is the fierce competition in terms of market share, especially in the young people market. To solve this, we suggest Hung Fook Tong should organize a microfilm competition, in which secondary and tertiary institutes' students create a microfilm which is about the care of others, such as family. They have to show how Hung Fook Tong homemade soup, congee or noodles contribute to the love and tie of family. **Young people thus get to know more about the brand and the mission**. The winning microfilms are posted on the Internet as a source of promotion. This is **less hard-selling and more acceptable** by the young people. The rising popularity of the firm

contributes to the higher competitiveness in this market.

### Promotional activities for the potential market--seniors market

The seniors market is considered as the most potential market due to the aging population but currently they do not have much understanding about Hung Fook Tong's products. We recommend the group to improve the popularity of buying its products by increasing the incentive of buying the goods and to raise the understanding of the products so that the sales will surge.

- ✪ **Promotion through newspapers, restaurants and stalls:** To suit senior customers' habits of reading free newspaper, eating in "Cha Chaan Teng" or Chinese restaurants, we suggest Hung Fook Tong should publish **print advertisement on free newspaper**, collaborate with chain restaurants, and provide **coupons** to them for homemade soup with "buy 2 get 1 free" as well as "20% off" when they use **Elder Octopus to buy** the products. Hung Fook Tong can also sell products in hawker stalls at lower price, such as 10% off in traditional residential areas so that the shops are more accessible to the elderly.
- ✪ **Promotion in elderly home—窩心予你鴻福湯:** Many senior citizens have little knowledge about Hung Fook Tong and its products, so we suggest the firm to launch the scheme **窩心予你鴻福湯**. Volunteer members will visit 20 elderly homes every month in winter to give them free homemade soup. Photos are taken with them and posted on the Internet. It is expected **the brand awareness** of Hung Fook Tong in the senior markets is enhanced and the sales of homemade product will improve as they can feel the warmth of family from these products. The brand image will be improved also as it shows that Hung Fook Tong **cares about the needs of the elderly in the community** and **achieves social responsibility**.

### Budget

Promotional Campaign	Details	Cost (HK\$'000)	% of total budget
<b>New promotional products and services (Total: HK\$2,770,000)</b>			
New package of herbal tea— instant beverage	Developing the technology of instant beverage	920	9.2

	Advertisement in MTR station	480	4.8
Zero-sugar herbal tea	Advertisement in MTR station	430	4.3
	Production cost	300	3.0
Seasonal collections	Advertising cost	530	5.3
	Design cost	210	2.1
<b>Launching new sales promotional activities (Total: HK\$4,680,000)</b>			
Flashing mob for Fortune	Present in the 'Fortune Bag'	850	8.5
	Advertisement on social media sites	350	3.5
	Cost of delivering and distributing the present	330	3.3
Bottle recycling for new drinks	Administrative cost	170	1.7
	Advertising cost	240	2.4
	Free products to customers	660	6.6
	Recycling cost	340	3.4
Hosting live shows on social media sites for teaching knowledge about Chinese medication	Rent for camera equipment	170	1.7
	Fee for inviting key opinion leaders and celebrities and Chinese medicine practitioners	1270	12.7
Microfilm competition	Prize for winning teams	100	1.0
	Fees for hiring judges	200	2.0
<b>Promotional activities for the potential market--seniors market (Total: HK\$2,340,000)</b>			
Promotion through newspapers, restaurants and stores	Advertisement on newspaper	580	5.8
	Discounts to customers	640	6.4
Promotion in elderly home	Homemade soup for the old people	850	8.5
	Delivery cost	270	2.7
<b>Others (Total: HK\$110,000)</b>			
Spare budget		110	1.1
<b>Total</b>		10000	100%

### Implementation plan

Year	Year ended 31/12/2018				Year ended 31/12/2019			
	1	2	3	4	1	2	3	4
New package of herbal tea—Instant beverage	Orange	Green	Green	Green	Green	Green	Green	Pink
Zero-sugar herbal tea	Orange	Green	Green	Green	Pink	Green	Green	Pink
Seasonal collections	Orange	Orange	Green	Green	Green	Green	Green	Pink
Flash mob for Fortune	Orange	Blue	Blue	Blue	Orange	Blue	Blue	Pink
Bottle recycling for new drinks	Green	Blue	Blue	Blue	Pink	Blue	Blue	Blue
Hosting live shows on social media sites for teaching knowledge about Chinese medication	Orange	Blue	Blue	Pink	Blue	Blue	Blue	Pink
Microfilm competition	Green	Blue	Blue	Blue	Green	Blue	Blue	Blue
Promotion on newspaper and restaurants	Green	Orange	Blue	Blue	Pink	Orange	Blue	Pink
Promotion in elderly home	Green	Orange	Blue	Blue	Pink	Blue	Blue	Blue

Key

Orange	Green	Green	Pink	Green	Blue	Blue
Design and Research	Production	Sale	Evaluation	Contacting other parties	Advertising	Implementation

### Projection

Sales and customer base
<p>By launching a variety of promotions, such as ‘Flash mob for Fortune’, more people are interested and familiar with the new products and the brand. Young customers are attracted by ‘seasonal collections’ and online live show, while the most potential market– the elderly can be reached by promotion in elderly home, on newspaper and restaurants. The customer base is much widened, from the young to the old.</p> <p>The sales are expected to rise by 3.5% to HK\$ 740,240,000 in 2018 and 5% to HK\$ 750,970,000 in 2019. The ‘Bottle recycling for new drinks’ and discounts for the elderly</p>

encourage repurchase of the products for more benefits. 'Instant beverage' and online lecture of Chinese medication can encourage new customers to purchase the products because of social trends mentioned before and boost sales for 0.5%-1% in future two years. As Hong Kong has very high purchasing power (ranked sixth in the world in 2015), effective promotion can much improve the sales when more customers are attracted.

#### Average spending per customer

Because more higher-income customer segments, such as netizens and office workers are reached, the average spending per customer is expected to increase from \$30 per person by 3% to \$39 in 2018 and 2019. Apart from the expected 1.4% of inflation in the coming years, more expensive products such as homemade soup, which are promoted in "Flashing mob for Fortune", which cost more than \$35 each are promoted online. Furthermore, customers are more eager to buy more products in each time as discounts like 'buy 2 and 1 free' is introduced.

#### Store locations

With the success of the promotion strategies proposed above, it is expected to bring increase in sales revenue. More retained profit and cash flow are available for further expansion of the business to more lower-income traditional residential areas so as to reach elderly, the most potential market. The stores are expected to increase steadily from more than 110 to about 120. Larger shops can also be opened for selling more variety of products. Concept restaurants that sell healthy and organic and/or nostalgic dishes can be established to target more customer segments such as senior-aged customers to increase sales.

### 7. Conclusions

In this business proposal, we assess Hung Fook Tong's financial and non-financial performance. In **financial analysis**, we find that Hung Fook Tong's profitability is sagged due to different factors, ranging from fierce market competition, rising operational cost to internal limitations of the company like narrow group of customers and ineffective promotion. The competitor analysis has shown that Hung Fook Tong

is outperformed by one of its major rivals in the market, in 2 different figures, net profit before tax and net profit margin, showing that there's still room for improvement.

The **non-financial part** of our performance analysis has shown the most significant strengths and weaknesses of Hung Fook Tong, as well as opportunities that can be capitalized on and threats which may further obstruct its long-term operation and development. The designation of our business plan, which consists of 9 special policies organized in 3 aspects, is based on our SWOT analysis and the results of market research. They will bring benefit to the group by raising its sales revenue, expanding the customer base which is relatively narrow and making it more popular and reputable. Detailed budget and implementation plans are also provided to support our designed policies.

Lastly, we sincerely hope that this business proposal is able to make contributions to Hung Fook Tong and bring it closer to the aim of becoming a trendsetter in the Chinese herbal industry, who takes genuine care of customers by providing natural, high-quality and healthy herbal products.

## 8. Appendices

1. Corporate Profile of Hung Fook Tong:  
<http://www.hungfooktongholdings.com/html/about.php>
2. Hung Fook Tong Annual Report 2015: P. 47-49
3. Hung Fook Tong Annual Report 2016: P. 52-54
4. Vitasoy Int'l Ltd Annual Report 2015
5. Vitasoy Int'l Ltd Annual Report 2016
6. Store Locations of Hung Fook Tong:  
<http://www.hungfooktong.com/en/store.php?section=6>
7. Hung Fook Tong awarding ISO 22000 and HACCP certificates from ACI:  
<http://www.aci-limited.com/eng/index.htm>
8. Demographic Trends in Hong Kong 1986-2016 by Census and Statistics Department: P. 12

## HKICPA Accounting and Business Case Competition 2017-2018

### Questionnaire of market survey



1. What is your gender?

Female

Male

2. What is your age group?

<16

16-20

20-25

25-35

35-45

45-55

55-65

>65

3. Do you have the habits of drinking herbal tea?

Yes

No

4. Do you have the habits of buying health products?

Yes

No

5. Do you know the brand Hung Fook Tong?

Yes

No

6. Do you think that the understanding of the nutritional value of health products (e.g. tortoise herbal jelly, herbal tea) encourages you to purchase Hung Fook Tong's products?

Yes

No

7. Do you know much about Hung Fook Tong's products?

Please tick the products that you know:

Herbal tea

Home-made soup

Home-made rice

Dessert

Tortoise herbal jelly

Others

8. How frequent do you buy Hung Fook Tong's products in this year?

Every day

Every week

Every month

Every season

Seldom





9. Do you think the price of Hung Fook Tong's products is reasonable?

Yes

No



10. Are you satisfied with the quality of Hung Fook Tong's products?

Satisfied

Fair

Dissatisfied

11. From where do you get the news of Hung Fook Tong?

TV

YouTube

Facebook

Instagram

Recommendation by friends

Advertisement in MTR stations

Through Hung Fook Tong stores

12. Do you know about Hung Fook Tong's membership programme 自家 Club?

Yes

No

13. What are your criteria of buying health products (e.g. herbal tea)?

Sugar content

Content of condense extract

Content of herb

Convenience

14. Which factors will motivate you to buy Hung Fook Tong's products?

Health value/ nutritional value

Discounts

Try the free sample and taste it first

Well-designed package

Good brand image

Promotion of celebrity

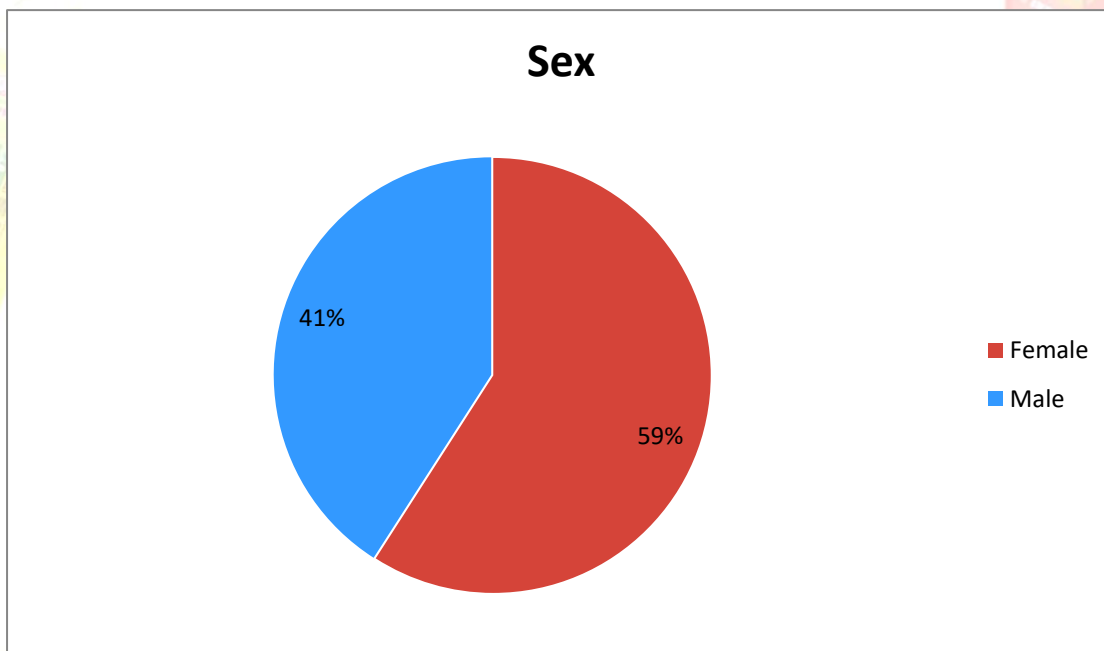
Others

Thank you for your participation. Thank you!

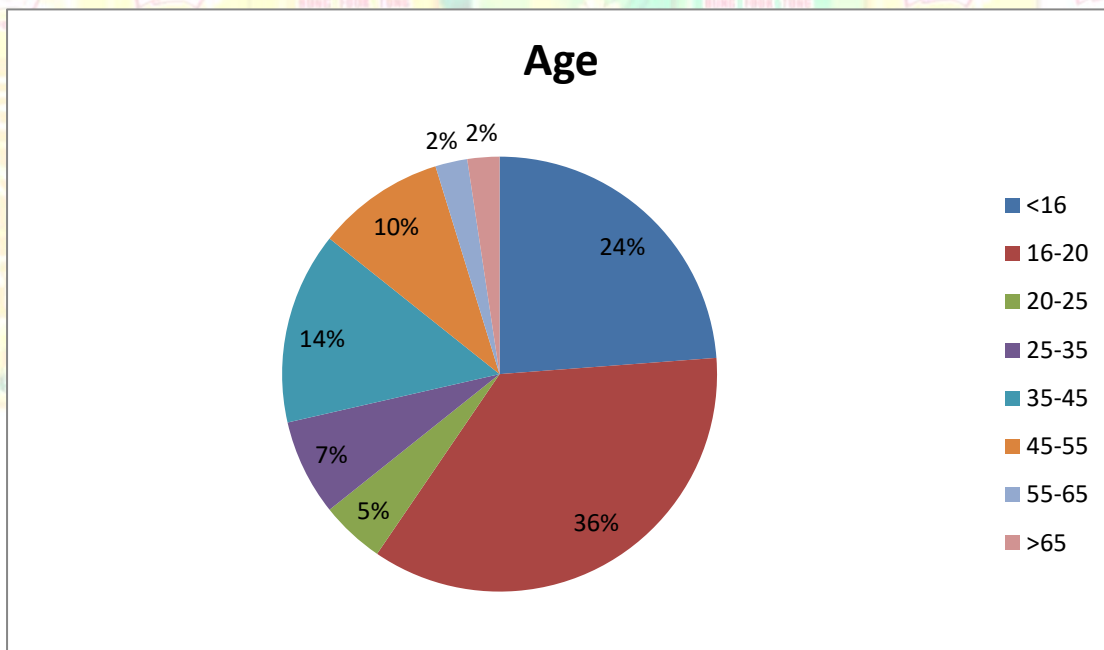


### Questionnaire result

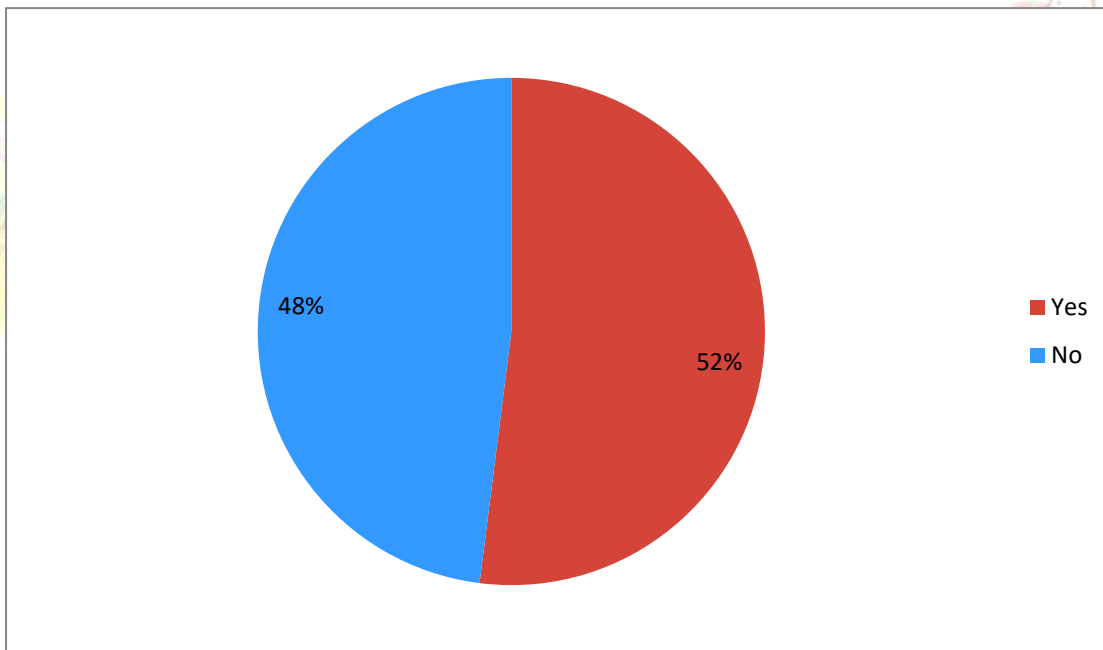
性別 Sex



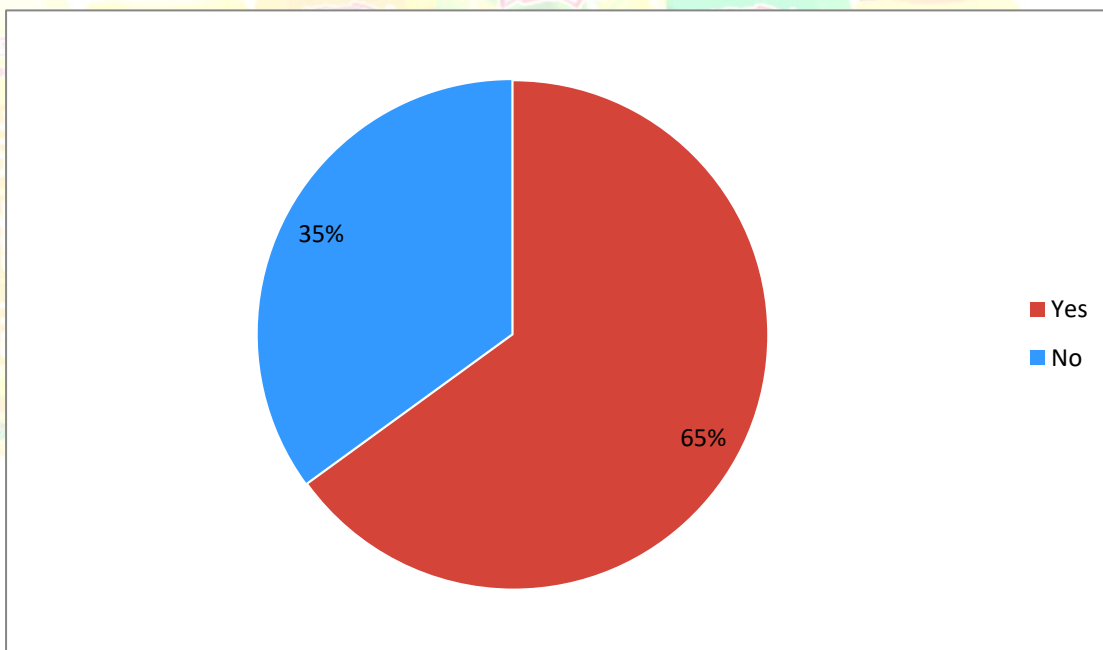
2. 年齡 Age



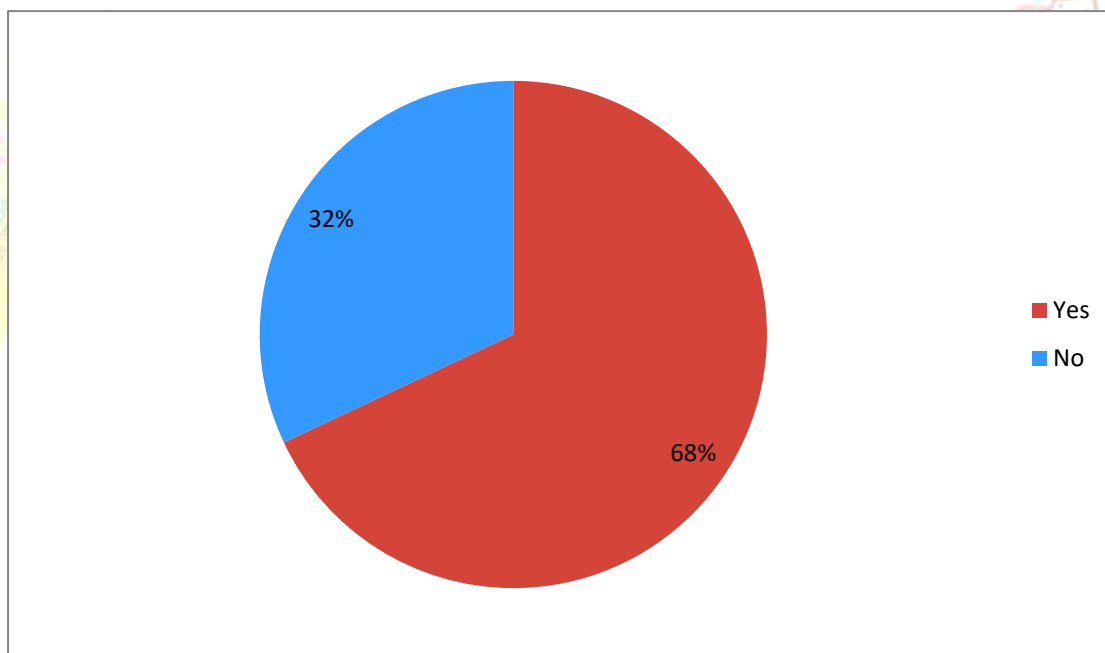
3. 你有沒有飲涼茶的習慣？ Do you have the habits of drinking herbal tea?



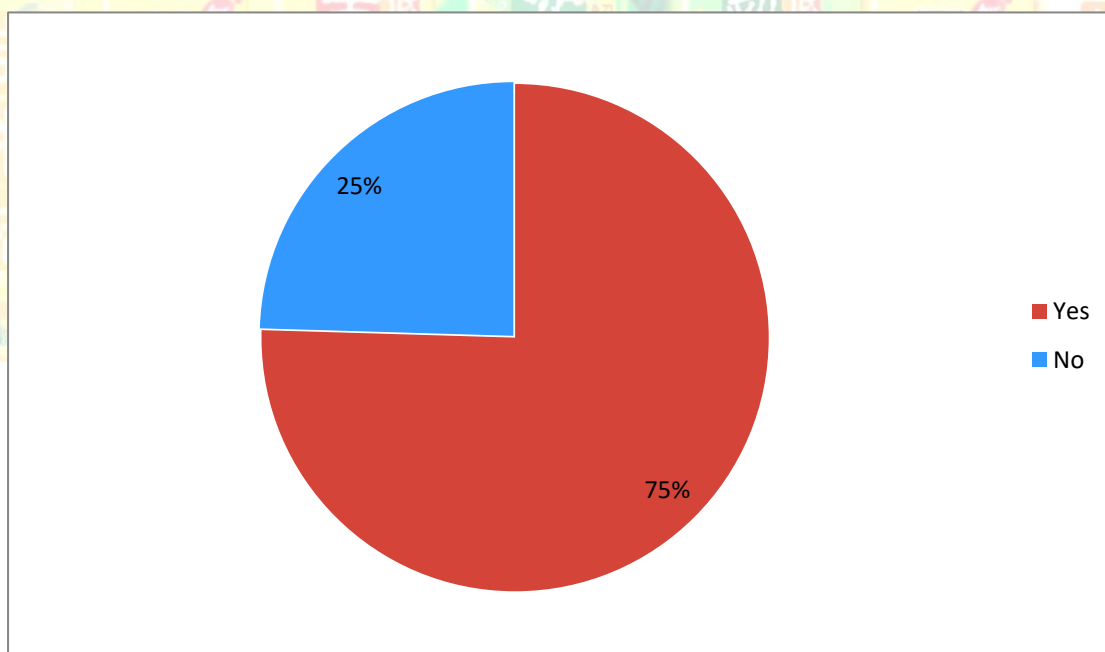
4. 你有沒有購買健康食品的習慣？ Do you have the habits of buying health products?



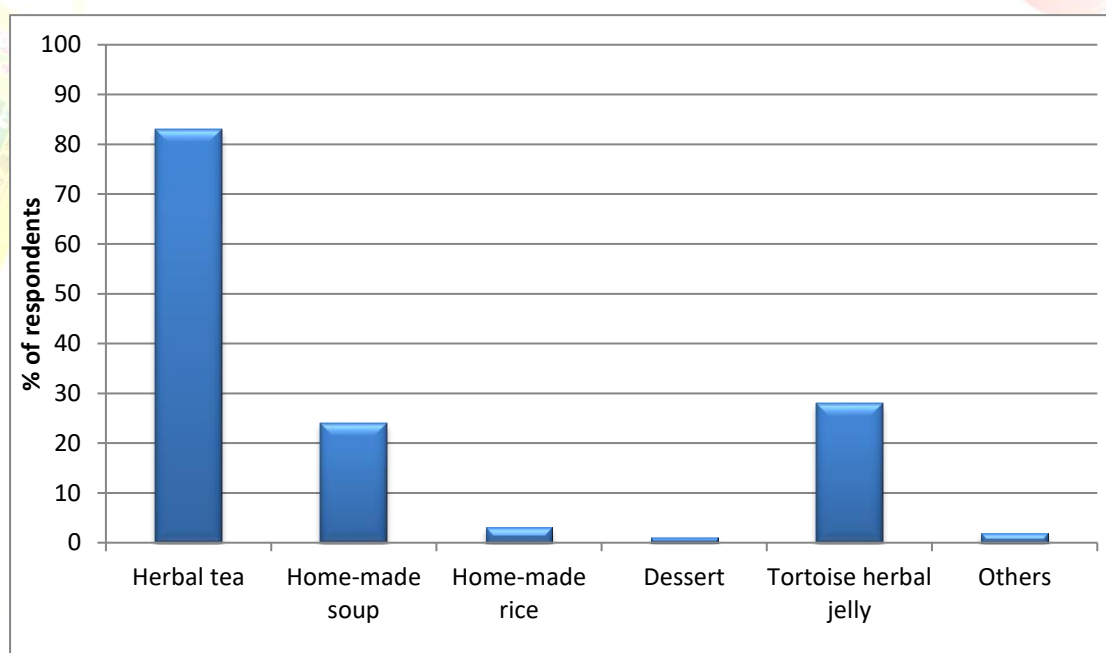
5. 你認識鴻福堂這個牌子嗎？ Do you know the brand Hung Fook Tong?



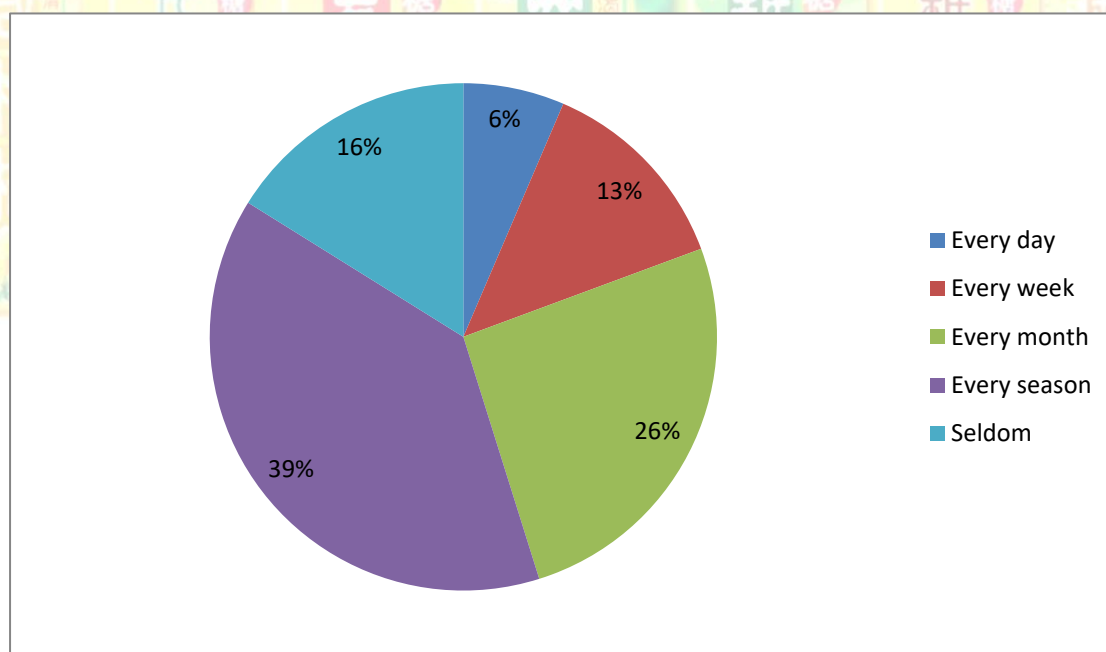
6. 你認為明白健康食品的健康價值會推動你購買鴻福堂的產品嗎？ Do you think that the understanding of the nutritional value of health products (e.g. tortoise herbal jelly, herbal tea) encourages you to purchase HFT's products?



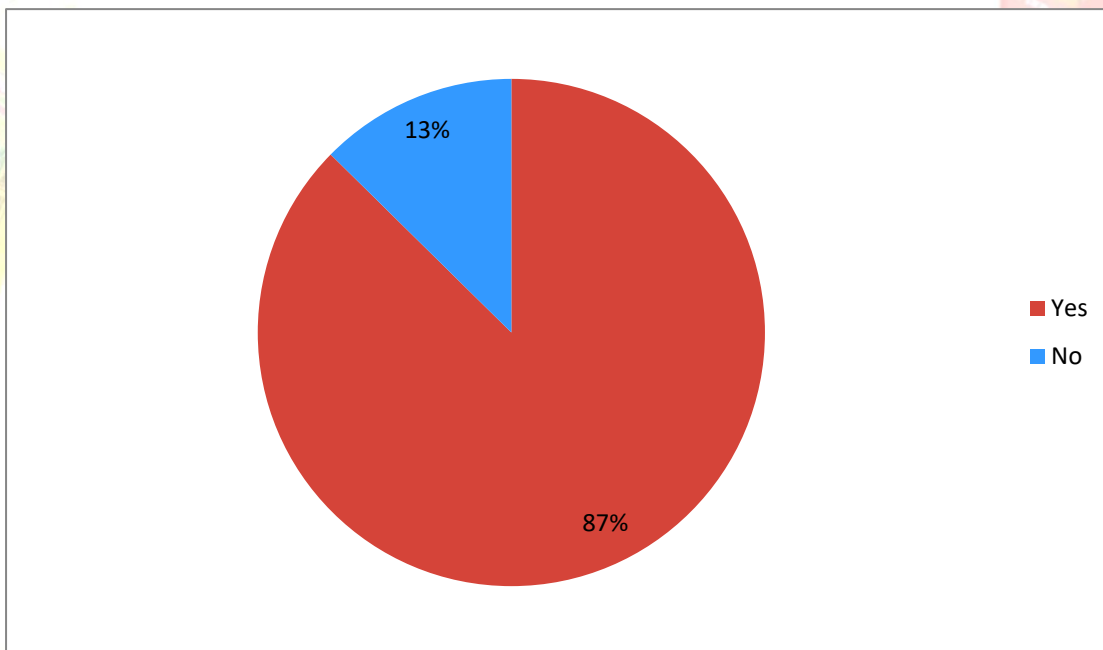
7. 你瞭解的鴻福堂售賣的食品/飲品嗎？ Do you know much about Hung Fook Tong's products? 請勾選你知道鴻福堂有售賣的食品/飲品： Please tick the products that you know:



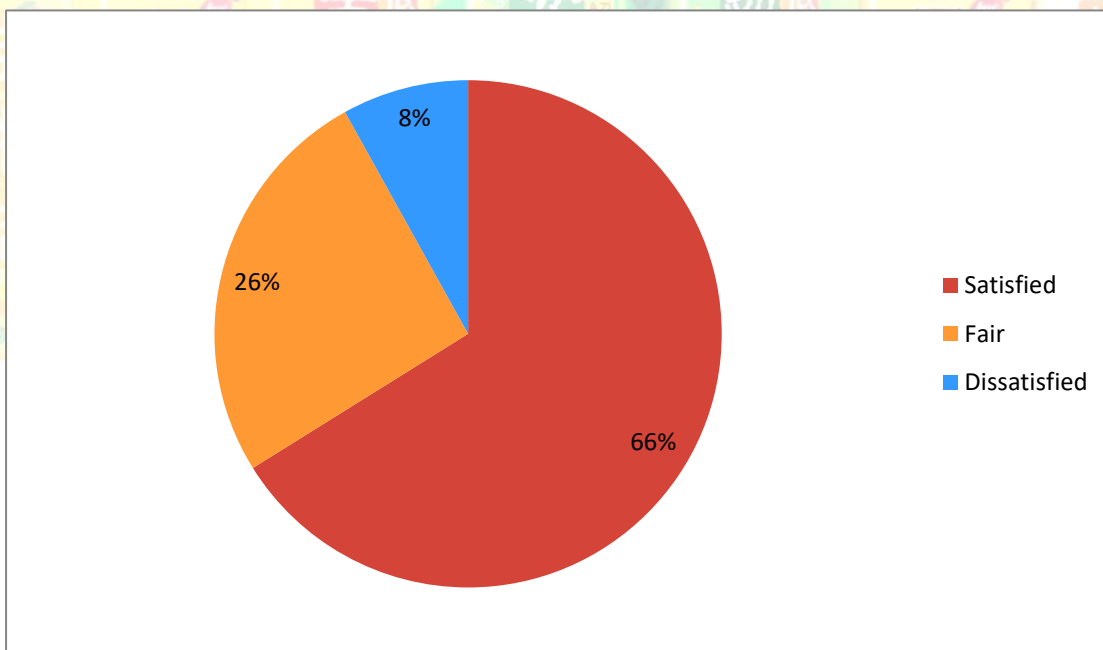
8. 你是否在最近一年內購買了鴻福堂的產品？ How frequent do you buy Hung Fook Tong's products in this year?



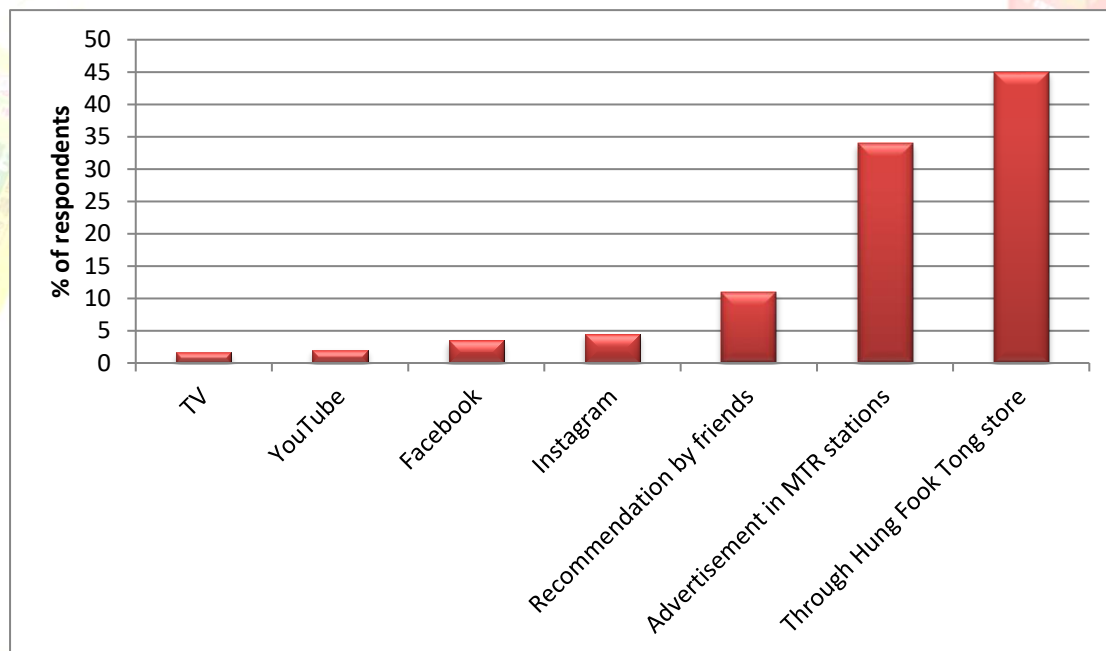
9.你認為鴻福堂的價格合理嗎？ Do you think the price of Hung Fook Tong's products is reasonable?



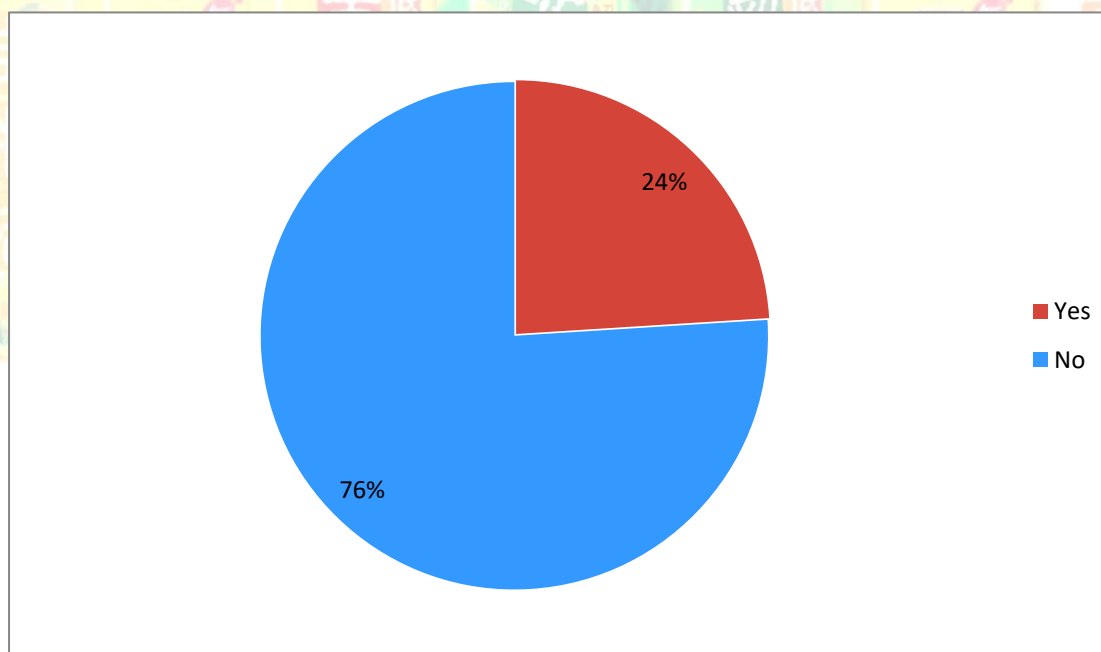
10.你對鴻福堂所銷售的產品質素滿意嗎？ Are you satisfied with the quality of Hung Fook Tong's products?



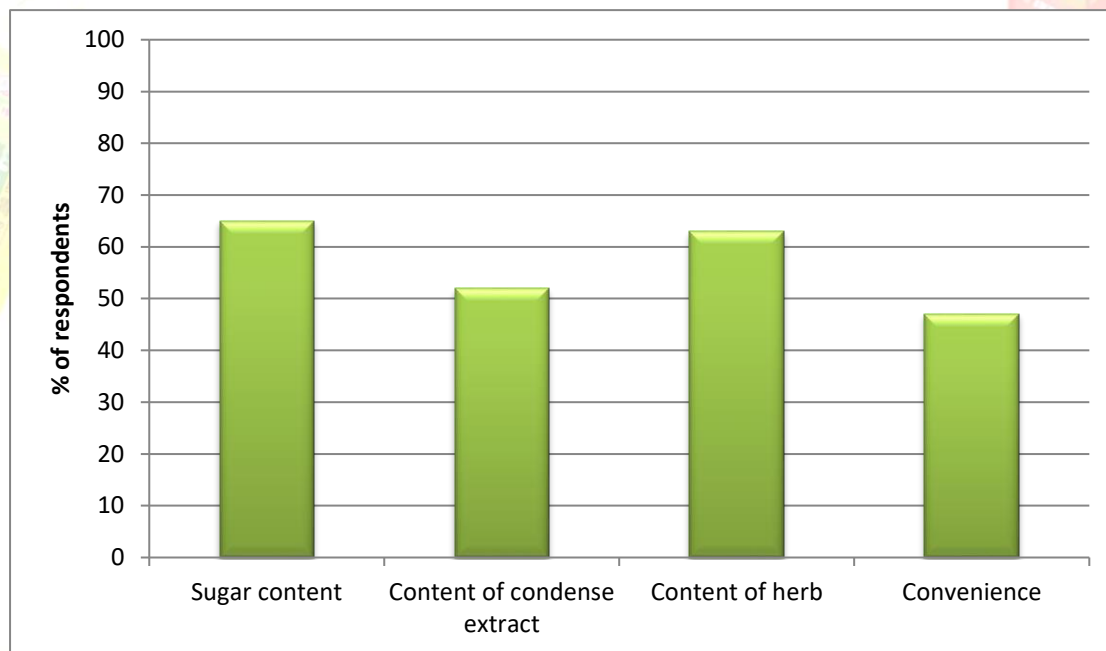
11. 你從什麼途徑得知鴻福堂的訊息？ From where do you get the news of Hung Fook Tong?



12. 你認識鴻福堂的自家 Club 會員計畫嗎？ Do you know about Hung Fook Tong's membership programme 自家 Club?



13. 你對選擇健康產品（例如：涼茶）有甚麼標準？ What are your criteria of buying health products (e.g. herbal tea)?



14. 哪項因素會推動你購買鴻福堂的產品？ Which factors will motivate you to buy Hung Fook Tong's products? (可選多過一個選擇。 Can choose more than one option.)

