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PARKnSHOP SPEAKS TO HEARTS AND TONGUES TO KEEP THEM COMING BACK

Hong Kong's ultra-competitive grocery market sees grocery chains like PARKnSHOP compete with wet markets, specialist grocers and smaller chain stores. Rather than cutting prices, PARKnSHOP has a variety of strategies to strengthen loyalty and provide greater value to its customers' stomachs *and* their hearts. Unique in-house brands and a charity rewards system are two of the latest innovations that ensure loyalists PARK and SHOP with their favourite grocer.

One way to provide value to customers is to give them something they can't get anywhere else. It's even more exciting if it's something unique, not only in their hometown but also in the world and in a specific period of time.

PARKnSHOP is doing this by developing its own line of products that can only be found in their stores in Hong Kong and nowhere else in the world. It has, of course, been striking exclusive deals with international suppliers to the Hong Kong market for years. The Waitrose product lines (a popular British retailer) are one example. If you want them in Hong Kong, PARKnSHOP is the *only* place to go.

But PARKnSHOP has also invested in its own brands. It invests heavily in research and testing to strive to bring novel experiences to customers. While it is true that margins are typically a few points better than other

sourced products, the real emphasis is on bringing something truly special to the market.

There are a variety of ways and means to produce these products, including:

- Creating different tiers of own brands to cater to different customer groups;
- Partnering with a famous local brand to create novel products for in-store sale;
- Solely creating new in-house products for a limited-time offer.

“ Unique in-house brands and a charity rewards system are two of the latest innovations that ensure that PARKnSHOP loyalists park and stay with their favourite grocer. ”



PROUDLY PARTNERING WITH LOCAL BRANDS

On Kee is a beloved brand of dried seafood that, above and beyond connoting quality and value, connects Hong Kongers to their heritage and identity. On Kee offers products that might not be well-known to people outside Hong Kong, such as preserved sausages, fish mam, abalone, ready-to-drink Chinese soup packs and Chinese herbal tea.

OUR BRANDS, YOUR LIFE

Like many grocers around the world, PARKnSHOP has developed product lines whose brand position tells people what role they play in a customer's life and budget. If a customer is looking for high-quality daily necessities, they look for the “Select” and “Imperial Banquet” product lines that offer everything from globally award-winning Select Nuts, Select Oatmeal and Select Spaghetti brands to Imperial Banquet's Rice, Canola Oil and more.

If customers are after lower-cost value products, they look for the “Best Buy” marque. The “Mr Vegetable” and “Farm Fresh” brands let customers know they are getting products developed in direct partnership with individual farms where PARKnSHOP has direct visibility into the farm’s operations.



PARKnSHOP reached out to work with the firm to create unique, co-branded products that aren’t available in the small, local (but popular and well-known) On Kee stores which mainly sell products in bulk. The PARKnSHOP co-branding tells customers that PARKnSHOP is putting in the effort to create something special for them.

“ PARKnSHOP’s more than 40 partnerships have brought over 270 products to their customers. ”



PARKnSHOP’s more than 40 partnerships have brought over 270 products to their customers. Hung Fook Tung herbal drinks and Bao Dim Sin Seng chilled dim sum are among the hit items.

PARKnSHOP also gets creative to introduce new product lines in, for example, the snack category, with products like Calbee soy sauce and seaweed-flavoured potato chips. This inspires people to check out what is the latest and greatest on a regular basis. Given that from lead time to product development can be as quick as a month, PARKnSHOP can capitalise on local trends, making customers wonder “What will they think of next?!” and keep them coming back.

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REWARD THEIR HEARTS – “SHARE FOOD SHARE LOVE”

Hong Kong is known as a fast-paced city whose people are extremely business-oriented – it’s the capital of capitalism. But the people also have big hearts and demonstrate a very high level of charitable giving.

PARKnSHOP recognises this and gives Hong Kongers a way to express that charitable spirit in a way that ties them to PARKnSHOP: the “Share Food Share Love” donation platform. Loyalty programmes are ubiquitous worldwide. The best ones are clear on how customers can earn and spend their points. PARKnSHOP has devised a way to reward people with points in their MoneyBack programme every time they donate food to those in need.

There are more than 50 automated smart machines acting as drop-off points across the city within PARKnSHOP stores where people can give. For every 1kg of goods they put on the scale, they receive 50 MoneyBack points.

The programme partners PARKnSHOP with a local charity, Food Angel, which has well-established protocols for directing donated foodstuffs to either be used to prepare meals for the needy or be distributed to grateful families.

By empowering the people of Hong Kong to do good with a little reward on the side, PARKnSHOP gives them yet one more reason to be part of the PARKnSHOP experience.

Staying competitive doesn’t mean being mean; it means being smart and sometimes even kind. The PARKnSHOP team, when faced with intense competition, prefers to get creative and speak to people’s better (food) angels to keep them coming back.

