

# A study of brand strategy for supermarket industry in hong kong

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In the growing FMCG market of Hong Kong, the concept of brand strategy for supermarkets is the most vital variable of interest to retailers. This research makes an in-depth analysis of the dimensional aspects of brand strategy for supermarket industry with additional focus on the store image which is the antecedent for storeloyalty.

The research extends to examining the efforts of the supermarkets in Hong Kong to assess the effectiveness of such efforts in building a brand strategy for an effective store loyalty towards their stores.

The research proposes to achieve the objectives of assessing the effectiveness of the efforts of the supermarkets in building a brand strategy by a review of the available literature on the topic of study and also by conducting a social research by employing recognized research methods to present a comprehensive and analytical report on the findings of the research.

The study proposes to use qualitative methods for the collection of secondary data and information including a collection of a wide range of resources for a review of the literature on the topic of the study. Quantitative method in the form on an ' Online Survey' of the customers of supermarkets by using a well constructed questionnaire to collect their opinions on the effectiveness of the efforts of the supermarkets in building a brand strategy in the supermarket industry in Hong Kong.

The study will consider various attributes that promotes the brand strategy towards the supermarkets in Hong Kong.

It will be astounding for the people who visit the Asian Cities like Hong Kong, Singapore and Bangkok for the first time to witness the role, shopping plays in the culture of the local people in this region.

Retail therapy can be considered to be a conspicuous national pastime of these regions. With the growing wealth in Asia and with the enhancement in the disposable income of the people in the continent, there are every chances that consumer based firms will emerge as the strongest sector in the coming periods.

Under the Closer Economic Partnership Agreement (CEPA) there had been a higher influx of tourists from China which has resulted in a growth of 9.7 percent higher sales in the departmental stores as of September 2006 on a year-on-year comparison.

According to a survey conducted by ACNielsen the market research firm, on 22000 global consumers, Malaysia, Hong Kong, and Indonesia were included in the top 10 markets in the consumer confidence. (ACNielsen Global Consumer Confidence Report, Jan 2006)

With the increased consumer activities in the retail sales it becomes important for the supermarkets to assess the shopping habits of the consumers and adjust their marketing strategies to maximize the sales growth and revenue. This is especially necessary in a large consumer market like Hong Kong.

The effectiveness of the actions from the supermarkets on improving the stores loyalty, though depends largely on the consumer buying habits there

are several other factors that determine the store loyalty like, proximity of location of the stores, brand awareness, quality of the products, pricing and promotional offers and other consumer habits.

Being a highly sensitive issue getting the store loyalty of the consumers is a tough task for the supermarkets as switching to alternative stores by the customers costs nothing to them and is also less cumbersome. This poses a great challenge to the supermarkets. In this context this research makes a detailed study into the effectiveness of the efforts of the supermarkets in building a brand strategy for establishing store loyalty among the consumers.