THE HONG KONG HOUSING AUTHORITY

Memorandum for the Commercial Properties Committee

Tracking Survey into Customers' Satisfaction Level with Housing Authority Shopping Centres/Markets

PURPOSE

To inform Members of the key findings of an opinion survey conducted by a consultant into customers' satisfaction with various aspects of Housing Authority (HA) shopping centres/markets, which is intended to form a basis for future 'tracking' surveys.

BACKGROUND

2. To ensure HA commercial facilities best meet the needs of customers, surveys have been conducted from time to time into performance satisfaction levels on various aspects of HA shopping centres/markets. It is considered desirable to establish benchmarks in key service areas to enable perceptions to be tracked over time.

3. With the above objectives in view, Research International Asia Limited (RIA), a market research firm, was appointed in late 1999 to conduct a comprehensive survey of customers' views on HA shopping centres/markets. Evidence obtained was analysed for derivation of key performance indicators to enable regular tracking of performance and satisfaction levels.

THE SURVEY

4. The survey covered 30 HA shopping centres and attached markets with completion dates between 1980 to 1999 (**Annex A**), considered typical and representative in terms of type of centre and scale of retail provision. A total of 900 commercial tenants/licencees and 1,500 residents living in nearby public housing estates/HOS courts were successfully interviewed, with the response

rate of 80% for both groups. Views were also collected from 615 shoppers from elsewhere. Fieldwork was carried out from 7 January to 3 February 2000.

5. The questionnaire for the survey consisted of two parts. The first was designed to collect the views of commercial tenants/licencees on the relative importance of various service areas in the selection of HA shopping centres/markets for running their business and of residents/shoppers in visiting HA shopping centres/markets. The second part focused mainly on respondents' level of satisfaction with specific aspects of HA shopping centres/markets.

MAJOR SURVEY FINDINGS

6. A summary of the results of the survey is provided at **Annex B**. The key findings are outlined below.

7. The views of respondents on Type A, B and C centres were similar in most areas, reflecting the broad similarity of provision in the three types of centres which serve both local residents and shoppers from elsewhere. For simplicity and economy, it is considered appropriate therefore to develop two sets of key performance indicators and satisfaction indices, one for Type A, B and C centres combined and one for Type D centres.

Shopping Centres

8. Overall, 33% of respondents rated HA shopping centres as satisfactory and 59% reported an average level of satisfaction. Detailed findings are given in **Table 1 of Annex C**.

Key Performance Indicators (KPIs)

9. The detailed aspects of HA shopping centres evaluated in the survey are general maintenance and management, general design, performance and communication of management staff, physical environment and facilities, promotion activities, retail provision and leasing services.

10. The KPIs identified are Retail Provision, Physical Environment and Facilities, General Maintenance and Management and General Design, based on the findings that the majority of respondents (over 60%) considered these were the more important attributes affecting their preference for HA shopping centres for operation of a business or to visit. The KPIs are the same for all types of centres.

Satisfaction Indices (SIs)

11. Average SIs for Type A, B and C centres were above ‘3’, (based on 1-5 point scale where 1 is very dissatisfied and 5 is very satisfied). However, for Type D centres designed to serve a small community, respondents were less satisfied with retail provision and physical environment/facilities, both with SIs below ‘3’. Nevertheless, the views of respondents on specific service attributes such as provision of air-conditioning/ventilation, lighting and corridor width were favourable.

Areas of Concern

12. Regarding retail provision in Type D centres, residents and shoppers were less satisfied with the price of goods. In addition, all respondents expressed insufficiency of trade mix and anchor tenants. For the aspect of physical environment and facilities, tenants in Type D centres were not satisfied with the pedestrian flow. Regardless of centre type, cleanliness of toilets remained a prime concern.

Markets

13. Overall, 24% of respondents rated HA markets as satisfactory and 61% rated them average. Detailed findings are given in **Table 2 of Annex C**.

Key Performance Indicators (KPIs)

14. Similar to those identified for shopping centres, KPIs for HA markets are Retail Provision, Physical Environment and Facilities, General Design and General Maintenance and Management. The KPIs are same for markets attached to different types of shopping centres.

Satisfaction Indices (SIs)

15. SIs on the KPIs for markets attached to Type A, B and C centres, all with the value above ‘3’, were higher than that of Type D centres where index values were 2.87 to 2.96.

Areas of Concern

16. The specific areas with lower satisfaction level for markets of Type D centres were the price of goods, sufficiency of trade mix and tenant mix, pedestrian flow, signage provision, ventilation/non-provision of

air-conditioning, cleanliness of toilets, wetness of floor surface, and encroachment.

VIEWS OF THE DEPARTMENT

17. Overall, respondents considered the performance of HA shopping centres/markets acceptable or better. The comments on insufficient pedestrian flow and trade mix for Type D centres/markets are understandable but primarily reflect the inevitable limited variety and business volume in small local centres. Nevertheless, attempts will be made to introduce more popular trade types to enhance the shopping atmosphere of our shopping centres/markets.

18. As regards the concern on the lack of air-conditioning and inadequate signage provision for markets, feasibility studies on the provision of central air-conditioning to markets of old design and additional signage are being undertaken as some of the major improvement items of HA shopping centres/markets. All new markets are now provided with central air-conditioning.

19. To address those areas of management services requiring improvement such as the cleanliness of toilets and maintenance of air-conditioning/ventilation system, the Department will continue to strengthen the control measures in monitoring the performance of the management agents and service contractors to ensure proper service delivery.

THE WAY FORWARD

20. The findings on the KPIs and SIs on various aspects of HA shopping centres/markets will be of useful reference for devising strategies for action prioritization. It is intended to make an annual customer satisfaction survey in order to track customers' expectations and to monitor the progress of achievements being made to improve the quality of services.

INFORMATION

21. This paper is issued for Members' information.

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