



The Bulletin

The Hong-Kong General Chamber of Commerce

MAY 1970

In Brief

News and announcements from Hong Kong and abroad

□ There will be a Trade Development Council **trade mission to Australia** in July. During the mission's stay in Australia, fashion parades will be presented, showing Hong Kong's progress in this field. Members who are interested in sending garments for these presentations to Australia should contact Mr. J. A. Furrer of the TDC.

□ A bill seeking to give Non-Government bodies authorised to issue **Certificates of Origin** similar powers of revocation as those of the Government will be presented at the next meeting of the Legislative Council.

At present organisations like the Chamber have the power to revoke a certificate of origin issued by them, but have no power to require the holder of such a certificate to surrender it.

This power is considered essential, as unauthorised use could be made of a revoked certificate retained by the holder and subsequently bringing the certification system to disrepute.

□ A copy of the **prospectus** of the **Morrison Hill Technical Institute** which includes general information concerning the institute and a brief description of the courses offered is now in the Chamber's Library.

□ Share Investment Services Property Ltd., 186 Glin Osmond Rd., Fullarton, Australia, a member of the Adelaide Chamber of Commerce

Incorporated, offers to subscribers a **share advisory service** and is seeking an agent for the company in Hong Kong.

□ The Chamber has received a Chinese language translation of a report by President Nixon to the U.S. Congress on February 18, 1970 entitled "**The United States Foreign Policy** for the 1970's." The report may be seen in the Chamber's Library.

□ **Hong Kong trade statistics** for the period of January-March, 1970 analysed from the published figures of the Census and Statistics Department are now available to members. These include H.K. Overall Trade, H.K. trade with U.K., U.S.A., Canada, West Germany, Australia and all other significant markets.

□ **Amendment Bills on Bankruptcy and Companies** will be put before the Legislative Council soon.

Both bills contain a provision by which the Registrar, or another person conducting the examination, may refer any matter to a judge where he considers it is proper to do so, or may adjourn an examination so that it may be continued before a judge.

□ Copies of the Final Report of Proceedings of the **FCCC Congress** are now available at the Chambers' offices.

Cover: Feather flowers, while not as popular as plastic flowers, are nonetheless a profitable export in Hong Kong. In 1969 the Colony exported over a quarter of a million dollars worth of feather articles. The major market for the industry is South Africa which accounts for over 50 per cent of the total export.

□ Members of the Chamber's Sub-Committees 1970

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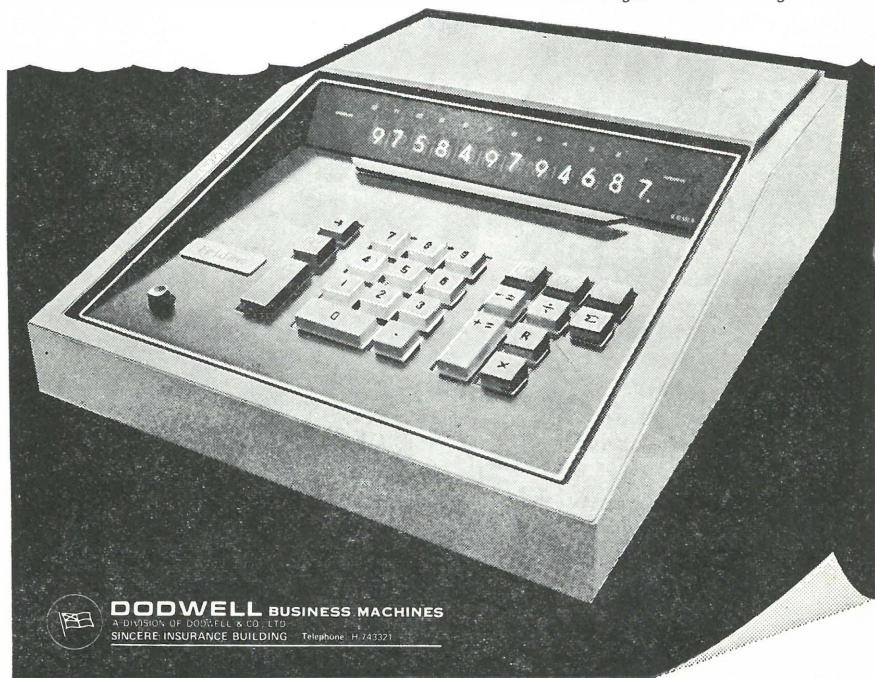
1113 ELECTRONIC CALCULATOR

FEATURES

addition
subtraction
multiplication
division

(separately or as sequential
operations in any order)

*automatic accumulation of products
automatic accumulation of quotients
retention of intermediate answers
constant multiplier
constant divisor
automatic true credit balance
automatic memory and recall
automatic floating decimal
overflow and negative indicator lights*



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The Bulletin

The Hong Kong General Chamber of Commerce
Union House, May

The Federation of Commonwealth Chambers of Commerce Congress got to a flying start with the arrival of the first delegation—from Perth, Australia—at 6.30 in the evening of Thursday 30th April, and continued at a dizzy pace through to the afternoon of Friday 8th May.

It is always difficult to place a tangible value on the outcome of a meeting of purely voluntary bodies such as Chambers of Commerce, since such organisations can work only by means of example, persuasion and exhortation, and not often by direct action.

Furthermore, it is easy to be cynical about conferences. A variety of platitudes can be aimed at virtually any such gathering:— delegates come only to make private deals behind the scenes, or on an expenses paid holiday, or to air national grievances—and when all the talk is over they go home and promptly forget their Resolutions.

Even if some of these charges were partly true the Congress would still have been a valuable event.

Perhaps the most valuable results did not arise from the main course of the Congress debate, but were, in a sense, by-products.

Firstly, there was the very fact of holding a Congress here and thus allowing over 200 people the

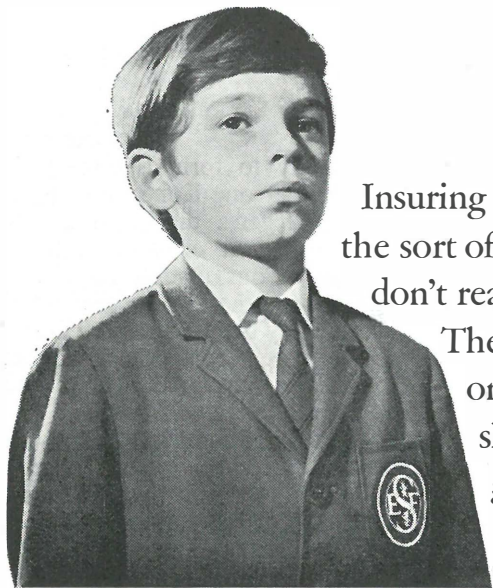
opportunity to form a first-hand impression of Hong Kong. Without any doubt, delegates did form a favourable impression of us and this will rebound to our overall benefit.

Secondly, there was the publicity generated by the Congress. This serves to draw attention to the Chamber of Commerce movement, both locally and on a world wide scale.

Thirdly, and most importantly, there was the opportunity for people of different races and backgrounds, but with at least one common interest, to mingle. The result is an interchange of ideas, however cursory, that in the fullness of time must rub-off in increased mutual understanding. If such an interchange is to take place at all, there must be a medium in which it can occur. The Congress is that medium. Thus the Congress is, in a sense, almost an end in itself.

The same thought emerged in a slightly different form from Malcolm MacDonald's speech. The Congress took place in a Commonwealth context, and without the Commonwealth it could never have occurred. Equally, the Commonwealth is, in itself, almost a medium of communication. People, however diverse, can, as Commonwealth citizens, meet through the Commonwealth. As Marshall McLuhan would put it—the medium is the message.

Chairman: G. M. B. Salmon; *Vice Chairman:* P. J. Williams; *Secretary:* J. B. Kite; *Assistant Secretary:* R. T. Griffiths; *Business Promotion:* S. L. Chung, W. S. Chan, P. Choy, Miss C. Fung; *Certification:* A. C. C. Stewart, F. M. Castro, H. Cheng, W. K. F. Wang, C. T. Wu; *Public Relations:* Harry Garlick, Lee Sherard; *Membership:* C. Tsang; *Office Supervisor:* V. Wong.



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Marketing – a way of looking at things

This is the first section of a two-part article on the marketing concept and its application to Hong Kong. The first part of this article, which is complete in itself, attempts to explain in the broadest sense what marketing is. The second part, to be published later in the Bulletin, will look at its application to Hong Kong.

Since the end of world war two, industry in the developed countries has gone through three stages of development. The first, immediate postwar period, was characterised by the emphasis put on production. The second phase began during the late fifties and saw the emergence of marketing as the dominant concern of industry. We are still experiencing this phase, and it would be premature to say that the marketing revolution has reached its zenith. But already signs of a third stage are beginning to emerge, particularly in the United States.

This third stage is yet too much in its infancy to be clearly characterised. Its signs are a growing awareness of the industrial unit as part of the wider complex of society, rather than as a self-contained unit with loyalty only to the shareholder. The new stage is manifested in, for instance, the growing preoccupation of American businesses with environmental pollution, with the emergence of public and human relations as ends in themselves rather than as tools, and — most significantly of all — in the concept of 'industrial democracy'.

The stages described apply almost exclusively to the developed nations. It is perhaps a sad comment that the majority of nations — particularly those in Asia, Africa and South America — have not yet solved the problems of the production stage. Furthermore, the three stages are not mutually exclusive but overlap to a considerable extent. Individual industrial units at any of three stages of development can exist literally side by side.

We are concerned here with the marketing stage. The key to marketing is quite simply that the consumer is seen as the prime mover in the industrial process. This contrasts with the priorities of the earlier stage of industrial development — the production stage — in which the emphasis was on the plant or the machine, or on concepts such as productivity, which are largely functions of plant or machine utilisation.

Buyers' Market

The development of the marketing approach came about as a result of a rising standard of affluence. During the era immediately following the Second World War, the need to produce goods was the prime concern of industry. A strong sellers' market existed throughout the world, and the brains of industry concentrated on techniques of improving productivity. It is no real exaggeration to say that — from a technical point of view — all major problems of maximising the

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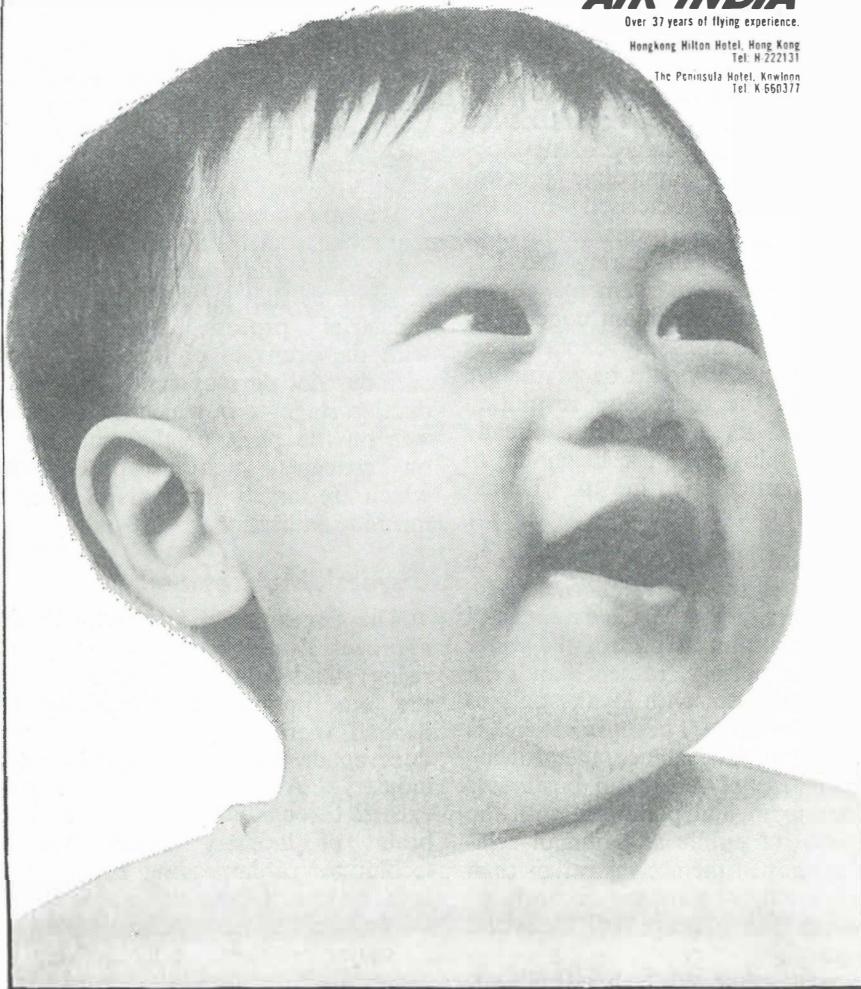
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capacity of an industrial unit were solved during the nineteen-fifties.

This does not mean of course that problems remain in the field of production. Nonetheless, the technology of production advanced sufficiently successfully during the post-war years to see the emergence of a buyers' market in the late nineteen-fifties/early nineteen-sixties. The problem was no longer how to produce goods, but how to utilise the industrial capacity available at an optimum or indeed economic level.

Marketing is best understood if one forgets the specialised activities, such as market research, that play a part in marketing. Marketing starts with the consumer. It starts with the realisation that the objective of any profit-making business is to win favourable buying decisions from that consumer.

Customers' Needs

The marketing-orientated businessman can be compared with the production-orientated businessman. The latter manufactures a product, and then tries to sell this product.

The marketing-orientated man, on the other hand, first asks himself the question: "What do my customers need from my product, and how can I give it to them?" Having found a reasonable answer to this question he then sets out to fulfil this need.

This approach calls for a realistic appraisal of where a company's true

strengths lie. There is no need for a company to think of its resources in terms purely of plant, equipment or labour. The real resources of many companies are know-how in salesmanship, or a well established chain of retail outlets, or a highly professional design department.

Case History

Two examples may make this clearer. One of the most successful UK manufacturers of do-it-yourself building products has consistently played down the role of the traditional builders merchants in selling his products and has concentrated on sales made through his own retail outlets.

His products, give or take a few minor differences, are similar to those of many other manufacturers. Yet the business is far more profitable than that of many competitors. His real resource is his distribution organisation.

Another example concerns a much smaller, industrial, company that manufactures specialised handling equipment for the oil industry. It had a range of some thirty different products, a heavy investment in plant and a labour force of some 300 men, about 100 of whom were employed as designers or draughtsmen. It also consistently lost money, despite massive injections of capital from the parent company and a permanently good order book.

An overall analysis of the company's position was undertaken. It emerged

that the company's products sold for two principle reasons — a particularly energetic sales manager who concentrated with considerable success on export sales, and a first-class standard of design and engineering.

The greater part of the company's plant was closed down, and the company went into business as basically design engineers, with most of their manufacturing carried out on a sub-contract basis. The company is now well on the way to achieving profitability.

This perhaps is more an example of a straightforward rationalisation exercise, rather than an example of marketing. It does however illustrate the case of a concern that thought of itself as being a manufacturing unit, whereas the whole reason for its viability lay with design and sales.

These two businesses succeeded because they realised their need was to concentrate on the product user, find out what he wanted, and then take steps to give it to him. In none of these histories — be it noted — was there a need to change the product. The need was to gear the organisation's resources to the real wants of its customers.

A Way Of Life

Marketing is not just a technique applicable to this or that organisation depending on its products, but an approach to management thinking, and as such it is equally applicable to

any type of business enterprise. Marketing is not so much a technique, it is more a way of industrial life.

It is true that marketing specialists rely on a battery of formidable techniques, often involving complex mathematics, in their day-to-day operations. But from the point of view of top management, marketing is more in the nature of a belief, a philosophy that infuses the business and guides senior men in making their decisions.

The idea of marketing is perhaps best summed up in the example of the large British group in the electrical industry that puts 'the consumer' at the top of its official organisation chart — in a superior position to the Board, the Managing Director or the Chairman.

Six Facets

Marketing does of course have its practical side. One convenient way of examining marketing in action is to divide it into six constituent parts.

These include:—market research, sales forecasting, product planning, distribution planning, sales strategy and sales administration. Books have been written on each of these activities and it is not possible here to look at any of them in anything other than a cursory way.

Market research is a technique that is reasonably familiar to most businessmen. It is simply a scientific attempt to find out how the consumer re-acts to your product, either

as it is at the moment or as it might be.

It is perhaps worth stressing that market research does not always require a team of young ladies with questionnaires going from door to door. Much valuable research can be done from sources already available.

It is also worth stressing that market research can only tell you what has happened in the past. It cannot predict the future. Furthermore, it is not infallible. The extensive research that went into the planning of the Ford Edsel car resulted in what has been called 'the biggest egg to be laid in history'. As always, much depends on the way research is interpreted.

Past Repeats Itself

Sales forecasting is simply the planned and sustained attempt to forecast how many items in a given product line you can expect to sell within a given period. This is not done with the aid of a crystal ball, but is a back-room statistical exercise. It involves forecasters in analysis of data such as returns from retailers, on the one hand, and macroscopic economic forecasts, on the other.

Sales forecasting is based on the simple principle:—'the past will tend to repeat itself unless something happens to change it'. It is important to remember however that changes can be initiated not only by the company itself, but also by competitors, and by broad trends at work in society

such as growth in leisure time, an increase in pay packets, and the emergence of specialised sub-markets such as the teenage market.

Forecasting data is crucial if one is to have anything like a planned production schedule and thus avoid the twin evils of overstocked warehouses, on the one hand, or empty warehouses with a queue of retailers at the door, on the other.

Greatest Error

Product planning is perhaps the most important and certainly the most fascinating aspect of marketing. It is also the area where there is greatest room for error. Indeed, some degree of error seems inevitable when one considers the number of new products that never get off the ground, and the even greater number that fall by the wayside at some stage between the drawing board and the factory.

Various estimates have been produced for the number of abortive attempts made by companies searching for new products, but all are equally frightening. One estimate is that only one in every forty products launched become a fully profitable success over a reasonable period of time. When one takes into account the number of planned new products that do not get beyond the research and development stage, the ratio becomes nearer to one success to every hundred or more attempts.

The need for product planning arises because all products, no matter how successful, have a limited life in

terms of profitability. The 'profitability history' of any product can be represented graphically by a curve that rises steeply, reaches a plateau and then goes into a gradual descent. Variations can be obtained on this curve, when an 'improved version' of the product is launched, (which should occur when the curve shows distinct signs of descent), but experience shows that the resulting up-swing rarely reaches the level of the previous plateau. It does however postpone the descent stage. The process can be continued indefinitely by the launching of one improved version after another.

This profitability curve can be traced for virtually all products, the only real variable is the period of time over which the plateau stage lasts and at which the descent starts. In the case of an industrial product such as a crane it may be a period of several decades. In the case of a fashion product such as a garment it may only be a period of months, even weeks.

Shorter Product Life

Today however the time index of the graph is expressed in shorter units for virtually all products. In a sense, today everyone is making fashion products. The computer industry — and to some extent the aircraft industry — provide excellent examples of this trend, whereby a new model is hardly launched before its successor is well into the development stage.

It is of course easy to say that a

company should have a continuous supply of new products up its sleeve. Finding or developing new products is considerably more difficult. But this is why it should be one of the prime concerns of any chief executive.

Distribution

Distribution planning is more or less self-explanatory. It is simply the mapping out of the most profitable means of getting the product from the factory to the consumer. Does one use retailers, wholesalers, agents etc., or rely on direct sales? Is it better to own one's transport or make use of hired vehicles? Does one attempt local, national or global distribution? There is no one answer to these questions, since much will depend on the type of product involved. The guideline — as always — is simply the potential probability of one method against another.

Strategy

Sales strategy is the part of marketing that is frequently confused with the whole, since it covers those activities that normally spring to mind when marketing is discussed. It involves advertising, sales promotion, merchandising, packaging, publicity, and the overall development of a selling plan that will realise the data suggested by sales forecasts.

Sales administration is simply the putting into action of the sales plan, and its control. It may involve, for instance, the briefing and training of the sales force, allocation of sales areas, setting of sales targets and

methods of rewarding achievement of these targets. When no direct sales force is used, it will involve selection and supervision of agents, or the administration of whatever selling method is used. An important part of the process is the use of a system of feedback and control to ensure that sales targets are being met, and, of course, the taking of appropriate action when they are not.

Applies To all

Presented in this cut and dried fashion, it may seem that these activities are appropriate for the large company only, or for the manufacturing concern only. It cannot be over-emphasized that they are applicable in some form or other to all companies. The only differences are those of scale, priority and stress.

A company selling a service — for example, a small firm of insurance brokers — must take steps to see that the service they offer does in fact meet the needs of the client and adjust it where necessary. The broker may not need sales promotion in the usual sense of the word, but the persuasive advocacy of a reduced premium for a particular type of insurance calls for basically similar methods to the '10 cents reduction' offer at the supermarket.

Not Only In Business

The marketing concept is in fact applicable to many activities other

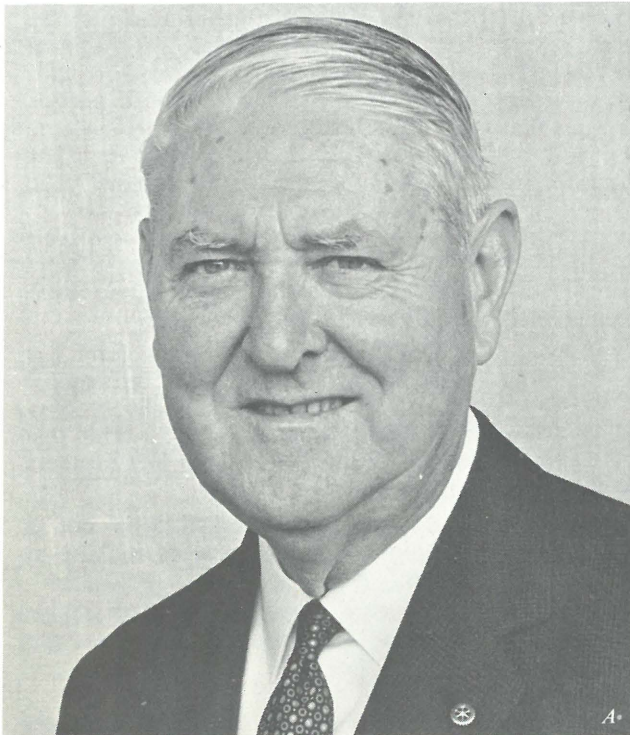
than business. Given that the heart of marketing is a concern for the consumer and his needs, and given that the word consumer really means little more than 'people', it becomes obvious that marketing can equally well apply to, say, political parties. Clear indications of this are evident in both Britain and the USA. The marketing approach is equally valid in local government and public administration generally, in charitable organisations, and many other fields of activity, including organisations such as Chambers of Commerce.

One leading expert in the field has gone so far as to say that 'marketing' in present conditions is really synonymous with 'management'. And this would include more than just business management.

As we said, marketing is not a technique. It is a way of looking at things.

Chamber News

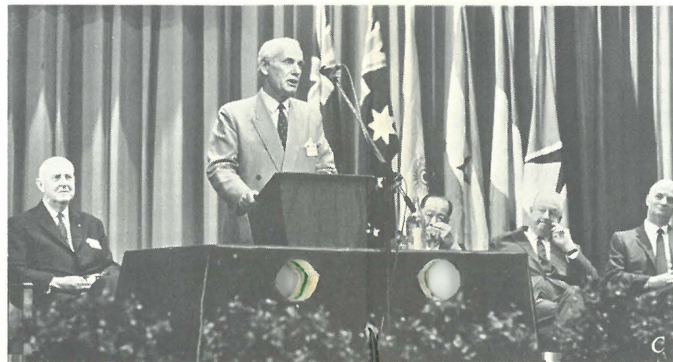
Chamber News



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D



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H

- A. Sir Walter Scott, President of the FCCC.
- B. The Congress Opens.
- C. Malcolm MacDonald addresses delegates.
- D. Mr. James Wu, acting Chairman of CMA, addresses delegates on board the Weatherite Prince.
- E. Sir David Trench, the Chairman and Sir Walter Scott (right) at the Congress Banquet.
- F. Betty Chung entertains delegates.
- G. High spot of the Congress Banquet was a lion dance performed by the Ming Teh Youth Centre.
- H. Sir Walter Scott presents the Chairman with a souvenir of the Congress.

Chamber News

□ The Chamber has once again awarded three scholarships to the Hong Kong Technical College for the current 1969/70 session. The scholarships were given to Lam Hup-lo and Lo May-mei, both studying Accountancy, and Chong Chau-lam, a student in the field of textile dyeing, printing and finishing.

□ The Chamber's Assistant Secretary, Mr. R. T. Griffiths, will go on leave to the UK on May 10th. He will be returning in early September.

□ The Certification Department reports that a total of 15,871 applications for Certificates of Origin were received in April. This is an increase of 10.6 per cent over the same period last year. Spot checks on 10.5 per cent of all consignments were carried on.

□ The Business Promotion Department reports that during the month of April the Chamber received the British Giftware Trade Mission, the South Carolina Asian Trade Mission, the Brussels Chamber of Commerce Delegation, the San Diego Chamber of Commerce Trade Mission, the Malaysian Trade Union, and the Indiana Trade Mission. Over 50 business appointments were made for members to meet delegates of these missions. The Department also arranged for over 47 business contacts for our members to meet delegates of other visiting trade missions and business-

men. 1,267 overseas enquiries for importers or exporters were dealt with and 48 trade complaints were handled.

□ With the help of the Trade Development Council and the Hong Kong Tourist Association, the Public Relations Department sent over 2,000 copies of the Chamber's 1969 Annual Report overseas for distribution in April.

Mr. Harry Garlick who represented the Chamber on the Ready-to-Wear Festival Committee reports that it was generally agreed at the final meeting of the committee on the 22nd of April, that the Festival was a great success, and that it should be held next year.

The department was also extremely busy in April over the preparations for the recent FCCC Congress.

□ The Consolidated Monthly Statement for April was prepared and sent to subscribers on 30th April, 1970 to the Credit Information Bureau. A total overdue of HK\$6.2 million was reported.

□ Eighteen new companies joined the Chamber in April. Present membership is 1,707 as compared to 1,596 last year at this time.

□ A total of 196 applicants for employment were registered with the Chamber during April, and details were published in the Employment Register.

Pick of the Press

The employment situation in the UK is not the same as in Hong Kong. Nonetheless, the kind of information that intelligent job hunters are interested in is probably not too different around the world. Elsbeth Ganguin of the London Financial Times reports:

What is the most important information would-be candidates for jobs want to have before they make a firm application? Definition of responsibility, it would seem, followed by an idea about just where the job is located. Next in the list comes the starting salary. Looked-for experience is a close fourth, with "qualifications required" on its heels, and "position in organisational structure" not much further down.

Information regarding age ranges, the company's plans for growth and background details, or promotion prospects, all come much further down the interest scale.

Survey

A leading firm of British personnel consultants recently quizzed 250 respondents to job advertisements who had written in for further information. The jobs represented the seven categories of sales; production; research; development and design; personnel; accounting; computer and management services; and general management.

The answers, the consultants point out, do not necessarily imply that

everybody wants to see *all* the most critical information in an advertisement. But an interviewer should be able to pass it on during the first "face-to-face dialogue." Companies may also find it expedient to write informative letters before the candidate submits a formal application.

Gripes

The most critical comment, according to the consultants was about companies' mishandling of subsequent stages: long delay in handling applications; embarrassing telephone calls to places of work; short notice for interviews; refusal to reimburse travelling expenses; slapdash arrangements all round; and either slow, or no notification of the final verdict.

Useless

If, then, most of the respondents to the quiz put information about their likely responsibilities first for consideration, what do they think is least important to know? One hundred per cent, agreed that this booby prize goes to information about social and recreational facilities. Neither are details about fringe benefits, available facilities and equipment, and, really, background information about the company much sought after. So much, it seems, for those company brochures!

Host to 900,000

The Hong Kong Tourist Association

They carry cameras and they take up space. Locals all over the world are always a bit put off by tourists. They conveniently forget that in fact their fondest dream is probably to become one of these creatures.

In Hong Kong, we should make a special effort to be nice to our guests, the tourists. After all, tourism is the colony's second biggest revenue producing industry and still growing by leaps and bounds. Last year it earned more than HK\$1,600 million for the Colony. This year it is expected to make much more.

Far East Boom

In fact, over the past two or three years, the Far East has been the biggest tour growth area in the world. Thanks to Expo, this trend will undoubtedly continue in 1970.

Naturally, everyone wants a piece of the action. Tourists do not grow on trees, and the competition for them in this part of the world has suddenly become frantic. Singapore for example, is making an especially high-powered bid for the tourist market.

While journalists tend to play up this contest between Hong Kong and Singapore to win visitors to their respective shores, the Hong Kong Tourist Association shows no sign of apprehension. On the contrary, it views this mad scramble with a smile. As Hugh Barton, Press & Publicity Manager of the Association puts it, "We feel it can only benefit everybody."

More and more tourists are coming to the Far East — that is the important fact. It does not matter where they are going since they all stop off in Hong Kong. Even single package tour which goes to Expo also includes Hong Kong.

Organization

Tremendous growth in any industry means that someone is working hard on selling and promotion. In this case, it is the Hong Kong Tourist Association.

The Association was formed by Government Ordinance in 1957 for the purpose of developing Hong Kong's tourism.

The overall control of the Association is exercised by a Board of Management composed of 11 members, appointed, for three-year terms, by HE The Governor. One of the members serves as Chairman, also by the Governor's appointment. The present Chairman is the Hon HJC Browne of Butterfield & Swire.

The activities of the Association began in early 1958 with the arrival in Hong Kong of its Executive Director, Major HF Stanley, MC.

Representation

In accordance with the Ordinance, five members of the Board represent, respectively, the five branches of the tourist industry set forth in the Ordinance, namely, Air Carriers; Sea Carriers; Hotels; Travel Agents and Tourist Agents. Members of the Board representing branches of in-

dustry are nominated by the industry in the first instance.

The Association is a member of the International Union of Official Travel Organisations (IUOTO), a UN affiliated agency; a member of the American Society of Travel Agents (ASTA); a Government member of the Pacific Area Travel Association (PATA); and a founding member of the East Asia Travel Association (EATA).

Activities Abroad

In order to carry out its primary objective — that of promoting and developing Hong Kong's tourist potential, the Association has six branch offices, and 33 official representatives and associates all over the world. These offices distribute Hong Kong travel films, brochures, pamphlets and posters, and work closely with the tourist agents and offices in their respective areas.

In 1968 the Association initiated the Honorary Student Representative Scheme. This programme came about following requests from Hong Kong students studying overseas for information about Hong Kong.

Over 100 student 'ambassadors' are given six to eight weeks of informal briefings about Hong Kong over the summer prior to their departure. The Association also arranges sightseeing tours for them.

There are now 500 student representatives abroad. They are not paid, nor are they to take time away from their studies to promote Hong

Kong. They are simply kept informed of happenings in Hong Kong and supplied with posters, brochures and films, so that when they are asked by friends, they can talk intelligently about Hong Kong as a place to visit.

The scheme has been very successful. In the past year there have been 153 promotions carried out by students on college campuses all over the United States. With students travelling more and more, this programme is very much in step with the times.

The Association also takes part in many joint promotions around the world. For example, when TWA began their trans-Pacific flight, the New York office took part in their promotional activities. The HKTA also works hand in hand with TDC on store promotions abroad.

The Association was not only consulted at length concerning Expo '70, but has also supplied three specially trained information girls to the Hong Kong Pavilion at the Fair.

The Professionals

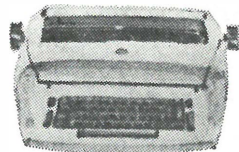
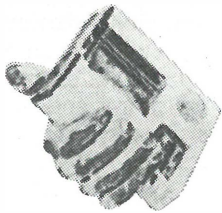
A good part of the Tourist Association's promotional activities is not directed at the public, but rather at the people in the travel business — the tour agents, the travel writers, journalists, etc.

There are the professionals who can talk a tourist into going to Europe rather than the Far East. These are the people that the

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Association must win over to Hong Kong.

Services

Here in Hong Kong, the HKTA is especially busy. Membership recruitment has continued at a good rate. Recruitment started in 1958 and at present, there are 204 full members, i.e. firms directly engaged in the tourist trade or interested in tourism.

The Association provides many services for its members. Several of its publications which are distributed to travellers at the airport or the Ocean Terminal include a full list of its members and their products or services.

Letters concerning sightseeing are circulated among tour operators who are members, and those asking about certain Hong Kong products are referred directly to members dealing with such items.

Furthermore, a busy telephone information service is now in operation. Most of the callers want to know where they can buy a certain item. The girls who handle these calls ask the tourist where he is and then refer him to the nearest dealer who is a member of the HKTA.

Members also receive a monthly bulletin and newsletter which keeps them up to date on all aspects concerning Hong Kong Tourism as well as the activities of the Association.

The market research organisation,

Far East Research Organisation (FERO), is presently engaged in making a study of visitors to the Colony on behalf of the Association. Departing tourists are interviewed and a report is made up to include such items as length of stay, number in party, purpose of visit, hotel accommodations, what they liked in Hong Kong, what they did not like, etc.

An extensive photographic library is also open to members.

The Association makes a special effort to keep in close touch with its members, and acts as a liaison between members, Government and other organisations.

In regard to the individual tourist, the Association provides them with all the assistance it can through its publications — guides, brochures, maps, etc. which it distributes at its three offices. Also when special delegations or conventions arrive, information girls are often sent to the airport to meet and greet these visitors. It assisted the Chamber in just this way recently when delegates of the FCCC Congress arrived.

Government Ties

The Association's close liaison with Government departments including the Financial Secretary's Department, the Government Information Services and many others is especially important. Of particular significance has been the formation of the new Economic Tourism Committee of which the

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Association and the Economic Branch of the Financial Secretariat are members.

The purpose of this Committee is to achieve a closer liaison with the Secretariat so that the plans and ideas of the industry and the Association can be transmitted direct to the Government.

Some topics under present consideration by this Committee are the building of a Convention Centre, the constructing of an Oceanarium, and resort development. The Committee has been instrumental in the passing of an ordinance that makes touting illegal.

Top-Draw

The Hong Kong Tourist Association is very optimistic about the future of Tourism here in the Colony in the 1970's.

A glance at the statistics over the last several years, shows that its optimism is well-grounded.

In 1969, 765,213 tourists came to Hong Kong as compared to 618,410 in 1968. This is an increase of approximately 24 percent. This year, the Association estimates that the number will reach 900,000 and by 1971, the figure is expected to hit the one million mark.

None of these figures include the thousands of military personnel who come to the colony for rest and recreation. According to the HKTA, these men make up a significant part of the market. Last year they spent some

\$341 million out of the industry's total revenue of \$1,658 million.

It is highly unlikely that Hong Kong can be unseated from its position as a top-drawing tourist mecca. The colony has many assets which help keep it as a "must" on tourist itineraries. The three main ones are — firstly, it is a business and trade centre, secondly, it has a reputation as the major shopping paradise in the world and thirdly, HK still connotes the mysterious Far East — the closest point to Mainland China — which is nonetheless conveniently English-speaking.

The HKTA estimates that virtually every man who comes to Hong Kong does some business while he is here. In fact, at least one major industry in Hong Kong — the plastic flower industry — is known to have been started by a tourist.

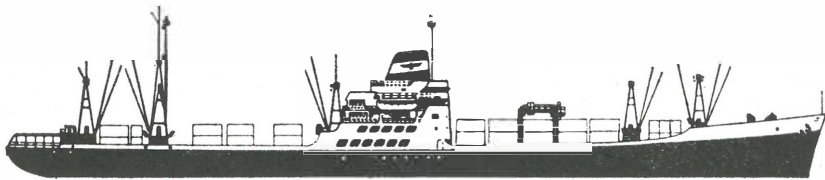
As the cost of living rises in the Colony, it is doubtful if it will be able to maintain its reputation as a buyer's wonderland for many more years.

New Angle

Fortunately, Hong Kong is a beautiful place. The beaches and scenery here can rival those of anywhere in the world. Along the same lines, its seasonal fluctuations are mild and not marked at all compared to other tourist centres.

The Association is, in fact, trying to promote this aspect of Hong Kong. Mr. Barton happily reports that

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maybe the US, at least, will finally get this message soon. A travel editor of the New York Times, who had surprisingly never been to Hong Kong, came into Mr. Barton's office the day after his arrival here recently, shouting excitedly "How come you never told me this was such a beautiful place?"

In fact, of course, the HKTA has tried to promote Hong Kong as a place of great beauty. Unfortunately it is not easy to overcome a strong prejudice. Travel articles in the expensive United States have always emphasized the shopping angle.

Good Years Ahead

Looking ahead, the Association sees the 1970's as a great decade for the tourist industry.

Inclusive tour charters are the new thing. The tour agents who handle these must plan two to three years in advance. They consider each travel centre in the world and ask — "Will that place be able to handle the tourist traffic in three year's time?"

The improvement in Kai Tak is an important factor when they size up Hong Kong. By 1973 the airport will be in good shape to handle all the visitors who are expected to come.

Similarly, there is a shortage of hotel rooms now, but by 1972 or '73 the Association feels that this situation will be rectified.

The current shortage of hotels is one of the major consequences which the 1967 riots had on the tourist industry. For months after the dis-

turbances there was a lack of capital development in the colony. Now that business is prospering again, many new hotels are being built or under consideration to meet the demand of the 70's.

The HKTA feels that even if there is a serious recession in the US, tourism here is not expected to suffer a very heavy loss. Only about 27 percent of all visitors to Hong Kong are from the United States.

Nor is the impact of the expected gradual withdrawal of US Forces from Vietnam on the tourist industry of HK evaluated as to be very great.

Moreover, far from being saturated the Association reports that the tourist industry has a lot of room for newcomers. Tourists are becoming more and more quality conscious. They appreciate an organisation — new or old — which is imaginative and different. As a case in point, one new guide service headed by a group of energetic young men has been doing extremely well.

All in all, it looks as if the Hong Kong Tourist Association will have its hands full with its 'guests' for a long time to come.

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WORLD-WIDE CORRESPONDENTS

中文簡摘

英聯邦商聯會會議之價值

第廿四屆英聯邦商聯會會議活動，在澳洲代表團於四月三十日抵港時便展開，到五月八日才結束。至於會議的最後報告，容後發表。

志願團體如商會等之會議成果價值，實鑒定。因其工作，只屬勸勉督促，不能採取直接行動。而且，許多人對會議都有成見，認為會議代表只不過在幕後做着私事，或耗用公款以渡私人假期，或各為其所屬地區透露困難。而事後，代表們即將會議決定拋諸腦後。

不過，本屆英聯邦商會會議則是例外。就算部份的猜想屬實，會議仍有不少間接成果。第一、那逾二百名之代表，前多未曾訪問本港，如今一旦親臨，定將其所獲良好印象，向其國人為香港作義務旅遊宣傳。第二、會議建立了英聯邦各商會間之公共關係。第三、不同種族背景之代表，得以融洽相處，交換意見。此乃會議作為媒介之力也。關於這點，麥唐納議員之演辭，曾有表示。他認為會議是基於英聯邦精神，通過此項會議，不同地土的英聯邦公民得以相叙一起。故英聯邦本身，實是一種互通消息的媒介。

市場理論研究 (上)

自二次大戰結束，工業在先進國家中有三個發展階段。第一階段是戰後時期，着重生產方面。第二階段在五十年代後半期開始，市場研究成為工業一大重點，吾人尚在此時期。不過，第三階段亦已開始醞釀，特別是在美國。但其特徵仍未顯露，不過，人類認識到工業單位是廣泛而複雜的社會之一部份，非僅是與股東有關的獨立單元。

可是，這三個階段幾乎只能在發展國家中看到，大多數國家，尤其是亞、非及南美的，還沒有解決生產階段的困難。而且，這三個階段的分野不甚顯明。因此，分屬這三

個階段的工業單位，可能同時存在。

現時，吾等只討論市場研究的階段。其理論之要點在把消費者看作工業程序的主要推動者。此與生產時期着重生產工具和因素的理論，恰好相反。這種轉變，乃由於吾人漸看重管理的性質與及工業和人類的關係。

由於戰後生產技術進展快速，在五十年代末及六十年代初便產生了「購買者的市場」。現在，問題不是如何去生產，而是怎樣利用工業能力去達到最適當，或真正經濟水平。解決此項問題，有賴市場研究。

研究市場，首先要知道牟利商業機構之目的在贏取消費者之購買決定。市場的理論，指出商業機構的功用在使生產資源（包括廠房、設施、勞工、技術等）與消費者需要吻合。

貧資市場人仕首先要明白顧客需要甚麼產品，與及怎樣供應那些產品給他們。很多公司的真正資源竟是銷售知識，與零售商的端繫，或是職業化的設計部門。

市場理論不單是一種技術，且是一種管理哲學方法。

市場理論可分六個部份，就是：市場研究、銷售預測、生產計劃、銷售策略、和銷售管理。市場研究是用科學方法去探求顧客對產品的反應態度。銷售預測是估計在一定時期內某類貨品所可能銷售之數目。生產計劃着重改良產品，以保障利潤，是六者之中最重要的。分銷計劃定出最有利的的方法以使產品由工廠達到消費者手上。銷售策略乃指廣告、促進銷售預測所定數字而作的全盤銷售計劃。至於銷售管理，則是執行銷售計劃及管制。關於此等方面的著作數量，如汗牛充棟，故不作詳釋。

市場理論，除用諸商業外，也可用於治、慈善或商會等組織。一位專家甚至說它相等於「科學管理」，因此它又多一層意義。

香港旅遊協會簡介

旅遊業是本港第二大工業，去年它為香港賺取了十六億五千八百萬港元。今年預料所得利潤更多。

每一行業的偉大成長，實有賴努力於促進工作之人。以本港旅遊業而言，推行該種工作者，乃香港旅遊協會。

該協會乃根據1959年政府法例組成者，目的在發展香港旅遊事業。

「旅協」的中樞是董事局，連主席在內共有成員十一名，均由港督任命，任期三年。

據法例規定，董事局須有五名成員分別代表旅遊事業中五種行業，就是：空運、海運、酒店、旅運代理及旅遊代理。

「旅協」乃不牟利機構，財政來源有二，主要來自政府津貼，其他則來自向酒店房間徵取百分之二的稅收與及會費。

「旅協」現為下列機構之會員，它們是聯合國屬下的「國際旅運組織聯盟」，「美國旅運代理人協會」，「太平洋區旅遊協會」和「東亞旅遊協會」等。

為促進及發展香港旅遊事業，「旅協」在世界各地分設了六個辦事處，並有三十三名正式代表與聯絡人任。1968年並邀請負笈海外的香港學生參加「義務學生代表計劃」，以協助旅遊宣傳。

「旅協」又與其他機構共同促進旅遊事業，例如在香港參加大阪博覽會活動時除供應諮詢服務外，並派遣三名受特殊訓練的諮詢女郎到香港館工作。

「旅協」大部份的工作對象，不是大眾而是旅遊代理，作家及新聞記者等，因為他們可以說服遊客到任何地方。

「旅協」現約有八百會員，每人每年會費250元，但可從「旅協」取用價值不超過250元之宣傳刊物，若逾此值，須另付款。

「旅協」對會員的服務包括：在刊物上登載會員名字及其產品或服務種類，及向有關會員轉達遊客詢問觀光或購物之書信。此

外，還有電話服務以協助在香港遊客購物。「旅協」並向會員分發月刊及彙報等。

「旅協」的「統計研究部」備有多種資料，以供會員使用。該部最近展開研究香港的酒店供應問題，來往香港遊客的數目，和他們到港的原因及其他意見。

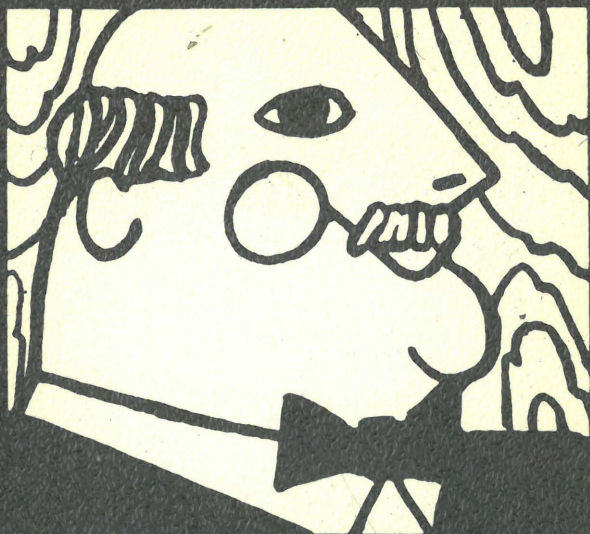
「旅協」與政府各部門都有密切聯繫，特別是財政司署和政府新聞處等。「旅協」與財政司署經濟組均為新近成立之「旅遊經濟委員會」的成員。該委員會的目的在使「旅協」與旅遊業的計劃及意見得以直接向政府表達。

1968年到港遊客人數是618,410，1969年則為765,213。預料今年會達到九十萬，而1971年可望打破百萬大關。但此等數字仍未包括數以千計來港休假的軍事人員，去年，他們在港的消費達三億四千一百萬元。

香港有三項因素使她成為遊客必到的勝地。第一、她是商業貿易中心；第二、她有「購物者的天堂」美譽；第三、香港仍有神秘的東方色彩，並是接近中國大陸唯一通行英語的地方。

可是，由於物價高漲，第二項因素或將維持不久。所以，對外宣傳，應多着重於香港美麗的景色。

影响旅遊業的交通問題，在本港將不會嚴重，因啓德機場擴建工程將於1973年完成，以應付大量遊客來港。至於酒店缺乏問題，現已有新酒店在計劃和建築中；預料1972或1973年時，問題可獲解決。談到美國經濟衰退和自越南撤軍對本港的影响，相信不會很大，因為訪港遊客中，來自美國者只是佔27%。



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