For discussion
on 12 January 2016

Legislative Council
Panel on Food Safety and Environmental Hygiene

Supply Chain of Powdered Formula

Purpose

This paper aims to report to Members on the work of the Food and Health Bureau (FHB) in monitoring the supply and price levels of powdered formula, as well as efforts of the trade in improving the powdered formula supply chain.

Background

2. On 9 December 2014, we reported to this Panel on the aforesaid issues relating to the supply of powdered formula. We advised at that Panel meeting that we would continue to commission a consultancy firm to conduct surveys on the supply and price levels of powdered formula at the local retail level, and to conduct surveys to gauge the experience of local consumers in purchasing powdered formula and their attitude in using various pre-order channels. We would also follow up on and monitor the efforts of improving the supply chain by suppliers through the Committee on Supply Chain of Powdered Formula[1] (the Committee).

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[1] In July 2013, the Government appointed a Committee on Supply Chain of Powdered Formula to study and recommend to the Government measures to improve the supply chain of powdered formula. The Committee comprises 14 non-official members, including major powdered formula suppliers, retailers, parents, representatives from the logistics sector, relevant academia and those representing consumer interests.

3. The Committee convened a meeting in March and December 2015 respectively, during which we briefed members on the progress of the two aforementioned surveys as well as their outcomes. The trade also updated the Committee on the implementation of the measures to improve the powdered formula supply chain (please see paragraphs 23 to 24 for details).

Supply and Price of Powdered Formula

4. As we reported to the Panel in December 2014, the Import and Export (General) (Amendment) Regulation 2013 (the Amendment Regulation) to a certain extent has struck a balance among the supply, local demand and non-local demand of / for powdered formula. It has catered for the needs of parents of local infants and young children for powdered formula while safeguarding free trade and commerce.

Trade Figures of Powdered Formula

5. We note that since the Amendment Regulation has come into effect, there has been a continued increase in the volume of import, re-export and retained import of powdered formula in 2013 and 2014. The situation remained stable in 2015. According to the figures from March to September 2015 (**Annex 1**):

(a) import of powdered formula was 31.13 million kg, similar to that over the same period in 2014, representing a growth of 9.3% over the same period in 2013;

(b) re-export of powdered formula was 7.02 million kg, representing a growth of 48.3% and 73.9% over the same period in 2014 and 2013 respectively; and

(c) retained import of powdered formula was 24.11 million kg, representing a decrease of 10.5% over the same period in 2014, and was similar to that over the same period in 2013.

As at 31 October 2015, the Trade and Industry Department has issued about 50 000 powdered formula export licences.

Retail Supply and Prices of Powdered Formula

6. Since we reported the outcomes of the regular surveys to this Panel in December 2014, we have commissioned the consultancy firm to continue to conduct the surveys from December 2014 to February 2015 and from May to October 2015, so as to allow us to get a good grasp of and monitor the supply and price levels of powdered formula at the retail level. For focused resource deployment and better survey efficiency, the surveys covered two brands with more serious shortages observed during the stress test conducted in 2013, namely Friso and Mead Johnson.

7. The latest findings of the surveys on supply and price levels at retail level are at **Annex 2**. Generally speaking, the overall shortage rate in the five districts has continued to improve. Products of individual brands, nevertheless, still revealed different degrees of shortage in certain districts. Regarding Friso Stage 1 to 3 products, the overall shortage was around 20% between May and October 2015, which has slightly dropped compared to that of above 20% in general between December 2014 and February 2015. That said, products of individual stages still experienced a relatively serious shortage in individual districts, for example, the overall shortage rate of Friso Stage 2 products in Yuen Long was 47% between 28 May and 1 June; whereas that of Friso Stage 3 products was 40% in Sham Shui Po between 25 and 29 July.

8. The shortage rate for Mead Johnson was relatively lower as compared to that for Friso, with the overall shortage rate standing at around 10% between May and October 2015, which has slightly dropped compared to that of 7%-17% between December 2014 and February 2015. The overall shortage rate of Mead Johnson Stage 2 products in Yuen Long was 27% between 28 May and 1 June; whereas other products of all stages revealed a shortage of less than 20% in different districts during the whole survey period.

9. The survey findings also showed that during National Day Golden Week and the days immediately before and after it which are regarded as a traditionally peak demand period, there was no significant increase in the overall shortage rate in the five districts for the products of the relevant

brands. We believe that this was related to the implementation of the Amendment Regulation which has struck a balance among the supply, local demand and non-local demand, and the improvement measures adopted by the suppliers for the powdered formula supply chain in response to the call from the Government.

10. Regarding retail prices, the surveys showed the prices remained stable during the survey periods. The retail prices in major chain stores were more or less the same as the suppliers' recommended retail prices, while the average retail prices in pharmacies were in general lower than those in major chain stores.

11. We have passed the survey outcomes to the relevant suppliers and urged them to actively follow up on the findings to ensure stable and sufficient supply of powdered formula for local infants and young children. The survey outcomes have also been submitted to facilitate the Committee to offer further views on improving the supply chain. We will continue to commission the consultancy firm to conduct regular surveys.

Usage of Pre-order Services of Powdered Formula

12. According to the latest information submitted by the seven major powdered formula suppliers (**Annex 3**), we note the usage of pre-order services of powdered formula has continued to decrease since the Lunar New Year in 2014. The number of cans of powdered formula sold by the seven major suppliers through pre-order services for home delivery or collection at retail outlets dropped from nearly 12 000 in end 2014 to about 6 000 in September 2015, representing a decrease of 50%. Besides, there are currently a few dozen to more than a hundred cans of powdered formula sold through the Coupon Scheme per month according to the data by the seven major suppliers.

13. Overall, the percentage of parents of local infants and young children who use pre-order services is still quite low. This situation tallies with the findings of the surveys to gauge the experience of local consumers in purchasing powdered formula and their intention to use pre-order services (see paragraph 15(a) below).

Surveys to Gauge the Experience of Local Consumers in Purchasing Powdered Formula and Their Intention to Use Pre-order Services

14. Since we reported the outcomes of the two regular surveys to this Panel in December 2014, we have commissioned the consultancy firm to continue to conduct three surveys in the same month, February and November 2015 (a total of five surveys) to gauge the experience of parents of local infants and young children in purchasing powdered formula such as the purchase channels most frequently used and the reasons for their choices. Through the surveys, we also hope to ascertain whether parents are currently using different pre-order services and their intention to use or increase the use of such services in the future. Each of the surveys is conducted in ten districts in the territory. At least 400 parents or other carers of local infants and young children (hereinafter referred to as "respondents") who are consuming powdered formula of the seven major brands are successfully interviewed in each survey.

15. The consultancy firm conducted the latest survey in November 2015 and a total of 415 respondents have been successfully interviewed. Overall speaking, the outcomes of the latest survey were similar to that of the previous four surveys. There were no significant difference in respondents' uses of purchasing channels, knowledge about pre-order services and intention to use pre-order services in the future. The findings of the latest survey are as follows (please also see **Annex 4** for details together with that of the previous four surveys):

(a) only a very small number of respondents (18 respondents or 4% of the total number of respondents) usually purchased powdered formula by using pre-order services. Among them, the majority would place orders through suppliers' websites or mobile applications, while some opted for order placement through suppliers' hotlines for home delivery, purchasing via the Coupon Scheme or order placement through major chain stores, etc. An overwhelming majority of respondents (396 respondents or 96% of the total number of respondents) usually purchased powdered formula directly from pharmacies or major chain stores (see Table 1.1 in **Annex 4**);

(b) as for knowledge about pre-order services, 138 respondents (i.e. 33% of the total number of respondents) had no knowledge of any kind of the pre-order services, while 277 respondents (i.e. 67% of the total number of respondents) had knowledge of at least a kind of pre-order services (see Table 2.1 in **Annex 4**);

(c) among the 277 respondents (i.e. 67% of the total number of respondents) in item (b), 212 (i.e. 51% of the total number of respondents) indicated they had never used any pre-order services, 47 (i.e. 11% of the total number of respondents) said that they did not usually use pre-order services, and 18 (i.e. 4% of the total number of respondents) were frequent users (see Table 2.2 in **Annex 4**); and

(d) the consultancy firm also asked the 277 respondents (i.e. 67% of the total number of respondents) who had knowledge of the pre-order services but had never used or did not usually use the services regarding their intention to use pre-order services in the future. Among them, 120 (i.e. 29% of the total number of respondents) did not indicate they would increase the use of various pre-order services in the future while 138 (i.e. 33% of the total number of respondents) said that they would do so (see Table 2.3 in **Annex 4**).

16. For respondents who had knowledge of pre-order services and who indicated they would not increase the use of individual pre-order services or not consider doing so, the consultancy firm has asked about the reasons. Generally speaking, the complicated procedures, higher prices (except through the Coupon Scheme), sufficient stock available and personal data involved were the main considerations.

17. Among the respondents who indicated they would make use of more pre-order services in the future, most would use order placement through suppliers' hotlines (including for home delivery and collection from retail stores). The reasons for the respondents' increased use of various pre-order services varied, including no need to go out (in the case of home delivery)

and sufficient supply (in the case of pre-order services for collection at retail stores, the Coupon Scheme and pre-order services provided by major chain stores).

Analysis and Suggestions

18. The survey outcomes indicated that 33% of the respondents were not aware of any kind of pre-order services (see paragraph 15(b) above). Thus, the trade should continue to promote pre-order services and make greater efforts to enhance parents' awareness of these services.

19. On the other hand, while over half of the respondents were aware of pre-order services, 51% of the respondents have never used these services (see paragraph 15(c) above). If there is a serious shortage at the retail level, they may not know how to use pre-order services that suit their needs to meet the needs of their infants and young children. We are also concerned that there is a decreasing intention among the respondents who indicated they would make use of more pre-order services in the future.

20. In this regard, the trade should encourage these local consumers to try to use these services to fully understand their operation, thus enhancing their awareness of and confidence in these services. Many respondents are of the view that the procedures of the pre-order services are complicated (see paragraph 16 above). Consideration should be given to simplify the procedures and better inform the public to alleviate their worries. The trade should also continue to ensure the smooth operation of its hotlines and increase the manpower of hotline services when necessary to respond to calls from customers within 24 hours, so as to enhance their confidence in these services.

21. The survey results further revealed that local consumers would choose different pre-order services for various reasons (see paragraph 17 above). Thus, promotion of these services should be geared towards meeting the demands of different consumers. In doing so, the trade should consider the consumption pattern and expectations of individual consumers, as well as the advantages of different pre-order services. Despite the decreasing use of the coupons, there is still a portion of parents using the Coupon Scheme (see paragraph 12 above), and there are still around 25% of

respondents who indicated their intention to use the coupons (see paragraph 17 above). Since the Coupon Scheme, as one of the pre-order channels, is complementary to other pre-order services and can serve as an additional option of pre-order service for parents of local infants and young children, it is imperative that the trade continues with promotion of the Coupon Scheme.

22. The trade should continue to enhance parents' awareness of the pre-order services through different media, including the television, websites and newspapers. FHB is pleased to note that there are more respondents getting to know the pre-order services through the television, magazines and retail outlets. We hope that the trade will continue the relevant work.

Committee on Supply Chain of Powdered Formula

23. The Committee held its recent meeting on 9 December 2015 to follow up on and monitor the efforts of suppliers in improving the supply chain. The Committee discussed the survey outcomes on the supply and price levels of powdered formula between May and October 2015 and the findings of the survey on the experience of local consumers in purchasing powdered formula and their intention on using pre-order services conducted in November 2015.

24. The trade was of the view that there was sufficient and stable supply of powdered formula recently and various pre-order services had been operating smoothly. Parents also had a certain degree of understanding on the operation of pre-order services (including the Coupon Scheme). The relatively low usage of the Coupon Scheme, which serves as a safety net, reflects the smooth operation of the market at large. In response to the trade's comments, we suggested that the trade should continue to proactively enhance parents' awareness of the pre-order services (including the Coupon Scheme) in light of the findings of the latest survey on local consumer intentions.

Way Forward

25. In the next few months, we will continue to commission the consultancy firm to conduct the two surveys mentioned above, and to follow up on and monitor the work of improving the supply chain by suppliers through the Committee. We will continue to listen to the views of both the Committee and this Panel.

Advice Sought

26. Members are invited to note the content of this paper.

Food and Health Bureau
January 2016

Annex 1

Imports, Re-exports and Retained Imports of Powdered Formula (January 2012 to September 2015)

Year	Month	Imports (a) (kg)	Exports (b) (kg)	Retained Imports (a)-(b) (kg)
2012	January	3 261 523	130 609	3 130 914
	February	3 726 536	258 902	3 467 634
	March	3 511 711	142 247	3 369 464
	April	4 074 856	161 251	3 913 605
	May	3 955 038	298 042	3 656 996
	June	3 259 768	157 493	3 102 275
	July	2 674 227	233 624	2 440 603
	August	3 884 954	213 604	3 671 350
	September	3 482 528	256 184	3 226 344
	October	4 189 875	213 819	3 976 056
	November	4 162 563	218 103	3 944 460
	December	4 127 174	292 346	3 834 828
2013	January	4 683 142	377 294	4 305 848
	February	2 760 311	455 679	2 304 632
	March	3 677 706	461 991	3 215 715
	April	4 340 899	601 200	3 739 699
	May	5 073 673	726 750	4 346 923
	June	4 944 289	583 821	4 360 468
	July	3 989 216	623 999	3 365 217
	August	3 226 642	658 374	2 568 268
	September	3 224 475	380 319	2 844 156
	October	3 442 600	592 875	2 849 725
	November	4 945 160	442 650	4 502 510
	December	4 553 279	482 128	4 071 151

Year	**Month**	**Imports (a) (kg)**	**Exports (b) (kg)**	**Retained Imports (a)-(b) (kg)**
2014	January	5 383 776	529 611	4 854 165
	February	2 614 628	579 183	2 035 445
	March	4 434 835	692 036	3 742 799
	April	4 555 809	689 098	3 866 711
	May	4 427 059	611 108	3 815 951
	June	4 020 936	490 865	3 530 071
	July	4 319 703	625 376	3 694 327
	August	4 909 033	742 916	4 166 117
	September	5 011 220	879 497	4 131 723
	October	4 216 914	1 065 193	3 151 721
	November	6 049 155	835 903	5 213 252
	December	6 221 211	883 956	5 337 255
2015	January	5 000 199	997 397	4 002 802
	February	3 908 490	596 298	3 312 192
	March	4 581 309	871 354	3 709 955
	April	5 178 178	848 456	4 329 722
	May	4 327 139	949 937	3 377 202
	June	4 371 671	815 343	3 556 328
	July	4 598 325	989 506	3 608 819
	August	3 780 158	1 279 988	2 500 170
	September	4 291 764	1 263 036	3 028 728

Source: Trade Analysis Section of the Census and Statistics Department

Growth Rate

	Imports (kg)	**Exports (kg)**	**Retained Imports (kg)**
March to September 2015 (a)	31 128 544	7 017 620	24 110 924
March to September 2014 (b)	31 678 595	4 730 896	26 947 699
Growth Rate (%) (a)-(b)/(b)	-1.74%	48.34%	-10.53%

	Imports (kg)	**Exports (kg)**	**Retained Imports (kg)**
March to September 2015 (c)	31 128 544	7 017 620	24 110 924
March to September 2013 (d)	28 476 900	4 036 454	24 440 446
Growth Rate (%) (c)-(d)/(d)	9.31%	73.86%	-1.35%

Annex 2

Survey Results of the Supply Situation at Retail Level

Friso

	Overall Shortage Rate of All Stages in Five Districts		
Survey Period	**1**	**2**	**3**
28 May – 1 June	21%	25%	21%
26 – 30 June	14%	18%	18%
25 – 29 July	11%	15%	17%
29 August – 2 September	16%	15%	15%
29 September – 2 October	15%	12%	14%
3 – 7 October	21%	15%	17%

	Shortage Rate between 28 May – 1 June 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sai Kung**	**Sham Shui Po**	**Overall**
1	17%	20%	10%	27%	30%	**21%**
2	20%	47%	10%	27%	23%	**25%**
3	13%	27%	17%	30%	17%	**21%**

	Shortage Rate between 26 – 30 June 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sai Kung**	**Sham Shui Po**	**Overall**
1	20%	13%	7%	3%	27%	**14%**
2	30%	17%	7%	20%	17%	**18%**
3	23%	17%	13%	13%	23%	**18%**

	Shortage Rate between 25 – 29 July 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sai Kung**	**Sham Shui Po**	**Overall**
1	10%	13%	13%	7%	10%	**11%**
2	10%	17%	13%	10%	27%	**15%**
3	13%	13%	17%	10%	40%	**17%**

	Shortage Rate between 29 August – 2 September 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sha Tin**	**Sham Shui Po**	**Overall**
1	20%	23%	10%	13%	13%	**16%**
2	17%	23%	3%	17%	17%	**15%**
3	10%	17%	13%	20%	13%	**15%**

	Shortage Rate between 29 September – 2 October 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sha Tin**	**Sham Shui Po**	**Overall**
1	20%	13%	17%	7%	17%	**15%**
2	3%	17%	7%	20%	13%	**12%**
3	7%	27%	13%	10%	13%	**14%**

	Shortage Rate between 3 – 7 October 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sha Tin**	**Sham Shui Po**	**Overall**
1	23%	10%	33%	13%	23%	**20%**
2	17%	20%	10%	10%	20%	**15%**
3	20%	13%	17%	23%	13%	**17%**

Mead Johnson

	Overall Shortage Rate of All Stages in Five Districts		
Survey Period	**1**	**2**	**3**
28 May – 1 June	8	12	6
26 – 30 June	8	11	14
25 – 29 July	8	10	11
29 August – 2 September	6	8	9
29 September – 2 October	7	5	9
3 – 7 October	7	7	7

	Shortage Rate between 28 May – 1 June 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sai Kung**	**Sham Shui Po**	**Overall**
1	13%	13%	3%	7%	3%	**8%**
2	10%	27%	10%	7%	7%	**12%**
3	7%	10%	7%	3%	3%	**6%**

	Shortage Rate between 26 – 30 June 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sai Kung**	**Sham Shui Po**	**Overall**
1	7%	13%	3%	0%	17%	**8%**
2	7%	13%	7%	13%	13%	**11%**
3	17%	17%	13%	7%	17%	**14%**

	Shortage Rate between 25 – 29 July 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sai Kung**	**Sham Shui Po**	**Overall**
1	3%	20%	3%	7%	7%	**8%**
2	13%	17%	7%	0%	13%	**10%**
3	3%	17%	10%	7%	20%	**11%**

	Shortage Rate between 29 August – 2 September 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sha Tin**	**Sham Shui Po**	**Overall**
1	7%	10%	3%	7%	3%	**6%**
2	7%	20%	0%	0%	13%	**8%**
3	0%	20%	7%	3%	17%	**9%**

	Shortage Rate between 29 September – 2 October 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sha Tin**	**Sham Shui Po**	**Overall**
1	10%	10%	0%	7%	10%	**7%**
2	10%	7%	7%	3%	0%	**5%**
3	17%	3%	7%	7%	10%	**9%**

	Shortage Rate between 3 – 7 October 2015					
Stage	**North District**	**Yuen Long**	**Tuen Mun**	**Sha Tin**	**Sham Shui Po**	**Overall**
1	10%	3%	7%	7%	10%	**7%**
2	10%	0%	7%	3%	13%	**7%**
3	3%	17%	3%	3%	10%	**7%**

Survey Results of Retail Prices

Friso

Stage	Survey Period	Average Retail Price at Pharmacies ($) (a)	Price at Chain Stores / Recommended Retail Price ($) (b)	Difference (%) ((a)-(b))/(b)
1	28 May – 1 June	257	293	-12%
	26 – 30 June	255	293	-13%
	25 – 29 July	254	293	-13%
	29 August – 2 September	255	293	-13%
	29 September – 2 October	255	293	-13%
	3 – 7 October	255	293	-13%
2	28 May – 1 June	241	262	-8%
	26 – 30 June	239	262	-9%
	25 – 29 July	237	262	-9%
	29 August – 2 September	235	262	-10%
	29 September – 2 October	236	262	-10%
	3 – 7 October	236	262	-10%
3	28 May – 1 June	222	231	-4%
	26 – 30 June	222	231	-4%
	25 – 29 July	220	231	-5%
	29 August – 2 September	218	231	-6%
	29 September – 2 October	220	231	-5%
	3 – 7 October	219	231	-5%

Mead Johnson

Stage	Survey Period	Average Retail Price at Pharmacies ($) (a)	Price at Chain Stores / Recommended Retail Price ($) (b)	Difference (%) ((a)-(b))/(b)
1	28 May – 1 June	276	299	-8%
	26 – 30 June	274	299	-8%
	25 – 29 July	273	299	-9%
	29 August – 2 September	272	299	-9%
	29 September – 2 October	270	299	-10%
	3 – 7 October	271	299	-9%
2	28 May – 1 June	264	285	-8%
	26 – 30 June	262	285	-8%
	25 – 29 July	260	285	-9%
	29 August – 2 September	260	285	-9%
	29 September – 2 October	259	285	-9%
	3 – 7 October	258	285	-9%
3	28 May – 1 June	235	253	-7%
	26 – 30 June	234	253	-8%
	25 – 29 July	232	253	-8%
	29 August – 2 September	231	253	-9%
	29 September – 2 October	229	253	-9%
	3 – 7 October	229	253	-10%

Annex 3

Usage of Pre-order Services of Seven Major Suppliers of Powdered Formula

Month	Number of Cans sold	
	Home Delivery and Collection from Retail Stores	Coupon Scheme
November 2014	11 926	13
December 2014	12 729	2
January 2015	13 190	333
February 2015	9 491	136
March 2015	9 267	6
April 2015	9 184	12
May 2015	9 836	28
June 2015	7 621	90
July 2015	6 870	101
August 2015	6 107	62
September 2015	7 466	34
October 2015	5 911	69

Source: Seven major suppliers of powdered formula

<u>**Annex 4**</u>

Survey Results on the Experience of Local Consumers in Purchasing Powdered Formula and their Intention on Using the Pre-order Services[2]

1. Respondents' Experience In Purchasing Powdered Formula

1.1 Channels that Respondents Usually Use For Purchasing Powdered Formula

<table>
<tr><th colspan="2">Channels that Respondents Use</th><th colspan="2">Number of Respondents in the 1st Survey (percentage)</th><th colspan="2">Number of Respondents in the 2nd Survey (percentage)</th><th colspan="2">Number of Respondents in the 3rd Survey (percentage)</th><th colspan="2">Number of Respondents in the 4th Survey (percentage)</th><th colspan="2">Number of Respondents in the 5th Survey (percentage)</th></tr>
<tr><td colspan="2">Direct purchase from pharmacies</td><td colspan="2">283
(69%)</td><td colspan="2">248
(59%)</td><td colspan="2">232
(57%)</td><td colspan="2">243
(60%)</td><td colspan="2">268
(65%)</td></tr>
<tr><td colspan="2">Direct purchase from major chain stores</td><td colspan="2">103
(25%)</td><td colspan="2">141
(34%)</td><td colspan="2">152
(37%)</td><td colspan="2">150
(37%)</td><td colspan="2">128
(31%)</td></tr>
<tr><td rowspan="5">Pre-order services</td><td>Order placement through suppliers' hotlines for home delivery</td><td rowspan="5">20
(5%)</td><td>17
(4%)</td><td rowspan="5">26
(6%)</td><td>17
(4%)</td><td rowspan="5">27
(6%)</td><td>10
(2%)</td><td rowspan="5">12
(3%)</td><td>12
(3%)</td><td rowspan="5">18
(4%)</td><td>4
(1%)</td></tr>
<tr><td>Order placement through suppliers' websites or mobile applications</td><td>2
(*)</td><td>2
(*)</td><td>6
(1%)</td><td>0
(0%)</td><td>12
(3%)</td></tr>
<tr><td>Coupon Scheme</td><td>0
(0%)</td><td>0
(0%)</td><td>7
(2%)</td><td>0
(0%)</td><td>1
(*)</td></tr>
<tr><td>Order placement through suppliers' hotlines for collection from retail stores</td><td>1
(*)</td><td>1
(*)</td><td>2
(*)</td><td>0
(0%)</td><td>0
(0%)</td></tr>
<tr><td>Order placement through major chain stores</td><td>0
(0%)</td><td>3
(1%)</td><td>2
(*)</td><td>0
(0%)</td><td>1
(*)</td></tr>
<tr><td colspan="2">Others / Did not Answer</td><td colspan="2">3
(1%)</td><td colspan="2">1
(*)</td><td colspan="2">0
(0%)</td><td colspan="2">0
(0%)</td><td colspan="2">1
(*)</td></tr>
</table>

* Less than 0.5%

[2] Figures may not sum up to the total due to rounding.

2. Knowledge about Pre-Order Services and Intention to Use Pre-Order Services in Future

2.1 Knowledge about Pre-Order Services

Knowledge about pre-order services	Number of Respondents in the 1st Survey (percentage)	Number of Respondents in the 2nd Survey (percentage)	Number of Respondents in the 3rd Survey (percentage)	Number of Respondents in the 4th Survey (percentage)	Number of Respondents in the 5th Survey (percentage)
Had no knowledge about pre-order services	128(31%)	150(36%)	172(42%)	126(31%)	138(33%)
Had knowledge about pre-order services[3]	281(69%)	267(64%)	235(58%)	279(69%)	277(67%)

2.2 Experience of Respondents (1st Survey: 281; 2nd Survey: 267; 3rd Survey: 235; 4th Survey: 279; 5th Survey: 277) who Had Knowledge about Pre-Order Services in Using the Services

Experience in Using Pre-order Services	Number of Respondents in the 1st Survey (percentage among all respondents)	Number of Respondents in the 2nd Survey (percentage among all respondents)	Number of Respondents in the 3rd Survey (percentage among all respondents)	Number of Respondents in the 4th Survey (percentage among all respondents)	Number of Respondents in the 5th Survey (percentage among all respondents)
Never used pre-order services (a)	147(36%)	160(38%)	158(39%)	188(46%)	212 (51%)
Used pre-order services but did not usually use them (b)	113(28%)	80(19%)	54(13%)	79(20%)	47 (11%)
Used pre-order services frequently	20(5%)	27(6%)	23(6%)	12(3%)	18 (4%)
Did not Provide Information	1(*)	0(0%)	0(0%)	0(0%)	0(0%)

*****Less than 0.5%

[3] Had knowledge of at least one kind of pre-order service.

2.3 Intention of Respondents who Had Knowledge of the Pre-order Services but Have Never Used or Did Not Usually Use the Services (1st Survey: 281; 2nd Survey: 267; 3rd Survey: 235; 4th Survey: 279; 5th Survey: 277) ((a) and (b) of Table 2.2 above) to Use Pre-order Services in Future

	Number of Respondents in the 1st Survey (percentage among all respondents)	**Number of Respondents in the 2nd Survey (percentage among all respondents)**	**Number of Respondents in the 3rd Survey (percentage among all respondents)**	**Number of Respondents in the 4th Survey (percentage among all respondents)**	**Number of Respondents in the 5th Survey (percentage among all respondents)**
Indicated that they would use more pre-order services	166 (41%)	154 (37%)	122 (30%)	145 (36%)	138 (33%)
Did not indicate that they would use more pre-order services	94 (23%)	86 (21%)	90 (22%)	122 (30%)	120 (29%)