

Defining Consumer Disruption and Upending the Sustainability Game

解構消費市場變化 引領可持續發展改革

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The world has been grappling with the COVID-19 for months now, leaving no businesses immune from its impact, not even for Swire Coca-Cola HK, the leading beverage company that supplies more than 20 brands of sparkling and still beverages in Hong Kong.

Neil Waters, Executive Director – Hong Kong & Taiwan of Swire Coca-Cola Limited, said ensuring safe and smooth operation of its local manufacturing facilities continues to be a priority. He also revealed how the company rides the storm together with its wide network of distribution partners, retailers and restaurant owners, looks beyond the crisis and continues to stride in its sustainability journey.

Turning around Swiftly from Disruptions

At the early stage of the virus outbreak, China's nationwide lockdowns caused a massive delay for factories to reopen after the Chinese New Year holiday. Packaging materials could not be delivered from the mainland and had posed challenges to Swire Coca Cola HK's local production plant.

Fortunately for the company, a contingency plan has been in place. The safety inventory built up before the holiday provided Swire Coca Cola HK extra time to react to the crisis. For a few weeks in February, the supply chain team worked tirelessly to monitor and resolve any potential issues along the supply chain. They flexibly adopted different logistical arrangements, such as temporarily storing raw materials at the ports instead of in-city warehouses, and considered different transportation routes from land, sea and air to ensure stable material supply. The production lines continued to run on schedule to fulfil demands from the retail stores. Neil applauded the excellent job of his teams in avoiding any out-of-stock situation.

新冠肺炎疫情持續肆虐，企業生意深受影響，而在本港提供20多款飲品的生產商 – 香港太古可口可樂亦不能倖免。

太古可口可樂執行董事 – 香港及台灣 – 利偉達表示，確保本地生產廠房能夠安全及暢順營運是其首要考慮。他亦透露如何通過廣泛的分銷合作夥伴、零售商和餐廳網絡來分散業務風險、跨過危機，並以前瞻性舉措，迎難而上，繼續邁向其可持續發展目標。

靈活應對供應鏈窒礙

中國早在病毒爆發初期已封鎖全國城市，導致工廠在新年假期後無法即時復工。部分包裝材料未能如期由內地運往香港的廠房，對生產一度構成挑戰。

猶幸公司早已部署應急計劃，在新年前準備好安全存庫儲備，應對材料短缺的風險。期間，供應鏈團隊一直密切監控、解除供應鏈的潛在問題，例如將原材料臨時儲存在港口而非市內倉庫，並研究出包括海、陸、空等不同運輸途徑，確保原材料供應穩定。廠房能繼續如常生產，以滿足各零售商的需求。利偉達稱讚團隊的出色表現，有效防止缺貨情況出現。



Banking on Three New Consumption Trends

There has been minimal level of the social activities due to the COVID-19. “Closures of theme parks, cinemas, bars and restaurants have brought sales to end-consumers at these entertainment outlets and eateries almost down to zero,” Neil said. “But we are lucky to have a wide distribution base that allows us to shift focus to wherever consumption opportunities remain.”

He also observes three types of consumption trends emerging strongly during, or even before the COVID-19, that the company banks on for some immediate and longer-term opportunities.

善加利用三大新消費趨勢

疫情令社交活動減少，影響市道。利偉達稱：「主題公園、戲院、酒吧和餐廳關閉，使這些渠道的銷量跌至近乎零，但有賴公司廣泛的分銷網絡，我們在此期間能轉移陣地、另覓商機。」

他觀察到有三項消費趨勢，在疫情期間或之前已漸見普及，期望藉此把握眼前商機、發掘長期機會。

1 Safe Shopping 安心購物



Traditional and new retail channels that cater to consumers' needs for a safe shopping environment have thrived during the crisis, Neil observed. We have seen that consumers are primarily visiting supermarkets within their own neighborhoods, meanwhile, more consumers are now accustomed to purchasing their entire basket of groceries online and have it delivered to their doorsteps. Various food aggregators' apps have also prospered.

“Swire Coca-Cola HK's total e-commerce strategy is in line with the accelerated shift from 'bricks-to-mortar' to 'clicks-to-mortar' models in the retail sector. It is supporting clients' online sales points more seamlessly, as well as building up its own online platforms to create more consumer touchpoints.”

不論是傳統或是新模式的零售企業，能夠迎合消費者對安心購物的需求，都在疫情下得以蓬勃發展。很多消費者都會到家居附近的超市購物，同時越來越多人喜歡網購，一次過購買日常用品及食物並一併運到家中，這亦衍生出多個Apps，各種網上平台亦應運而生。

「香港太古可口可樂整體的電子營商策略，正迎合零售業數碼化的趨勢，不但為消費者提供無縫的網購體驗，亦為顧客對自家商品提供更多銷售點。」

2 Biopolar Shopping 兩極化購物模式



“Some consumers have displayed a 'bipolar shopping' pattern, where they continue to seek for more affordability with some larger purchases, and are at the same time willing to trade up for smaller portions of premium goods.” Neil referred to the “Coca-Cola” mini can launched in 2019, which comes in 200ml per can as compared to the ordinary size of 330ml.

The COVID-19 will have economic ramification on the general public, which means having more appropriate price-packaging strategy would be important as consumers become more selective in their daily purchases.

「部份消費者的購物模式變得兩極化：在購買大量產品時會不斷尋找更理想的價錢，希望以最低價錢買入；但同時又願意少量地購買優質產品。」利偉達以「可口可樂」於2019年推出的迷你罐為例，迷你罐裝雖然只有200ml，但與普通罐裝為330ml一深受消費者歡迎。

新冠肺炎對普羅大眾的經濟財政上有著實質影響，令消費者在日常購物時更謹慎，意味著價格與產品容量必須拿捏準確、相宜有道。

3 Health Consciousness 健康購物意識



The COVID-19 has raised awareness on all sorts of personal health issues including healthier diets. Neil sees consumers moving towards more health-conscious beverage choices, with items such as unsweetened and low (or zero) calories drinks gaining popularity.

“These behavioral changes will probably stay even after we come out of the COVID-19,” Neil said. “I read a recent research study suggesting that humans on average need around 60 times repetitions to form a new habit. Indeed, the COVID-19 may linger sufficiently long enough for this to happen.”

疫情下，市民更加重視個人健康，對健康飲食需求尤甚。他認為越來越多消費者會選擇健康飲品，例如低糖或無糖飲品會越來越受歡迎。

「即使疫情過後，我預期消費者的行為、習慣也不會輕易回復過往。最近有研究顯示，人類平均需要多達60次重複行為，才能養成一個新習慣。我相信新冠肺炎已經持續一段時間，足夠令新習慣一個個成形。」

New Norms, New Business Models

Among all of the company's partners, restaurants and drinking outlets are the most severely hit by the COVID-19, with a significant part of their revenue lost due to all kinds of dine-in restrictions. Chances are that some consumers might never return, as many have come to enjoy home cooking and times spent with friends and family around their own dining tables – settling into the new norm.

At the moment, Swire Coca-Cola HK is actively helping these customers stay afloat with new sales strategies such as offering “lunch box and coke combo”. The future may look bleak to some of them, but Neil remains hopeful that the current challenge will also spark many new ideas and even new business models.

Taking Leadership in the Sustainability Spaces

According to data from the Hong Kong Environmental Protection Department*, a daily average of 139 metric tons of PET plastic bottles are disposed at landfills in Hong Kong, the aggregated mass equivalent to seven double-decker buses. Neil said Swire Coca-Cola HK's overarching sustainability goal is to better manage these plastic wastes in the city, and it has been running a number of local initiatives across two primary strategic pillars.

Reduce Waste at Source

The Bring Your Own Container (BYOC) initiative aims to reduce the use of plastic by encouraging local citizens to consume beverages with their own containers. Swire Coca-Cola HK aims to install several hundred Bonaqua Water Stations in public locations, including country parks, mountain trails, sports grounds and shopping malls by year end, allowing local consumers to conveniently refill their own bottles with Bonaqua water.

Now, the initiative has expanded to offering other sparkling drinks such as Coke and Sprite. A new edition of the hydration station has been set up in one of the shopping malls in Mongkok.

“All these BYOC beverage dispensers are automatically sterilised with ultraviolet light each time after use, while the machines' exteriors are sanitised every 30 days with disinfectant spray to ensure good hygiene.” Neil said.

Closing the Recycle Loop

The second pillar focuses on collecting and recycling used bottles by leveraging an extensive network of corporate partners and non-government organizations to create more pivotal change in the society.

The main part of it is the “Tap, Return & Earn” beverage bottle redemption scheme launched together with the Octopus Cards Limited and the World Green Organisation (WGO) in September 2019.

The machines are designed to accept plastic beverage bottles of any brand with capacity from 330ml to 2 litres. Information stored in a bottle's barcode is scanned for identification before the bottle is compressed and

新常態、新營商模式

在香港太古可口可樂的分銷夥伴當中，餐廳及酒吧深受打擊，因「限聚令」引致收入上的損失。部份顧客可能因為逐漸適應在家煮食，已習慣與親朋戚友聚餐都改為在家用膳，漸成為新常態，這樣可能導致餐廳流失這批客人。

目前，公司正積極協助這些食肆開展全新銷售策略，例如提供「飯盒加可樂」套餐。雖然未來仍難關重重，但他鼓勵商界積極應對，在當前挑戰中迸發出新創意，甚至全新商業模式。

可持續發展領導同儕

香港環保署的數據*指，本港每日平均在堆填區棄置的PET飲品膠樽達139公噸，相當於7輛雙層巴士。利偉達指公司長遠的可持續發展目標是提升本地處理這些塑膠廢料的能力，並基於兩項策略推出了措施。

源頭減廢

太古可口可樂推出自攜容器(BYOC)計劃，期望鼓勵本港市民自備容器喝飲料，以減少使用膠樽。公司已落實於全港設置300部「Bonaqua加水站」，遍佈郊野公園、行山徑、運動場、商場等，方便市民以自攜容器斟水。

現時飲品機更能提供其他飲料，如「可口可樂」和「雪碧」，而該新版自助飲品機現正設於一個旺角商場內。

「這些自助飲品機都已安裝紫外線，每次斟出飲品後會自行消毒，而我們亦會派員每隔30天用消毒噴霧消毒機器，確保衛生。」



創造循環回收系統

第二項策略的重點，是通過廣泛的合作夥伴和環保機構網絡，去收集和回收使用後的飲品膠樽，為社會帶來重要改變。重點項目之一是香港太古可口可樂、八達通卡有限公司（八達通）及世界綠色組織（WGO）攜手合作推出的「啱一啱，樂意收」膠樽回收現金回贈計劃。

回收機可接不同品牌、容量由330毫升至2公升的飲品膠樽。回收過程中用家掃描膠樽上條碼以作識別，經壓縮處理，便可

deposited into the machine, then the consumer earns a rebate on the Octopus card. **Barcode plays a central role here to help citizens to go green via “Go Digital”.**

More than 5000 types of beverage bottles have been included so far. This clearly shows the commitment of Swire Coca-Cola HK given this recovery includes collection of brands well in excess of their own portfolio. In the past, these bottles would be shipped away to offshore recycle sites, but this open loop will be closed once Hong Kong's first dedicated polyethylene terephthalate (PET) and high-density polyethylene (HDPE) local recycling facility, produced food-grade ready plastics commences operation by the end of this year. “In Hong Kong, there's still no proper ‘closed loop’ recycling system that allows for collection and recovery and reprocessing. In Q4 of 2020, Swire Coca-Cola, together with 2 other partners, will open HK's first PET/HDPE recycling plant – New Life Plastics at Tuen Mun Eco-Park, showing our company's commitment and leadership in creating fundamental change for a more efficient and self-sufficient plastic waste management system in Hong Kong,” Neil said proudly.



以八達通獲得回贈。**條碼在回收過程中至關重要，讓市民Go Digital實踐環保。**

計劃中的飲品膠樽收集機已能識別超過5,000款飲品，可清楚印證香港太古可口可樂對環保的支持無遠弗屆，回收機接受自家品牌之餘，也同時收集其他品牌膠樽。過往這些膠樽大多被運往海外回收處理，但預期至今年年底，當香港首個可達食品級別的PET及HDPE的塑料回收廠正式營運時，便會創造出本地循環回收系統。

利偉達自豪地稱：「本港尚未有結合收集、回收和處理PET及HDPE的完整系統。在2020年第四季，太古可口可樂將兌現承諾，與另外兩家合作伙伴在屯門環保園成立「塑新生」，為香港引領一場變革，創建出一個更有效的塑膠廢物管理循環系統。」

Strengthening Consumer Trust with Recognition

Caring for the society and its consumers, and ensuring product quality and safety, are among the key reasons for Swire Coca-Cola HK to be named the “Consumer Caring Company”. “We recognise consumers’ habit change and the market dynamics, proactively offering the most relevant and timely products and services, whilst also striving to raise our standard and quality levels. I believe these traits are in our organizational DNA,” Neil said. “It is indeed an honour to have received this high-profile and well-known award for 9 consecutive years.”

Swire Coca-Cola has participated in the “Quality Food Traceability Scheme” for the 5th year and has benefited from GS1 HK's stringent assessments, winning “The Diamond Enterprise Award” from 2017, being the most prestigious award under the scheme, serving as a powerful testimonial to the outstanding performance of our supply chain. This scheme also helps us review and identify room for improvement, and continue to strive for excellence.”

As Co-Chairman of ECR HK, an industry advisory board initiated by GS1 HK, Neil understands consumers demand better transparency of the products they purchase, from source to retail touchpoints. The board is working on a “smart product label” initiative that advocates better disclosure of information such as ingredients and nutrition value with a QR code print on the package. “It will be a win-win for consumers to have more quality assurance and for businesses to better engage with customers by connecting offline to online.” Neil explained.

業界認可 加強信任

除確保產品質量和安全外，香港太古可口可樂亦關心社會及消費者，這便是公司獲得「貼心企業」的其中主因。「我們充份掌握消費者的習慣改變和市場走向，不斷提供最貼心、最及時的產品和服務，並致力追求更高標準和質素，這些特徵可說是我們公司的DNA。我們非常榮幸能夠連續九年獲得此具廣泛代表性的殊榮。」

香港太古可口可樂已是第5年參與「優質食品源頭追蹤計劃」，從中獲益不淺。「自2017年起獲得計劃最高級別的鑽石企業獎，是對我們飲品供應鏈出色表現的肯定。計劃有助我們審視並找出持續改進的空間，繼續精益求精。」

利偉達是由GS1 HK推動成立的行業諮詢委員會ECR HK的聯席主席。對於消費者要求品牌提升產品供應鏈的透明度，他完全理解。委員會正在研究「智能產品標籤」，提倡在產品上打印QR碼供消費者掃描，顯示更詳盡資訊，如營養價值、成分詳細來源等。「這將造就雙贏，一方面消費者對品質更放心，另一方面企業可與顧客互動、提升O2O體驗。」

* Hong Kong Solid Waste Monitoring Report 2018 香港固體廢物監察報告2018
<https://www.wastereduction.gov.hk/sites/default/files/msw2018.pdf>