

EN4505 Cross-cultural Organizational Communication

Final Report on KFC Restaurant Joint Research Project

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1) Introduction

KFC, one of the largest international fast food restaurants, has built up its own empire around the world. KFC is known for its fried chicken, we can eat its famous traditional chicken in any KFC stores around the world. However, KFC in different countries provides different kinds of food and service.

This semester, our group has worked with our US counterparts in the Fast-food Restaurant Joint Research Project to study the differences between KFC in Hong Kong and USA. This project aims at investigating how cultural difference influences business practices.

In terms of food, service, facilities, employment training, promotional strategies and restaurant layout, KFC in Hong Kong has some different practices with KFC in USA. This report will analyze the differences and discuss what different business practices in Hong Kong or USA can or cannot be transferred to either side.

2) Overview of market of fast food industry in Hong Kong

Fast food shops account for nearly 20% of Hong Kong's total out of home dining market. Local fast food chains include Café de Coral, Fairwood Holdings and Maxim. International fast food chains include McDonalds, KFC, Pizza Hut, Hardee's , Jollibee and Yoshinoya.

Among all fast food chains, McDonalds, Café de Coral and Maxim are the top three

most popular ones in Hong Kong, and they account for 20%, 11% and 7% of the total number of fast food shops respectively. The average annual turnover of fast food industry in Hong Kong was about ten billion Hong Kong dollars. McDonalds, Café de Coral and Maxim account for about 70% of market share.

From 2001 to 2003, the number of fast food shops increased by 14% from 520 to 593. Over the past two years, there is a significant increase of 26% in fast food chains serving western food. Currently, western chains have surpassed Chinese chains in terms of penetration (88% vs. 80%) and are enjoying equal shares of trade in value terms (29% vs. 30%). Nevertheless, local fast food chains also have a strong foothold, 62 percent of fast food consumers choose local operators as their choice of fast food restaurants.

According to the ACNielsen Consumer Confidence and Opinion Survey conducted in October 2004, most people claim to have patronized in fast food shops seven times a month. The average spending on fast food per head is HK\$510, with an increase of 7% over the previous quarter. One third of fast food consumers are middle-income, mature working men who account for 70% of the total fast food business. Their total spending on fast food and frequency of visit are twice as much as the average fast food diner. 11% of fast food consumers who patronize fast food shops at least five times a week, with an average spending of HK\$2,836. The survey also reveals that while breakfast is the least popular occasion for fast food meals across Asia, USA and Europe, it is the most popular in Hong Kong.

In Hong Kong, convenience (56%), price (56%) and type of cuisine (50%) are found to be the most important choice criteria. With fast food operators introducing healthier

options such as salads, consumers today have more choices than ever.

3) Background of KFC

KFC Corporation, based in Louisville, Kentucky, USA, is the world's most popular chicken restaurant chain. KFC is a division of Yum! Brands, Inc. Originally founded by Colonel Sanders, KFC is famous for its fried chicken. To avoid the unhealthy connotations of the word "fried", the company name was changed from Kentucky Fried Chicken to the abbreviated form KFC in 1991.

In total, there are more than ten thousands KFC around the world. KFC has opened franchises in many countries such as China, Japan, UK, Australia etc, in addition to the initial franchises in USA.

	<u>USA</u>	<u>International</u>	<u>Worldwide</u>
Company	1,439	1,185	2,624
Franchised (US)	3,743	3,841	7,584
Licensed (US)	49	55	104
Joint Venture (I)		514	514
TOTAL	5,231	5,595	10,826

Source: <http://kfcatlanta.com/aboutkfc.htm>

Every day, nearly eight million customers are served in KFC around the world. KFC's menu everywhere includes Original Recipe chicken. Customers around the globe can

also enjoy more than 300 other products—from a Chunky Chicken Pot Pie in the United States to a salmon sandwich in Japan.

KFC was introduced to Hong Kong in 1985. Its operations were taken over by Birdland Limited as a franchise in 1997. Nowadays, there are 55 KFC branches in Hong Kong, 15 branches on Hong Kong Island, 22 branches in Kowloon and 18 branches in the New Territories. In total, KFC has 2,500 employees.

Last year, the turnover of KFC (HK) was over 7000 million dollars. KFC(HK) is the fourth most popular fast food chains in Hong Kong, the most popular ones are McDonalds, Café de Coral and Maxim .

On its 20th anniversary, KFC (HK) has put up a new image “KFC so real!” to impress the customers. This new concept targets at the youngsters, who like “real” ideas. The slogan is “KFC so real!”—real food served by real people at real place. Food qualities, restaurants’ design and staff services are clearly emphasized. Customers can experience real pleasure every time visiting KFC. The “KFC Real Care Foundation” has been set up in Hong Kong to ensure its impact on charitable activities. The staff members are proactive to sell the charity cash coupons. It has raised over HK\$1 million due now.

In the coming five years, KFC (HK) has planned to open 8 to 10 branches, with an estimated 20-30% annual growth in turnover. Its target is 100 branches in Hong Kong in 2010.

4) Methodology

In order to better understand the background and cultural differences of Hong Kong and US KFC, we used six means to gather information for this research study. Primary research included online questionnaire, field visit and video-conference. Secondary research included website viewing, newspaper clippings and study of US report.

Among these research studies, online questionnaire, field visit, website viewing and newspaper clippings were used to obtain useful background information about KFC (HK). The other two methods, US report study and video-conference, were used to find out cultural differences between US and HK KFC. With all the results, we can then discover similarities and differences in business practices between HK and US KFC and be able to analyze the impacts of culture difference had on these business practices.

The followings are an overview of why and how we applied each methodology:

4.1 Primary Research

4.1.1 Online questionnaire

An online questionnaire was conducted during 15-20 October 2005 to find out local people's view on KFC(HK) regarding its restaurant environment, food, staff service and their dining habits and average spending of KFC meals.

It also enabled us to find out the phenomenon that we were not sure at that time. For

example, we presumed that it was a tradition for the Americans to bus the table after eating in KFC(US) but we were not sure if it was the fact for Hong Kong people too. Therefore, we included two questions focusing about this issue in the questionnaire.

The questionnaire consisted of two types of questions, open-ended and close-ended questions. Nineteen close questions were derived to obtain quantitative data which facilitated data analysis and summary. One open-ended question was set at the end to obtain alternative comments from people about KFC(HK).

These data were useful for us to better understand customers' view on and their needs of KFC, which in turn allowed us to determine and analyze factors contributing to KFC's overall performance.

4.1.2 Field visit

Festival Walk KFC was the destination for our field site. We chose to visit this outlet because it had more customers due to its location in a large shopping mall.

This field visit allowed us to obtain first-hand information such as staff interaction, environment and food quality, which we could not find on the company website, other internet sites and literature. Thus, we could have a clearer picture of KFC operation.

4.1.3 Video-conference

The videoconference was held on 9 November 2005 (Wednesday) from 10:30 am to 11:25 am at Room Neptune (N) in the Computer Service Centre (CSC) at City University of Hong Kong. In the videoconference, we discussed with our US counterparts, two students of Illinois State University, Georgene Chissell and Justin

Veach the transferable and non-transferable business practices of KFC. We also experienced intercultural communication under different cultural backgrounds.

4.2 Secondary Research

4.2.1 Website

The official homepage of KFC(HK) provided a prominent piece of background information about the company: its history, food menu, staff services, community campaigns, promotional activities, news, membership privileges and a link to global KFC official homepages including the KFC(US) one. It gave us a general idea of KFC which helped us set up our online questionnaire, prepare for our field visit and write out interim KFC report which was later exchanged with that one of our US counterparts.

4.2.2 Newspaper clippings

Since we could not get adequate information about KFC employment and staff training on its official homepage, we collected two articles from the magazines in order to get supplementary information about this topic. Collecting newspaper clippings also let us keep track with the company's latest changes.

4.2.3 US report

By reading the KFC report written by our US counterparts, we obtained useful information about KFC(US). We were then able to discover similarities and differences between KFC(HK) and KFC(US) in order to determine transferable and non-transferable practice for both KFC in preparation of discussion in the video-conference with the US counterpart.

5) Findings

5.1 Online Questionnaire

64 people participated in the questionnaire. The majority of them are aged between 16 and 30. Most of them are students and employees. Majority of them visit KFC once a month. Lunch time is their most frequent visiting periods at KFC, followed by tea time dinner and breakfast sessions respectively. They usually visit KFC with friends. They spend around HKD\$ 20 to HKD\$ 50 per person each time on buying KFC food.

Regarding KFC staff service, 80% of the participants are satisfied with KFC prompt service. 93 % of them agrees that the staff are friendly and courteous. Over 80% of them agree that tables are cleaned and trays were cleared up immediately after customers leave. When asking about bussing the table by oneself after eating, 61% of the interviewees will be willing to do so.

5.2 Field Visit

Results of the following seven aspects were obtained.

5.2.1 Clerk-manager interaction

A harmonious atmosphere among staff was observed. Managers called their co-workers by their first names. Good teamwork was observed during peak hours- managers helped in taking customers' food orders at the cashiers.

5.2.2 Customer profile and behaviour

From our observation, a slight change about the type of customer visiting KFC was noted.

During breakfast and lunch periods, the average age of customers was around 25 to 40. Most of them were local “white-collar” clerks. During tea and dinner periods, secondary school students and middle-class people were the major customers. There were also children being with their parents, as well as a few elderly. Customers were mainly dining in KFC but some of them were discussing school work or business projects.

5.2.3 Staff efficiency

Staff at cashiers took less than 1 minute to pack the food to customers. The queues were short, with normally 3 people queuing up. Staff cleaned the tables immediately as soon as the customers left. Customers could find their seats easily.

5.2.4 Facilities

A hand washtub was provided in the restaurant for customers’ use. Customers could save time from washing hands at the washtubs than washing hands in the washroom.

In addition, a large-screened LCD monitor was installed at each cashier to show the price of food to customers. They could then prepare money for payment when the staff was packing the food.

5.2.5 Housekeeping activities

There were 3 cleaners in the restaurant. During non-traffic period, 1 cleaner was

responsible for tray cleaning and another for floor and washroom cleaning. During rush hours, an extra cleaner helped in cleaning.

A standard cleaning practice by the staff was observed. They sorted the cleaning cloth in to 3 types: 1 for cleaning the food tray, 1 for cleaning the table and 1 for cleaning the floor. Before the staff swept the floor, they were instructed to put a 'Caution: wet floor' sign board on the floor to be cleaned. Besides, Staff needed fill in a check-list when they cleaned the washroom to ensure they have completed those required cleaning tasks.

With respect to the cleaning frequency, 1 major cleaning activity was recorded during the non-traffic time but no other major cleaning activities were recorded during rush hours. The staff swept the floor once before lunch hour. They cleaned the washroom every half hour during non-traffic time and every 15 minutes during rush hours.

5.2.6 Menu

Breakfasts were served from 7 am to 11 am while D'Lite meal sets were served after 11am.

Food was only sold in meal sets instead of separate items. Granulated sugar, sweeteners and butter were only provided upon request. An unlimited refill of milk tea and lemon were provided. New meal set "fried egg with onion" was offered whereas no children meal sets were provided at all times.

5.2.7 Restaurant attractiveness

The theme decoration color of the restaurant was red. Yellow lamplights were used to

provide sufficient lighting. Room temperature was kept at 23 degree Celsius. Central air-conditioning system were installed but its temperature could not be adjusted even we requested. Large and beautiful photos showing people enjoying KFC food were hang on the wall, together with some soft, English songs as background music to provide a pleasant dining environment.

5.3 Website

On KFC(HK)'s official homepage, we obtained information on the following aspects:

5.3.1 Company background

KFC was originated from Kentucky, U.S.A. The KFC chicken restaurant had been operating in Hong Kong for twenty years already, with a total of 55 branches. At its 20th anniversary, HK KFC had put up a new image "KFC so real!". Its target customers were the youngsters. Besides, "KFC Real Care Foundation" had been set up in Hong Kong to enhance charitable activities.

5.3.2 Marketing and advertising strategies

KFC had been doing advertising activities such as TV advertisements, discount coupons, souvenirs exchanging offers as well as a membership programme. A new slogan: "KFC So Real" was used in all its advertisements. The new promotional scheme "KFC So Real" contained four elements aiming to promote KFC(HK) as a "real place", serving "real food" by "real people" and customers enjoying the "real pleasure".

Other than TV commercials, KFC co-operated with newspapers in Hong Kong to

launch some discount coupons. Moreover, KFC also collaborated with other organizations such as Coca-Cola Hong Kong Limited. to provide unique souvenirs exchanging offers to its customers. It also established a membership programme in its website. Customers who join the programme could receive special offers regularly.

5.3.3 Recruitment and staff services

Management positions of KFC were degree holders either in Hotel and Catering Management or in Hospitality. KFC provided its staff with educational subsidy for training. The training of KFC managers focused on five main areas: customer satisfaction, efficiency, labour cost, semi-variable costs and employee satisfaction.

5.3.4 Menu

HK KFC main menu were “Rise & Shine” Breakfast Combo, Bucket Menu, Individual Menu, Snackers, Value Choice, Tea Menu and Drinks & Dessert.

5.3.5 Service

Colonel's "Round-the-World" Birthday Parties could be organized in KFC(HK) Customers can benefit from receiving Saint Honore Cake Shop Birthday Cake discount coupon, birthday card and a free gift pack.

5.3.6 Staff

All staff was required to serve customers from the bottom of their hearts, take initiative to understand the needs of customers, and be courteous and proactive. KFC staff was trained to wear a friendly smile, and to be professional and service-oriented.

5.3.7 Environment

KFC restaurants in Hong Kong had spacious, tidy and smart interior designs, though there were individual designs for different stores. All outlets had comfortable sofa and round table to create a feeling of home.

5.3.8 KFC Real Care Foundation

In 2004, a fund raising campaign for Tsunami donation was launched by KFC(HK). Donation boxes in all its stores were put in all restaurant chains. Staff members are also proactive in the sale of charity cash coupons.

5.3.9 Membership area

Food coupons were offered to signed-up members. Members could also play interactive games.

5.3.10 Delivery

Delivery could be offered when the order was \$60 or over. The delivery time was from 11:30am to 10:00pm. 18 districts (87 areas) were covered.

5.4 US Report

5.4.1 Company background

KFC was owned by Yum!Brands Inc., which was the world's largest restaurant company. They had five brands, 33,000 restaurants, and operate in 100 countries.

5.4.2 Staff training

Hiring at KFC was at the local store level. Training at KFC was very thorough. It had

necessary tools and training to their employees that allowed them to succeed. The 'STAR2000' training program was designed to increase a Team Member's skills, performance, and hourly rate. Team Members had the opportunity to become Shift Supervisor's through a program called 'In the Lead'. The 'Vision I' program was tailored to train employees into Assistant Unit Managers. Finally, KFC has a program that trained all of their Restaurants General Managers, called 'Be the Leader'.

5.4.3 Restaurant Layout

The typical KFC layout was, stock room, kitchen, front counter & drive-thru, and seating area. It had even been following a strategy of multibranding which allowed it to combine with another restaurant under the same roof.

5.4.5 Menu information

KFC(US) sold food separately. It contained mainly chicken food. It also had individual items desserts and kid meal sets.

5.4.6 Customer profile

During the day between the hours of 11:00am-2:00pm, the customer profile was more of an employee on their lunchtime. However, the hours between 4-7 pm, the customer profile was more of the family.

5.5 Newspaper Clippings

HK KFC had 53 outlets and 2500 employees. HK KFC franchises recruitment and staff training were processed under Birdland Hong Kong Limited. New staff worked

on lower basic level first and would have high promotion chances. Staff training time was extended from 5% to 10%.

5.6 Video-conference

After discussing with the US partners, the transferable business practices from US to Hong Kong are adding nutrition tables on official homepage, enhancing employment training programmes, while from Hong Kong to KFC(US) are providing breakfast, D'lite meals, and delivery service.

Non-transferable business practices from US to Hong Kong KFC are bussing the table by customers themselves, multibranding, while from Hong Kong to KFC(US) are installing hand washtub and restaurant layout.

6) Discussion on Transferability of Practice

In this section, we will examine nine KFC practices to see whether they can be transferred to the KFC(HK) or KFC(US). In our discussion, we will outlined how the role of culture affect the transferability of these practices. For each item, a detailed rationale is given to support our conclusion.

6.1 Menu

KFC's menu includes chicken pieces made with secret recipe, snacks, desserts and drinks. The company also offers individual meals and family meals for its customers

to choose from. However, food items and meal periods may vary in KFC restaurants worldwide.

In terms of menu, KFC(HK) differs from KFC(US) in four ways including the addition of international cuisines, introduction of the D'Lite menu, provision of breakfast meals and provision of tea meals.

In Hong Kong, the chain restaurant provides international cuisines like Japanese-style rice and Macau-style egg tarts to its customers but KFC(US) does not have international food items on its menu. The chief reason for KFC(HK) to adopt this practice is to stay competitive in the local market. Hong Kong has long prided itself as a Gourmet Paradise. Consumers are used to enjoy lots of dining choices because cuisines from all over the world can be found in the city at ease. Through adding in popular international food items, KFC(HK) keep the shop fresh and exciting for customers in the territory. This fusion of gourmet is a result of cultural blend of US business values and local consumer demand.

Our primary research data suggests that the practice of food fusion might be applicable for KFC(US) due to the plurality of US society. However, first-hand information we collected from our US counterparts has suggested otherwise as the demand for international cuisines is limited in small and inland cities without much variety in the race. However, this practice is worth adopting in areas with diverse ethnic groups like Los Angeles and New York. This means the addition of international cuisine is transferable to the KFC(US) but the effectiveness will be subjected to the variety of ethnic populations in that particular location.

It is notable that breakfast meals are not currently provided in KFC(US) considered that the target customers of KFC(US) are mainly families, who mostly prepare themselves meals in the morning. Nonetheless, they provide meals for families to drop off in KFC store and enjoy their family time. However, the practice of breakfast meals can still be transferable to the US as part its effort to expand their focus of target customers, eg employees that seek a quick a bite before working hours.

Another set of menu which KFC (US) does not provide is the tea menu. The tea meal is applicable in Hong Kong because the main target customers are students who have time for the tea meal. Also, KFC (HK) stores served as a place for youngsters for hanging out. However, there is no time reserved for afternoon tea in the American culture. This is because the tea hour in Hong Kong is 2pm to 6pm, which are exactly the working hours of the Americans. Thus American workers will have no time for the tea meals. For US students, they usually stay on campus where meals are provided. In such a closed area, students seldom go out to have meals. With all the above reasons, the tea meal is not applicable to the KFC(US). Therefore, the tea menu is non-transferable from KFC(HK) to KFC(US).

KFC(HK) provides a D'lite menu while KFC (US) provides more choices of salad than that in KFC(HK). It has been a common trend in both American and Hong Kong culture that people are more aware of health. The D'lite menu which includes relatively healthier food provides can be a creative idea to market KFC food to the American public. In Hong Kong, salads are also more acceptable and popular among people in these days. More choice of salads with chicken can be introduced to KFC(HK). Therefore, the D'lite menu can be transferable from KFC(HK) to the KFC(US) whereas more choices of salads can be transferable from the US to Hong

Kong.

6.2 Nutrition Table

The nutrition table provides information of the nutritional values of all food provided by KFC.

The online nutrition tables are only available in KFC(US) but not in KFC(HK). In KFC(HK), nutrition information is only available on the promotional materials for the D'lite meal. However, these brochures only served as a marketing purpose for the D'lite meal. The nutrition information of other food items are not available either in online format or in printed format.

We find that Hong Kong people are becoming increasingly aware of health after the SARS epidemic. That is the reason for KFC(HK) to promote the D'lite menu in the territory to target health-conscious customers. However, the openness of such health-related information of Hong Kong business is still not comparable to that of US. In view of the attitude on health of citizens, it is time for the KFC(HK) to adopt the practice of KFC(US) to show the whole nutrition table with all kinds of KFC food. In addition to posting the information on the web, it would be better if KFC(HK) can publish it in a printed format so that it would be more convenient for customers without access to internet or not yet master the use of internet to obtain the information. This printed format of nutritional table can also be transferable to KFC(US).

6.3 Recruitment, staff training and staff benefits

Recruitment, staff training and staff benefits of local and KFC in US are investigated in this project. KFC(HK) franchises recruitment and staff training processes to Birdland Hong Kong Limited. The company owns 53 restaurants in Hong Kong. Training of staff is conducted by Human Resource department of Birdland with five staff, including teachers offering training course. Recruitment of staff is done by posting advertisement in recruitment magazines like *Jiujik* and *Recruit*. 'People are our focus' is the slogan currently using for recruitment.

Training of elementary staff is conducted in both back office and KFC restaurant. The duration of training lasted for few weeks to months and the staff would be sent to the restaurant during the training period. Training of KFC manager is more comprehensive than the elementary staff, which focuses on five main areas: customer satisfaction, efficiency, labour cost, semi-variable costs and employee satisfaction. A new programme , 'Star' and 'All Star' is introduced in this year, remuneration of staff will be adjusted according to the level they reach.

The benefits provide to staff by KFC (HK) varies among different employment level. KFC(HK)'s upper management enjoys stock option of 5% share of KFC, but MPF is the only benefit for elementary full-time staff.

On the other hand KFC(US) is owned by Yum!Brands Inc., which is the world's largest restaurant company. Comparing with KFC(HK), the scale of Yum! is much larger than Birdland HK Ltd. They have five brands, 33,000 restaurants, and operate out of 100 countries. The recruitment process of US KFC is more systemic than local

KFC. Its website allows job search function. Under this section, an interested party is able to select their location (such as States), division, and job type.

Training at KFC(US) is very thorough and comprehensive when compared with KFC(HK). KFC in US prides itself on making available the necessary tools and training to their employees that allow them to succeed if they wish. Various programmes are designed to achieve the purpose, including 'STAR2000' training program that designed to increase a Team Member's skills and performance. 'In the Lead' programme to increase staff's hourly rate, and the 'Vision I' program that tailored to train employees into Assistant Unit Managers etc.

KFC(US) offers more benefits to staff than KFC (HK). Since it is owned by Yum!, its employees are also entitled to these benefits. Some benefits listed on the website include Medical Coverage and Prescription Benefits, Life and Disability Insurance, Stock Options, Management Incentive Plan, Tuition Reimbursement etc. Yum! University is designed to provide extensive education about the company for future leaders of the company including KFC. Yum! University offers Marketing College, HR College, Finance College, etc. The purpose of the University is to enhance practical skills, leadership, and decision-making abilities.

The difference in recruitment and training mode between local and KFC(US) mainly because of the difference in company scale between Birdland and Yum!. Since Yum! is a large corporation, it has more capital and manpower to invest on recruitment, staff training and staff benefits.

However, we also need to consider the corporate culture of KFC (US) when

explaining the enormous benefits provided to staff by Yum!. According to Wikipedia, United States started the human relations movement, placing emphasis on how leadership, cohesion, and loyalty played important roles in organizational success .US corporate understands the importance of human resources earlier than Asian corporate and invests more on staff training and benefit. In Asian corporate, human resource is less emphasized so that they provide less benefit to staff than US.

As a result, KFC(US) staff training is transferable to Hong Kong but the scale of training need to be scale down. It is applicable in HK if the local KFC expand its scale. Also, the recognition of the importance of human resource in Hong Kong is still not very high at this point. Still, local KFC is less likely to provide as much as staff benefit than US KFC.

6.4 Delivery Service

Hong Kong KFC offers delivery service to their customers ordering via KFC hotline for any purchase over \$60. KFC staff will send the food to their homes with the KFC motorcycles. This service covers 18 districts (87 areas) in Hong Kong and the delivery time is from 11:30am to 10:00pm. In US, drive-thru service replaces the delivery service. Customers can drive to KFC restaurants and buy the food when they want.

It is likely that delivery service of KFC(HK) is launched to solve the overcrowded condition during lunch and dinner hours of the restaurant when lots of people queue up to purchase the food and waiting for the tables. In determining the transferability of the delivery service, our primary data suggests that the sparse distribution of

population is key factor that hinders the delivery service. In the United States, people residential areas are usually distant from the city centre where the shops operate. If KFC offers the delivery service, they may not be able to deliver the food on time and keep the food warm and delicious.

However, after conferencing with the US counterparts, we find that the delivery service would be able to be transferred to the KFC in US. Firstly, in the United States, there are lots of restaurants offering delivery service including the Pizza Hut, Domino Pizza and Chinese food restaurant. These stores are able to guarantee to deliver the food within a limited time. This means there are demands for delivery service in the States. Moreover, the target audience of the KFC(US) is family. Working parents tend to have less time to prepare food for their children. KFC can take this opportunity to extend their reach of consumers. We believe this act can have a positive effect on the revenue of KFC(US). Based on the evidence, delivery service can be transferred to KFC(US).

6.5 Table Bussing

Table bussing means to clear the table after dining.

All Hong Kong's KFC restaurants have hired staff to bus the table for customers. KFC(HK) use cleaning cloths to bus the table. KFC(HK) has a standard procedure for their staff to clear up the tables. The restaurant divides the cleaning cloth into three types. The staff responsible for cleaning pick up the cleaning cloth from three different trays: one tray is for cleaning the food tray, one tray is for cleaning the table and one tray is for cleaning the floor. The staff will solely use the right cloth to bus the

table and they will use another cloth to wipe the tray. This practice prevents staff from using the floor cloth to bus the table or wiping the food tray. From our observation in KFC(HK), all staff responsible for bussing the table are female aged 40-50, and they are dressed in KFC uniform and KFC caps. In our field research, a restaurant staff came to the table and cleared it up after the customer had just walked away one minute ago. The efficiency of table bussing among the KFC(HK) staff is very high.

Yet, the KFC in the US does not hire anyone to clear up the table. The staff only works behind the counter to make sure food is properly prepared and to restock the food. Only when during non-peak hours the KFC(US) restaurants will send someone out to wipe the table. Yet, there is no particular staff person responsible for table bussing. Customers dine-in are expected to bus their own tables upon leaving the restaurant.

This difference in practice can be explained in terms of cultural norm. Hong Kong customers are used to leaving everything behind for the cleaners to take care due to the common belief that we have paid to be served. Customers should not do the job of staff. Moreover, Hong Kong is a fast-paced city. People are not willing to spend the time on bussing the tables. The same phenomenon applies in McDonalds and other local restaurants, be they small or big in size.

On the contrary, people in the US bus the table themselves after eating at KFC. This is because the US people have different a shared custom. It is a responsibility to bus the table after dining. The civic education in the US emphasizes on 'being considerate' and 'as a citizen, you should take up your own responsibility'. Therefore, the customers in KFC(US) will not bother to bus the table themselves. Since the

customers in the United States are accustomed to bussing the table themselves upon finishing the meal. There may be difficulties when transferring the practice of KFC(HK), that is hiring a staff to bus the table, to KFC(US). Also, having staff members to be responsible for bussing table will take away the family-oriented atmosphere of KFC(US) restaurant.

6.6 Multibranding

KFC's parent company, Yum!Brands Inc. is also the owner of KFC, A&W, KFC, Long John Silver, and Pizza Hut. Recently, KFC has adopted a strategy of multibranding. This philosophy allows Yum!Brands to combine KFC with another restaurant owned by Yum: A & W, Long John Silver's, Pizza Hut, or Taco Bell under the same roof. It is a good marketing strategy because it gives more variety and convenience to customers.

However, in the context of Hong Kong, KFC is operated by Birdland Hong Kong Ltd under the franchise of Yum!Brand. Birdland had the franchise to run KFC only but no other brands. Putting different brands under the same roof would raise issue on logistics and staffing. The cost would be prohibitive. Thus, multibranding strategy cannot be transferred to KFC(HK).

6.7 Souvenirs

KFC(HK) works with other companies such as Pepsi in offering small toys as souvenir to kids. In the US, the souvenir toy that goes with kid's meal is actually targeted at family customers rather than on kids.

The idea of giving promotional items for kids cannot be transferred to US because KFC(US) strategy is to satisfy consumers' needs with quality, speed and convenience rather than appealing to emotional need of kids.

6.8 Washtubs

In Hong Kong, washtubs with liquid soap can be found in every KFC restaurant. The washtub is usually placed near the wall and liquid soap is provided by KFC(HK). In the US, however, washtubs are not installed in the KFC restaurants.

This facility allows KFC customers to wash their hands before and after finishing their meals. This is especially convenient consider that most customers are eating deep fried chicken. Instead of going to the restroom that may be located outside the KFC premises, for instance in the shopping mall, customers can wash their hands with the washtub inside the restaurant. This can save customers time from going to the restroom which may be far away from the restaurant. It also keeps the interior of KFC(HK) restaurants clean. Also, washtub is more environmentally-friendly than giving customers wet tissues which helps enhance KFC(HK)'s public image.

However, this practice cannot be transferred to KFC(US). The is because the cost of setting up the washtub is high. Since the size of a KFC(US) restaurant tends to be bigger than KFC(HK), three to five washtubs are required for each KFC(US) restaurant. Therefore, KFC(US) has kept the traditions of giving the customers the little toilette. In addition, every KFC(US) restaurant has its own restroom, customers can go there to wash their hands very conveniently. It would not be necessary for the

KFC(US) restaurants to install washtubs in every restaurant.

6.9 Restaurant Layout

The standardized layout in KFC(HK) includes sofa area, kid's corner and magazine rack. Because of the limited living space in Hong Kong, fast food shops especially those with a cosy environment turn out to be one of the most favorable hangouts for young people. This is confirmed in our survey that majority of the customers are aged between 16 to 30.

However, transferring the Hong-Kong-style layout to US would be unnecessary due to a major difference in lifestyle or consumption pattern. KFC(US) is primarily a food dispenser so the layout is designed for speed. The furniture is stationary. Unlike Hong Kong, fast food restaurant is not an ideal place for hanging out in the US. Also, US consumers seldom regards KFC to be an ideal place for gathering. Moreover, it is doubtful that whether the altered layout will bring in more sales for KFC(US).

7) Conclusion

Culture, as defined by many scholars, is a shared system of symbols, beliefs, attitudes, values, expectations, and norms of behavior. It is something that is shared by all or most of the members of some social groups; something which the groups try to pass on to the younger generations and shapes the behavior, or structures one's perception of the world.

We can see the impact of culture on the business of KFC in the two regions through our findings of this the project.

As per the culture in US, they are relatively more self-disciplined and have the concept of being considerate. With the image of “home-style”, customers visiting KFC are willing to do the table bussing themselves as they have to clean up their dishes after each meal at home. However, in the point of view of Hong Kong people, customers pay not only for goods but also for service. It is unreasonable for customers to bus the table after dining. Therefore, KFC(HK) and KFC(US) have adopted a totally different style of management in term of housekeeping: there are no special employees hired for table bussing in US like KFC(HK) does.

From the layout of the restaurant, we can also notice the impact of culture to the business strategy of KFC. In US, KFC is treated as a fast food company. Even KFC(US) emphasizes home feeling, the layout of the restaurants tends to be neat and furniture is stationary so that the paths around the restaurant are clear without obstacles. Customers then can move around quickly and speed up the dining time. But in Hong Kong, as mentioned above, customers have the perception of paying for service, hence to provide a better environment to them, KFC (HK) has installed sofa area so that its customers can sit more comfortably while enjoying their meals. In addition to sofa, KFC(HK) also open up kids corner so that children can have their own piece of land and enjoy their experience in KFC like their parents.

Due to the cultural differences between Hong Kong and US, it is reasonable that some practices are not transferable to one another. With the trend of globalization, perhaps there will be one day we all share a universal culture with people around the world.

Yet, before that age arrives, cultural sensitivity remains an integral part of successful intercultural communication and international business.

#

Appendix

The appendix includes the menu of Hong Kong KFC, the questionnaire and the result conducted by our group, the news clippings, the minutes of the video conferencing and the bibliography.

1. Menu

The basic menu of KFC(HK) consists of fried chicken (either original recipe or hot spicy), BBQ honey wings, Zinger Burger, Chicken A La King rice and mushroom rice. KFC(HK) also provides soft drinks with three sizes and Tropicana Orange Juice and Apple Juice. In addition to the main dishes, KFC(HK) also offers several sets of menus in different time-slots and for different targets.

1.1 “Rise & Shine” breakfast combo

The breakfast menu is available before 11:00a.m. The prices of this menu range from HK\$10 to HK\$21.5 with a free drink. Tea refilling is free during breakfast hours. To Hong Kong people’s appetite, macaroni is available in selected meals.

1.2 Bucket menu

This is available from 11:00a.m. Nine pieces of chicken in a bucket with two bottles of 600mL soft drinks are provided in a set with either one of the two groups of side orders. The bucket menu is specialized for groups of friends. A “Barrel Meal” set is available on weekends in which nine pieces of chicken and the two soft drinks are provided with both groups of side orders.

1.3 Individual menu

There are eight sets of individual menu available after 11:00am in KFC(HK). Six of the sets are with two pieces of chicken and medium size soft drinks. Customers can choose among the six snacks to form their preferable sets. The other two sets are “Chicken A La King rice with a drumstick” as well as “Zinger Burger with Criss Cut Fries”. Both sets are served with a soft drink.

1.4 Snackers

Instead of buying a whole set, single snacks like coleslaw, honey biscuits and mashed

potato & gravy are available at KFC(HK). Besides, Japanese style snacks are recently added to the menu, such as the baby wings, seaweed rolls and yakitori. All snacks are available after 11:00a.m.

1.5 Value choice

Value Choice consists of two HK\$21 rice set. They are the Teriyaki Chicken Fillet Set and the Zinger Fillet with Mushroom Sauce Set.

1.6 Tea menu

The tea menu is available from 2:30 to 5:30p.m., from Monday to Friday. The prices range from HK\$11 to HK\$16, and it is served with combos of snacks, desserts and drinks.

1.7 Drinks and dessert

Apart from soft drinks, KFC(HK) also serves tea and coffee as well as some specials such as Aloe Apple Punch and Mango Punch with Nate de Coco. For desserts, KFC(HK) provided egg tarts which are traditional Hong Kong snacks.

2. Questionnaire

Questionnaire about KFC 有關肯德基的問卷調查

I. Customer profile and behaviour 顧客資料

1. Age 年齡:

a. below 小於 16

b. 16-30

c. 31-45

d. 46-60

e. above 大於 60

2. Sex 性別: Male 男/ Female 女

3. Employment status 就業情況

a. Student 學生

b. Working 就業

c. Housewife 家庭主婦

d. Retired 已退休

e. Unemployed 待業

f. Others 其他

4. What is/are your reasons for eating in KFC? (You can choose more than one option)

你到肯德基消費的原因? (可選擇多於一個答案)

Cheap price 價錢便宜

Convenience 方便

Food quality 食物質素

Clean restaurants 環境清潔

Speed of delivery 服務速度

Good service 服務良好

Other 其他: _____

5. How often do you eat in KFC?

你每隔多久會到麥當勞一次呢?

Once a few months 幾個月一次

Once a month 一個月一次

Once a week 一個星期一次

At least once a week 一個星期最少一次

Other 其他: _____

6. Which period of time do you usually eat in KFC?

你多數會於哪個時段光顧肯德基?

Breakfast time 早餐

Lunch time 午餐

Tea time 茶餐

Dinner time 晚餐

7. Who do you usually go with? 你多數會與哪些人到麥當勞?

Family 家人

Friends 朋友

Other 其他:

8. How much do you usually spend in KFC (per person)?

你平均在肯德基消費多少? (以個人計)

a. Less than HK\$20 少於港幣二十元

b. HK\$20-HK\$50 港幣二十至五十元

c. Over HK\$50 多於港幣五十元

On a scale 1-4, 1 being strongly disagreed and 4 being strongly agree. How do you rate the following?

請表示你對以下各項的同意程度。(1 代表非常不同意，4 代表非常同意)

II. Food quality 食物品質

9. The food is served hot and fresh 食物新鮮 1 2 3 4

10. The menu has varied items 食物種類多 1 2 3

4

11 The quality of food is good 食物高品質 1 2 3 4

III. Restaurant attractiveness 餐廳環境

12. The restaurant setting is comfortable 環境舒適. 1 2 3 4

13. Seats and tables are clean 桌椅整潔. 1 2 3 4

14. The lighting is good 光線充足. 1 2 3 4

15. The air condition is set at a proper temperature 空調適度. 1 2 3 4

IV. Service 服務

16. I was served promptly 服務快捷 1 2 3 4

17. Staff are friendly and courteous 員工態度友善及禮貌

1 2 3 4

18. The table was cleared up promptly when a customer leaves

顧客離開後員工很快便收拾清潔好餐桌

1 2 3 4

19. I am willing to clear up the tray myself after eating.

我願意於餐後自己收拾托盤

1 2 3 4

V. Other suggestion 其他意見.

20. Do you have any suggestion for improvement in KFC? 你對基德基有任何意見嗎?

3. Questionnaire Result

We have done 76 questionnaires. The number in green blanket is the result of different questions.

Customer profile and behaviour 顧客資料

1. Age 年齡:

- (8) a. below 小於 16
- (57) b. 16-30
- (6) c. 31-45
- (5) d. 46-60
- (0) e. above 大於 60

2. Sex 性別:

- (47) Male 男
- (24) Female 女

3. Employment status 就業情況

- (37) a. Student 學生
- (29) b. Working 就業
- (0) c. Housewife 家庭主婦
- (6) d. Retired 已退休
- (1) e. Unemployed 待業
- (0) f. Others 其他

4. What is/are your reasons for eating in KFC? (You can choose more than one option)

你到肯德基消費的原因? (可選擇多於一個答案)

- (41) Cheap price 價錢便宜
- (28) Convenience 方便
- (16) Food quality 食物質素
- (16) Clean restaurants 環境清潔
- (11) Speed of delivery 服務速度
- (10) Good service 服務良好
- (6) Other 其他: _____

5. How often do you eat in KFC? 你每隔多久會到麥當勞一次呢?

- (23) Once a few months 幾個月一次
- (35) Once a month 一個月一次
- (10) Once a week 一個星期一次
- (2) At least once a week 一個星期最少一次
- (6) Other 其他: _____

6. Which period of time do you usually eat in KFC?

你多數會於哪個時段光顧肯德基?

- (5) Breakfast time 早餐
- (36) Lunch time 午餐
- (20) Tea time 茶餐
- (15) Dinner time 晚餐

7. Who do you usually go with? 你多數會與哪些人到麥當勞?

- (15) Family 家人
- (56) Friends 朋友
- (5) Other 其他:

8. How much do you usually spend in KFC (per person)?

你平均在肯德基消費多少? (以個人計)

- (11) a. Less than HK\$20 少於港幣二十元
- (56) b. HK\$20-HK\$50 港幣二十至五十元
- (9) c. Over HK\$50 多於港幣五十元

On a scale 1-4, 1 being strongly disagreed and 4 being strongly agree. How do you rate the following?

請表示你對以下各項的同意程度。(1 代表非常不同意，4 代表非常同意)

II. Food quality 食物品質

- 9. The food is served hot and fresh 食物新鮮 1(1) 2(58) 3(16) 4(1)
- 10. The menu has varied items 食物種類多 1(1) 2(31) 3(41) 4(3)
- 11. The quality of food is good 食物高品質 1(2) 2(45) 3(28) 4(1)

III. Restaurant attractiveness 餐廳環境

12. The restaurant setting is comfortable 環境舒適. 1(6) 2(55) 3(14)4(1)
13. Seats and tables are clean 桌椅整潔. 1(5) 2(55) 3(16)4(0)
14. The lighting is good 光線充足. 1(12)2(64) 3(0) 4(0)
15. The air condition is set at a proper temperature 空調適度 1(4) 2(63) 3(8) 4(1)

IV. Service 服務

16. I was served promptly 服務快捷
1(4) 2(56) 3(16) 4(0)
17. Staff are friendly and courteous 員工態度友善及禮貌
1(4) 2(64) 3(7) 4(1)
18. The table was cleared up promptly when a customer leaves
顧客離開後員工很快便收拾清潔好餐桌
1(7) 2(51) 3(18) 4(0)
19. I am willing to clear up the tray myself after eating.
我願意於餐後自己收拾托盤
1(6) 2(42) 3(19) 4(9)

4. News Clipping

4.1 Article from Economic Digest on 15 October 2005.

經濟一週 2005-10-15

肯德基積極挽留員工 配合全新品牌形象

經濟好轉，餐飲市場競爭更形激烈，提升服務質素成為企業的必修課題。肯德基提供更佳晉升機會，作適當權力下放以挽留員工。另外，新增溝通渠道，收集員工意見，並且加強培訓，配合品牌發展步伐。今年是肯德基 20 週年紀念，品牌形象全面革新，主要在食品（Real Food）、餐廳環境（Real Place）及員工（Real People）三方面，作出相應配合措施，呈現「呢刻最真」（So Real Concept）的全新品牌概念。

增加晉升機會

肯德基現時於香港共有 53 間分店，合共聘請 2,500 名員工。當中約 70 名為後勤員工；逾 20 名為中央廚房員工；餘下約 2,400 名均為餐廳樓面員工。

Birdland（Hong Kong）Limited—肯德基培訓經理陳詠欣表示，在年底前肯德基將增開五至六間分店；明年則會再增開八至九間，公司正在陸續招聘人手，她說：「新分店的管理層員工，主要由內部擢升，為員工提供更多晉升機會。」她認為由基層做起的員工，較了解公司文化，容易適應。

據香港人力資源管理學會調查報告顯示，今年第二季整體僱員流失率為 2.99%，較去年同期上升 0.9 個百分點。

陳詠欣坦言，肯德基的情況跟大市相若，故積極留住員工。除了新增分店帶來的晉升機會，今年在服務大使職位加設 Star 及 All Star 兩個職級，薪金將根據職級而調整，為員工帶來更佳發展機會。

實際運作後，發現對留住原有員工有一定成效。肯德基餐廳樓面基層員工主要分為三類，分別是前線員工（約 2,040 名）、速遞車手（224 名）及服務大使（133 名）。

局部權力下放

現時 Star 職級員工有 200 至

300 名；All Star 職級則有逾 100 名。All Star 職級員工再次晉升時，將會成為值班主任，陳詠欣說：「**肯德基**今年委任了值班主任的員工，成為產品檢定專員，全權負責分店產品質素。」以往這項工作由餐廳總經理負責，這個改動主要是讓前線員工有機會負責更重要工作，作適當的權力下放。陳詠欣笑言公司特別為值班主任換上全新的領呔，作為身分象徵，加強公司對他們的認同感。

肯德基今年推出全新品牌形象，培訓力度自然再加強，陳詠欣說：「每位員工平均培訓時間較以往增加 5%至 10%，培訓預算亦比過往多。」**肯德基**人力資源部共有五位員工，另有三名課室導師，負責培訓員工。陳詠欣表示以往多是由人力資源部負責培訓，今年則外判較多項目，找來知名品牌教導女性員工化妝技巧就是一例，目的為提高員工的參加興趣。

加強了解員工

另外，**肯德基**舉行不同活動及計劃，以提升顧客服務質素，包括由 2002 年推行至今的為客瘋狂系列、卓越服務計劃等，另外每年舉行一次冠軍檢測（CHAMPS），就櫃台、供應區及廚房的清潔（Cleanness）、熱誠（Hospitality）、準確度（Accuracy）、持續改善（Maintenance）、產品（Product）及速度（Speed）五方面評分，於分店、分區、全港層面進行比賽，勝出的四位員工可代表香港區參加亞太區冠軍挑戰賽。

參賽勝出自然可獲獎賞，勝出員工的升職加薪機會亦會隨之增加。**肯德基**尚有不同的獎勵計劃，公司以平衡計分卡，評估分店及員工表現作為獎勵的依據。當新產品銷售情況理想時，相關員工可獲發花紅。此外，服務傑出的員工亦有獎勵。

管理層認為最重要的還是了解員工，**肯德基**一向也有進行員工意見調查，但在兩個多月前，首次進行更大規模的調查，陳詠欣表示反應相當不俗，問卷回收率達七成，她說：「員工普遍認為工作環境及同事間相處沒有問題，主要期望公司能夠提供更多培訓機會，以及更佳事業發展路向。」人力資源部正在整理員工意見，歸納後訂立針對性的策略。

肯德基陸續增開新分店，同時為原有分店進行翻新工程，現時約有十間分店換上新裝修，餘下大部分分店將於明年進行。陳詠欣表示品牌的發展需要員工的配合，她坦言：「公司形象較以往提升，吸引人才亦較容易。」

4.2 Article from East Magazine on 7 September 2005.

東周刊 2005-09-07 A33

會計師創**肯德基**傳奇

早在七十年代，仍由英資祈德尊爵士主治的和記黃埔，已買下**肯德基**（**K F C**）香港特許經營權，不過，數年後已關門大吉。太古集團於八五年再次購入**K F C**香港特許經營權，同樣發展緩慢，高峰期亦只有十六家分店，九七年因重整非核心業務，將該特許經營權轉售。

兩大英資洋行均未能「做得起」的**K F C**，九九年落在一名專業會計師手上，即使經歷經濟衰退、沙士、禽流感，生意仍年年錄得增長，目前在港澳有五十三間分店，去年營業額逾七億元，在本地雞類食品稱王；在整個快餐業，也只落後於大家樂、麥當勞及美心。

K F C香港行政總裁楊耀強說，從計數改為 鑊鏟做飲食，一直都是跟隨前羅兵咸資深合夥人何煥文搵食，一步一步培養市場觸覺。事實上，經營快餐生意，就像會計帳目一樣，最重要是企理乾淨，實際高效。

四十出頭的楊耀強戴 黑色粗框眼鏡，濃密的黑髮中閃爍 幾許華髮，怎麼說也是一個典型會計師外形。從會計轉到做快餐，外人看來不可思議。楊耀強說，一切源於九四年，當年他仍在香港羅兵咸任高級經理，多年的直屬上司、羅兵咸資深合夥人何煥文（Arthur Ho）突然辭職，創業搞飲食投資，向楊耀強問一句：「●仔，有無興趣跟我到印尼呀！」二話不說，楊耀強翌日便向羅兵咸遞信，跟何煥文這啟蒙恩師到印尼 **Pizza Hut** 任財務總監。

雖然職位是財務總監，但採購、搵舖、日常營運，楊耀強均要參與，能夠對快餐運作極速上手，因為 **Pizza Hut** 的品牌持有人美國最大快餐上市公司 **Yum! Brands, Inc** 對特許經營商有專業培訓，楊耀強在美國唸大學，亦先後在芝加哥及洛杉磯的羅兵咸工作，已習慣工作上的英語應對，所以與 **Yum!**美國總部一直緊密聯繫，遇有問題便共同解決，結果在實踐中打出新天，不足四年內已將印尼 **Pizza Hut** 的數目倍增至四十間。

印尼台灣贏口碑

九七年啟蒙老師何煥文又有新搞作，自 **Yum!**購入香港及台灣**K F C**業務，又將楊耀強調到台灣**K F C**任財務總監，由零開始開舖，結果不足兩年已開店二十

家，成績斐然，難怪他得戚地說：「會計師對數字敏感，做快餐則要對市場敏感，轉變當然並不容易，但 Arthur Ho 證明是可以做到的，我只是跟隨他的步伐而已。」

九九年金融風暴過去，本港零售市場回穩，何煥文決定在香港大搞KFC，便將楊耀強由台灣調返香港。楊耀強說，香港KFC八成也是前太古集團的員工，他反覆問自己：「為何太古、和黃兩大洋行均未能突圍，關鍵問題何在？如何解決？」

其實，全球的KFC有一套員工守則，所有雞件現場生產，將一隻冰鮮雞切割為九件，現場上粉（由十一種秘製調味料），在焗爐焗製半小時後，便放置於保溫櫃內，但雞件可存放於保溫櫃多久，則並無規定，過去太古主政時，亦沒設定時限。

楊耀強心想，香港是飲食天堂，港人亦喜歡食雞，炸子雞、蒸滑雞、白切雞、鹽焗雞……選擇多不勝數，要在其他雞食店中突圍而出，雞件一定要新鮮滾熱辣，於是他規定雞件的保溫期為一小時，逾時未能售出的雞件則會棄置，確保產品香噴噴：「快餐不可以待客人來到至煮，一定要事先煮好放在保溫櫃；我們要做的是，由雞件出產至送到消費者手上，時間愈短愈好。」

旺角通街試食取經

知道自己並非飲食業出身，味覺或不如同行，楊耀強亦將勤補拙，每逢周末周日，便與太太在旺區行街巡舖，即使由尖沙咀行到深水埗，亦以「十一號」雙腳代步，試飲試食，掌握行情。

九九年他見本港掀起葡撻熱潮，茶餐廳亦轉型賣葡撻，銅鑼灣旺角鬧市百步之內必有葡撻小店，便在本港全線KFC推出五蚊一個的瑪嘉烈葡撻，幾乎平通全行，結果風靡本港多年外，內地及台灣的KFC亦爭先引入：「不要小看五元一個葡撻，脆皮由人手製造，加入蛋白蛋黃後，要在每家KFC分店廚房的焗爐焗製，既花心思亦是大投資，你看產品推出多年，本港快餐同業至今未能仿效，便知箇中難度。」

「燒雞翼我鍾意食」

○三年他與太太行街，聽到有小孩唱張衛健的歌曲：「燒雞翼呀我鍾意食……」，靈機一觸「香港人最鍾意食就係燒雞翼！」便下令產品開發部研製蜜燒雞翼。據香港KFC高級市務經理王芷琪透露，楊耀強特別緊張該新產品，有次高層開會試食蜜燒雞翼，楊耀強竟然分辨到雞件只塗上一層蜜糖，而非議定好的兩層蜜糖，並即時叫質檢部解釋。結果蜜燒雞翼○三年推出至今大受歡迎

迎，予客戶炸雞以外另類選擇，其他快餐同行亦有推出類似產品。

九九年已加入香港**K F C**的王芷琪說，老闆楊耀強六年內目標清晰，就是要爭取二十至二十九歲這群高消費力的年輕人，所有市場推廣均要圍繞這目標出發。香港**K F C**於〇二年開始，便推出多啦A夢系列，由錄音公仔聲控燈、開心大樂團，到今年的對講機、多啦A夢三十五周年特刊，均掀起換購熱潮。

王芷琪說，數口精明的楊耀強，不止可以隨時說出港澳五十三家分店的租金、面積、座位數目，而每季市場推廣開支及預算亦琅琅上口，令她亦對自己所花的每分錢分外緊張、諗過度過：「好似多啦A夢一系列產品，我只係畀錢買版權，設計、生產全部係我自己ODM製造，楊生甚至畀意見邊間工廠訂貨平，真係跟到好足！」

公司培訓一條龍

針對年輕人市場，**K F C**的員工亦要年輕有活力，楊耀強十分重視如何招攬優質員工。觀塘a p m分行前線員工葉嘉茵四年前便開始在**K F C**任兼職，畢業後轉至全職，她最欣賞公司願意培訓員工，提供化妝、儀態、英語等課程為員工增值。葉嘉茵亦曾與楊耀強兩次見面，第一印象是這名老闆和藹可親，並且記得部分員工的名字。

〇三年的沙士對所有飲食業均是嚴峻考驗。楊耀強憶述，當時每朝睡醒，便要聽到壞消息，並要即日採取果斷行動回應。例如說，**K F C**早於三月中，沙士未有致命病例前已要求全線員工戴口罩手套，又斥資逾百萬元在全線分店裝置洗手盆加強顧客的信心。

做生意往往否極泰來，化解沙士危機後，香港**K F C**的業務即回復快速增長。而去年老闆兼啟蒙老師何煥文不幸身故後，香港**K F C**賣盤予另一家英國基金。新基金接手後，為了挽留人才，將百分之五的股權，送贈予楊耀強為首的管理層，換言之，楊耀強已由打工仔榮升老闆。去年楊耀強已與Yum!達成協議，將香港特許經營權合約延續至二〇一五年，又將辦公室搬至太古坊寫字樓，為日後擴充準備就緒。

楊耀強說，打算在目前五十三間分店的基礎上，未來五年計劃年開八至十間新店，希望二〇一〇年分店數目可以達至一百間：「很多人將我們與麥當勞的業務比較，但暫時**K F C**本港業務，只是麥當勞三分之一。希望透過加快開店，未來五年，每年營業額可增長兩成至三成，將這差距收窄，因為在美國以至中國，**K F C**一直是領先麥當勞的。」

美資快餐店汰弱留強

本港快餐業每年營業額約為一百億元，大家樂、麥當勞、美心已合佔逾七成市場，餘下三十億元的市場份額，便由位處港九新界的數千間茶餐廳、快餐店爭崩頭，要從中突圍而出，並不容易。例如 Wendy's、Burger King 等美式快餐店均有頭威無尾陣，經營不足十年便要打退堂鼓。

楊耀強坦言，一個牌子在美國成功，不代表一定會在香港成功，因為美國成功的經驗，只代表有知名度，是踏出在香港發展成功的第一步，令客人最初比較容易接受，但其後的發展，需因應消費者的要求而改變，不論裝修店舖、產品開發、服務均要提升，否則便會被淘汰：「美國有食漢堡包文化，很多美式快餐店一直認為，不應該經營飯類食品，但香港人則比較鍾意食飯，於是我們便推出白汁雞皇飯及蘑菇雞飯。甚至我們推出早餐，有雞扒、通粉，一般市民鍾意食的產品，而又與雞有關係的，我們都願意提供。」

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5. Minutes of the Video conference

Minutes (Group 5)

Date: 9/11/2005

Time: 10:30am (HKT)

Place: Room Neptune (N), CSC, City University of Hong Kong

Attendants

Hong Kong Participants: Clover Mok, Flora Chan, Queenie Tsang, Yvonne Wong

Hong Kong Observers: Amanda Chan, Jamie Liu, Jennifer Lau, Lawrence Wong, Terry Tong

US Participants: Georgene Chissell, Justin Veach

Issues agreed

- D'Lite menu, breakfast menu were transferable to US KFC, but not the tea menu.
- The Kids' Menu of US KFC was transferable to Hong Kong.
- Hong Kong KFC could offer more choice of salad like the US KFC.
- Nutrition table was transferable from US to HK in printed format.
- Staff training in US was transferable to Hong Kong with smaller scale.
- Table bussing was not transferable to the US
- Wash tub was not transferable to the US
- Delivery service
- Giving souvenir upon purchase could not be transferred to US.
- Multi-branding would not work in HK KFC
- Hong Kong KFC restaurant layout could not be try out in US

1. Menu

Flora reported the difference in the menus of KFC in US and that in Hong Kong. KFC US offered Kids' Meal, Family Meal and Individual Meal; while Hong Kong KFC have more variety such as breakfast, tea meals and D'lite meals, but no Kids' Meals.

Flora raised that whether the breakfast meals and the tea meals could be offered in US KFC. Justin claimed that it would be difficult to have the tea meal during the working hours, but he thought the breakfast could be worked out in US KFC. Georgene agreed that because there was no tea time in US.

Flora asked if the tea meal would be transferable to US KFC if it was offered to students. Georgene mentioned that it would not be applicable, as for school kids, they

would stay at school where there was a closed environment. Meals were provided in campus. Moreover, Georgene said that US KFC mainly served employees rather than students.

Flora moved on to the D'Lite menu. Georgene agreed that D'Lite menu can be offered in US KFC as the food provided was not healthy.

When discussing the international cuisine, Georgene suggested that international menu should apply in area with higher international population. Justin agreed with Flora that it could be working out in large cities like LA and New York.

2. Nutrition Table and Employment training courses

Clover pointed out that HK KFC did not have nutrition table as in US. The table could be in printed format instead of electronic format on the internet. She thought this practice could be transferred to HK. Georgene agreed.

Clover mentioned KFC in US had the star 2000 training programme but HK didn't. Training in HK was conducted by HRM department with only five staff. Probably the training in US KFC could be transferred to HK with smaller scale.

Justin pointed out that in US there was a hierarchy of staff like restaurant manager, team manager and assistance staff. He wondered if HK adopted the same practice. Clover replied that HK have just introduced the 'star class' for employee to get promoted to the management position.

Georgene asked Clover to describe the staff benefit of HK KFC. Clover mentioned it varied among different employees. The limited benefit provided to elementary staff resulted in high turn over rate. She suggested staff benefit should include medical coverage to maintain morale and quality. Both Justin and Georgene agreed.

3. Restaurant facilities

Yvonne and Clover pointed out the table bussing issue. In US, people bussed up the table themselves, but not in Hong Kong. Georgene replied that the KFC in the US do not hire staff to bus tables, only when time slows down, the US KFC restaurants will send someone out to wipe the table off.

Yvonne asked Justin and Georgene whether it could be adopted in the US. Georgene also pointed out that it was the family cleaned up the table afterwards. Hiring someone to buzz the table would take away the family 'feel' of the KFC restaurants.

Yvonne agreed with this and mentioned that in Hong Kong, it was mainly the individual or friends coming to the KFC restaurant. It was hard to change the habits of both sides.

Yvonne reported that HK KFC has installed washing tub in their restaurants recently. Georgene thought it works because it would lead to a healthier environment, but would cost too much to install wash tub in the US. Also, people in the US would just go to the bathroom to wash their hands and it would not be urgency for the restaurant to make the change. Justin also doubted whether the public would use the wash tub.

4. Delivery Service

Queenie reported that in the US, drive-thru service is very common and in Hong Kong, KFC offers delivery service. Customers can order the food by phone and the food costs more than \$60, the food will be delivered to their home directly. Justin replied that it can work in the US.

Georgene also thought it works because there are many different companies offered delivery service in U.S, for example, Pizza and Chinese food. But she reminded us that it may have many problems to work it out.

5. Promotional Strategies, Multi-branding and Restaurant Layout

Queenie reported that free coupon in newspapers and magazines and special souvenirs be given upon purchase were very popular in Hong Kong. Georgene replied that there were coupons in Sunday newspaper or circulations that came from one's mail. However the coupon did not take some money off of a purchase, it was more like the form of buy one and get one free.

Justin further explained the kid's meal that KFC worked with other company like Pepsi, the souvenir was targeted to family rather than kids. Georgene said other competitors like McDonald have given it because they have kid's playground. There were no playground for the kids in KFC so promotional items for the kid might not work.

Queenie raised the issue about multi-branding in US. Georgene said it was a very

good marketing strategy because it gave more variety and convenience to customers. Clover explained that Hong Kong KFC was operated by Birdland Ltd. under the franchise of Yum!Brand. Birdland had the franchise to run KFC only and no other brand. Queenie further added that putting different brands together would raise issues on staffing and logistics issues and concluded that the concept of multi-branding could not be transferred.

Queenie asked whether the layout in HK KFC such as sofa area, kid's corner and magazine rack could be replicated in US. Justin replied that the layout in US was designed primarily for speed. Georgene agreed and said the furniture was stationary, and it would indeed a great idea to put that kind of stuffs in US. Queenie concluded that maybe the idea could not be transferred in some large cities in US.

6. Issues raised by the US counterpart

Justin mentioned the animals' welfare protest in US KFC and wondered whether there was similar thing happened in Hong Kong and China. Clover responded that Hong Kong people were less concerned about the animal welfare than in US, but recently there has been a local petition against HK KFC.

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