

# HONG KONG'S **MOST** **VALUABLE** **COMPANIES** 2008™



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## INDUSTRY LEADERS

Hong Kong's Leading Lights of Industry and their Contribution  
Toward Building a Brighter Future for Us All.



AVLife

HD TV Station

# “Family Mindset” Scores Direct Hits With AV Consumers!

**While it is cliché for retailers and supplier to wax lyrically on conquests of consumer’s minds and hearts, a select few actually do practice as they preach. PATRICK YAU, CEO of well known retailer AV Life has made a career out of monitoring the pulse of the market and serving each customer with almost family-like attention. He shares his success secrets.**

**P**atrick Yau is a born salesman! He looks disarming, speaks with a tender timbre and makes it his business to know about the features and functions of all he sells. He is also a family man and bring that “family mindset” to his profession in that he can “think” like a buyer while he remains a seller and that’s a special trait in any business. In Yau’s case, this trait has helped him win friends and influence people but it has also helped him build a service culture amongst his people which in itself is no mean feat.

The electronics industry is as transient as the products they put up momentarily on the shelves. It is hard to find people who love technology and gadgets, enjoy customer service and find growth potential in this industry. When you do, keeping them is a challenge and as any proprietor of audio-visual equipment will admit, customers want to see familiar faces in the stores they visit and repeat business does depends (to a large extent) on that factor.

## Challenges Bring Rewards

As the competitive landscape of the industry began to change with new players entering and technology and economy began growing, Patrick Yau decided to find his niche! Listening to consumer’s woes and wishes led him to decide that AV Life would offer the customer what no body else in the industry was doing at the time. This unique offering was to be what he calls, the “more for less” approach. “That’s what people want. There is no point trying to reason with the consumer’s mindset. The customer is king and that’s a fact we have to live with,” he says. “So, instead of trying to educate them into



**PATRICK YAU: “Consumerism is reshaping the industry and service will be the main driver. People have always wanted to get more bang for their buck and the Internet is a great resource for us all.”**

**“Instead of trying to educate them into paying the right price, I decided to make use of our vast range of products, our knowledge of electronics and offer customers our mix and match services allowing them to get more output or enjoyment from spending less. It worked!”**





AV Life's store showcasing the hottest HD TVs on offer.

**“People are now more aware of bigger issues like global warming, environment friendliness, child safety regulations, etc and of course factors like competitive design, materials and price still play a decisive role in the sale of electrical equipment.”**



AV Life's latest electricals store.

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It more than just “worked” for Yau. His referral business grew exponentially and his people enjoyed the challenge. With this double victory, Yau began reinvesting in redesigning his stores all across Hong Kong providing customers with a reason to visit them regularly to discover the latest. This closer customer proximity led to stronger relationships and in turn, more sales. But, more than business success, the real achievement was the satisfaction of being able to provide customers with whole home theater systems at a fraction of the price they would have had to pay had they themselves done the buying and assembling, which they might not have known how to do. “Customers like getting more than they pay for, they enjoy the convenience of having us come over to their homes or offices and set the whole thing up for them and they love the after sales service we offer, so this is what we will continue to do,” says Yau insisting that service and product knowledge will remain the main business drivers. “We try to think as buyers, not sellers. Being a family man myself I know how people think before making an investment in a home theatre system. These systems can range in costs starting from a say \$30,000 up to millions of dollars and it might surprise you to know that both, the small and the big spender want the same thing in terms of quality of service, value for money and after sales service.”

### Smarter Buyers

Not satisfied with his conquest of the av market, Yan and team want to offer the same award winning service formula to consumers of electrical equipment too. A recent acquisition of the popular Wai Ming Electrical Company will ensure that customers can buy home or office electrical appliances at better value.

This is a welcome change because service quality is dismal across Hong Kong as any buyer of electrical appliances will gladly admit. Trying buying a fridge and all the salesperson would probably know is its capacity or total storage area. Trying asking questions like; will this fridge store wine suitably? Can its temperature be selectively controlled? How environment friendly is it? How does it compare with others in terms of power consumption? How “child safe” is it? In nine out of ten time, you’d end up

confusing and/or embarrassing the salesperson to no effective end. While this can be put down to a variety of reasons, the customer is not interested. Increasingly educated customers want product knowledge and they will go to where it's at.

"Sales is a great incentive to stock up on product knowledge nowadays. I have known of people who search for product reviews of ordinary water heating jugs on the Internet! Consumerism is reshaping the industry and service will be the main driver. People have always wanted to get more bang for their buck and the Internet is a great resource for us all. People are now more aware of bigger issues like global warming, environment friendliness, child safety regulations, etc and of course factors like competitive design, materials and price still pay a decisive role in the sale of electrical equipment," explains Yau driving home the point that service is king but "product knowledge" doesn't walk far behind.

### Services Economy

Hong Kong is at interesting crossroads notes Yau. With the rise in the economy, China's bright future as the manufacturing hub of the world and Macau's rising affluence business and tourism will boom, he says. "It's important for the industry to look at itself as part of Hong Kong and not in isolation! We have to be constantly aware of the need to contribute to Hong Kong's future in terms of image too and not merely in terms of trade. If we adopt this line of thought, then we see that we are not merely in the business of sustaining business relationships for our selves. Like it or not, we are ambassadors for Hong Kong. The way we serve our foreign customers reflect on our professional ability not just as industry personnel but as professionals of Hong Kong, as a qualitative whole. I've always felt that when we work for the greater good, we always meet our objectives. This has been in part a major portion of our business strategy which explains why we have an increasing number of residential and corporate customers each year and why we have made friends from our tourists customers who nearly always visit our stores whenever they are in Hong Kong," says Yau.

### Think Like Customers!

Relationships are taking on a new meaning now, says Yau. "The concept of a favourite store to buy all the family's needs is returning. People are wanting to build up trust with a store that knows them by first name, perhaps even rings them up when new stuff arrives and gives them that total

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AV Life's newly renovated store sports a brand new, customer-friendly look.

customer satisfaction with comes so often with what we know as 'total shopping experience'," says Yau.

"Glitzy stores with large TV screens showing beautiful moving pictures on them can be quite intimidating to many, says Yau but friendly salespeople can bring that unique personality, that lovely warmth to a store and that's what customers want and expect from a store they've built a relationship with. They want to be able to talk freely, ask about discounts, private issues like installment plans etc and they tend to want to speak to people they identify with. On the other hand the industry needs to train salespeople to think like customers. There's a fine line between ignoring a walk in customer and offering your service. You don't want to be pushy or intimidating or annoying but don't want the customer leaving without buying too. So how do you break the ice?

How do you befriend the customer and

how do you help the customer get what he/she needs or likes? This is what we call, the service challenge and there are no fixed rules. You just have to sharpen your instincts with it comes to customer service and have it within you to genuinely serve. This is the only rule of thumb in this services industry. If you aim to merely sell, you probably won't. If you aim to help, the customer will in all probability buy without you having to sell. People want to be cared for and this is what we as leaders of a services economy have to understand, put into practice because competitive times means that it is not the big that will swallow the small but rather the swift that will swallow the slow," concludes Yau. ■

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