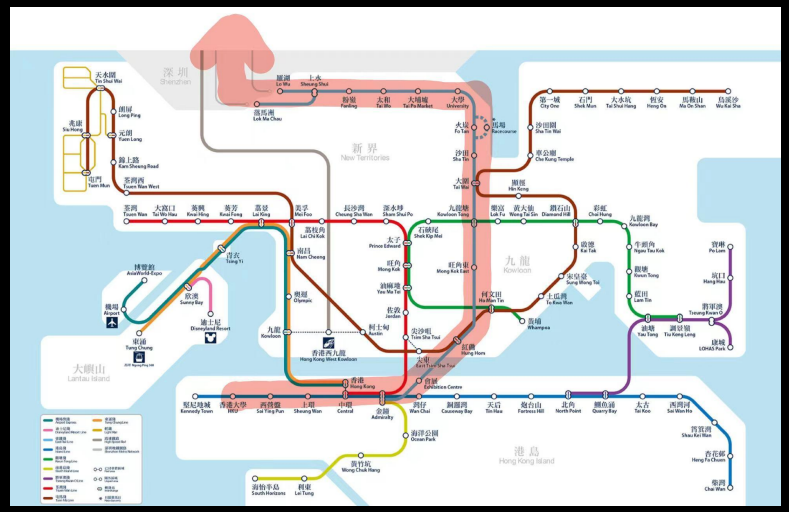
Quick question:

1 day’s Holiday route?

start from HKU →

- Causeway Bay → Eat & Walk
- Central → HQueen's → Tai Kwun
- Mong Kok → Ladies Market → Nathan Road → Temple St.→ Victoria Harbour
- …….

- How about:
- Admiralty → East Rail Way → Lo Wu ?
- "Getting out of HK route"



Decoding Hong Kong Residents' Cross-border Consumption Trends:

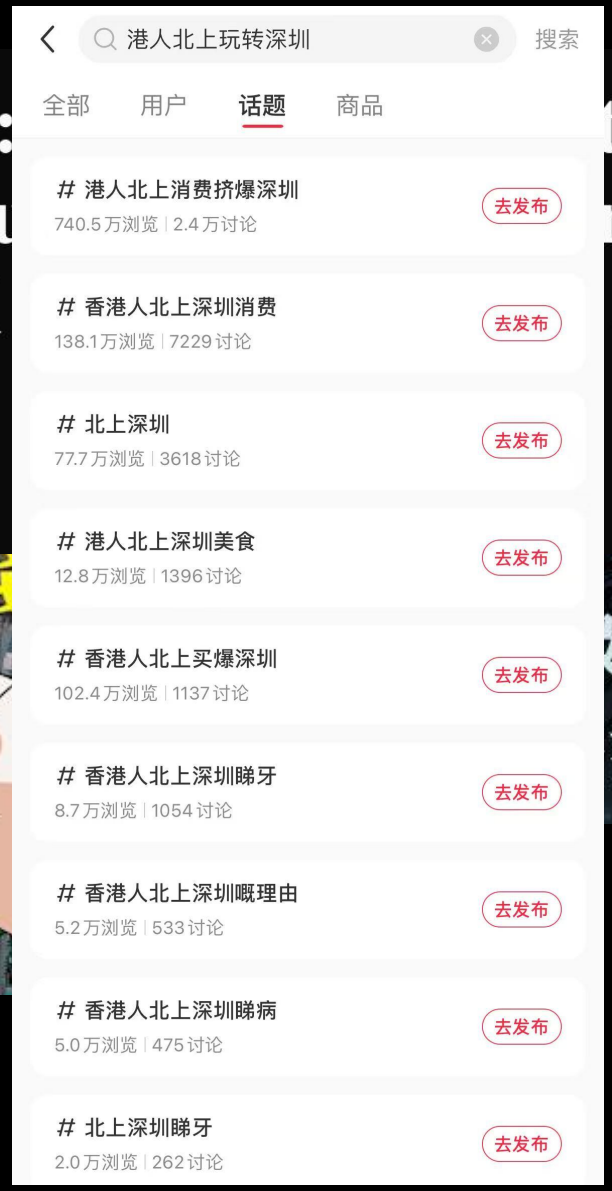
A data-driven analysis of northbound consumption behaviors

Presented by Guo Yixuan Betty 3036291954

KEY POINTS

- what's going on?
- why? — analyze several potential factors
- any solutions?

WHAT'S GOING ON ? -- MEDIA & SOCIAL MEDIA



WHAT'S GOING ON ? -- CROSS-BORDER STATISTICS

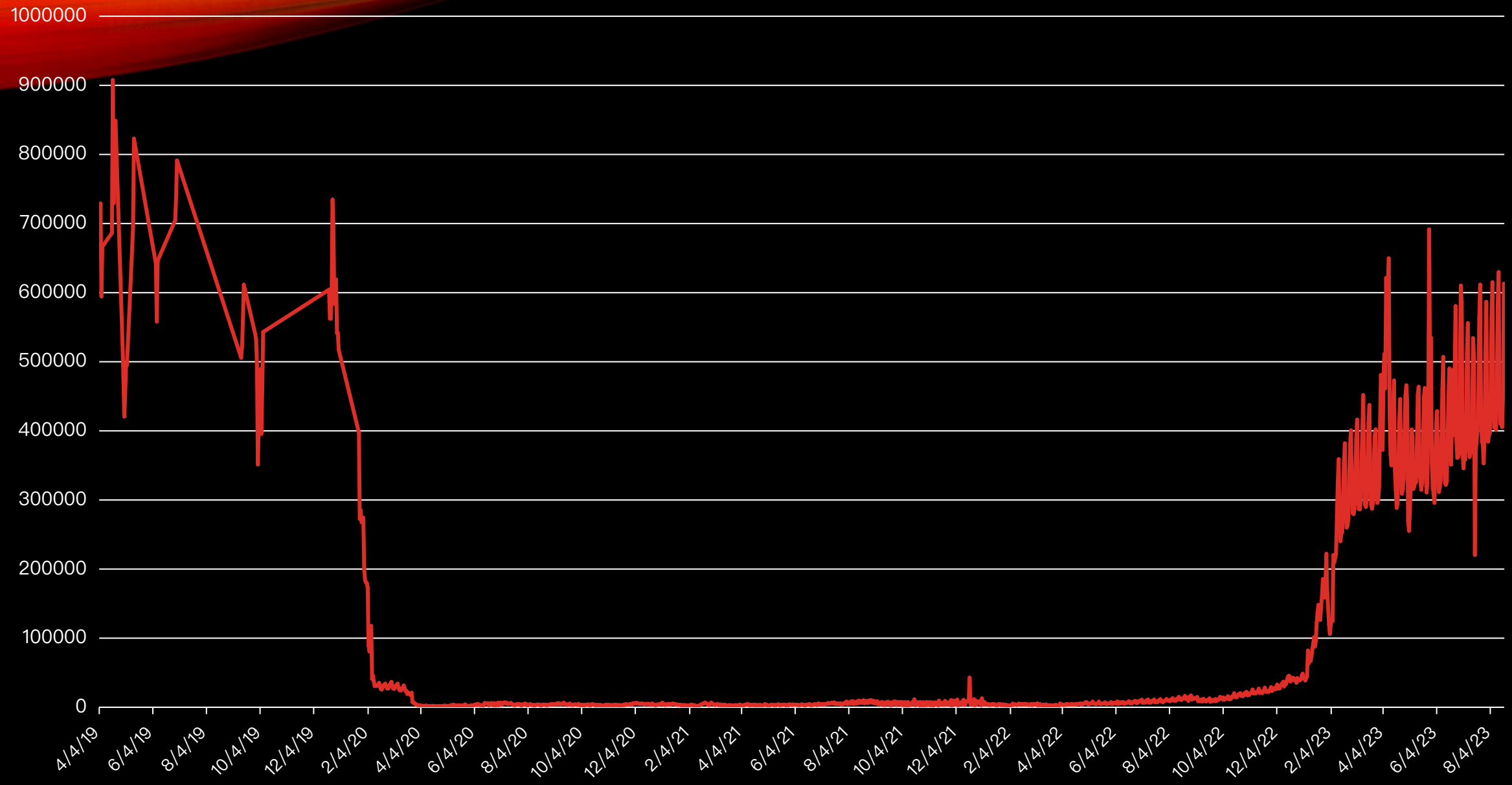
From Kaggle and HK Immigration Department

	A	B	C	D	
1	Date	Control Point	Arrival / Departure	Hong Kong Residents	Mainl
2	4/4/2019	Airport	Arrival	29331	
3	4/4/2019	Airport	Departure	48963	
4	4/4/2019	Express Rail Link West Kowloon	Arrival	7063	
5	4/4/2019	Express Rail Link West Kowloon	Departure	20618	
6	4/4/2019	Hung Hom	Arrival	1871	
7	4/4/2019	Hung Hom	Departure	4581	
8	4/4/2019	Lo Wu	Arrival	75438	
9	4/4/2019	Lo Wu	Departure	158537	
10	4/4/2019	Lok Ma Chau Spur Line	Arrival	45863	
11	4/4/2019	Lok Ma Chau Spur Line	Departure	64735	
12	4/4/2019	Hong Kong-Zhuhai-Macao Bridge	Arrival	10268	
13	4/4/2019	Hong Kong-Zhuhai-Macao Bridge	Departure	23082	
14	4/4/2019	Lok Ma Chau	Arrival	24220	
15	4/4/2019	Lok Ma Chau	Departure	32913	
16	4/4/2019	Man Kam To	Arrival	3538	
17	4/4/2019	Man Kam To	Departure	4715	
18	4/4/2019	Sha Tau Kok	Arrival	3035	
19	4/4/2019	Sha Tau Kok	Departure	5414	
20	4/4/2019	Shenzhen Bay	Arrival	28058	
21	4/4/2019	Shenzhen Bay	Departure	58317	
22	4/4/2019	China Ferry Terminal	Arrival	2617	
41674	19/8/2023	Shenzhen Bay	Arrival	24460	
41675	19/8/2023	Shenzhen Bay	Departure	37015	
41676	19/8/2023	China Ferry Terminal	Arrival	643	
41677	19/8/2023	China Ferry Terminal	Departure	1183	
41678	19/8/2023	Harbour Control	Arrival	0	
41679	19/8/2023	Harbour Control	Departure	3	
41680	19/8/2023	Kai Tak Cruise Terminal	Arrival	179	
41681	19/8/2023	Kai Tak Cruise Terminal	Departure	245	
41682	19/8/2023	Macau Ferry Terminal	Arrival	6617	
41683	19/8/2023	Macau Ferry Terminal	Departure	10195	
41684					
41685					
41686					

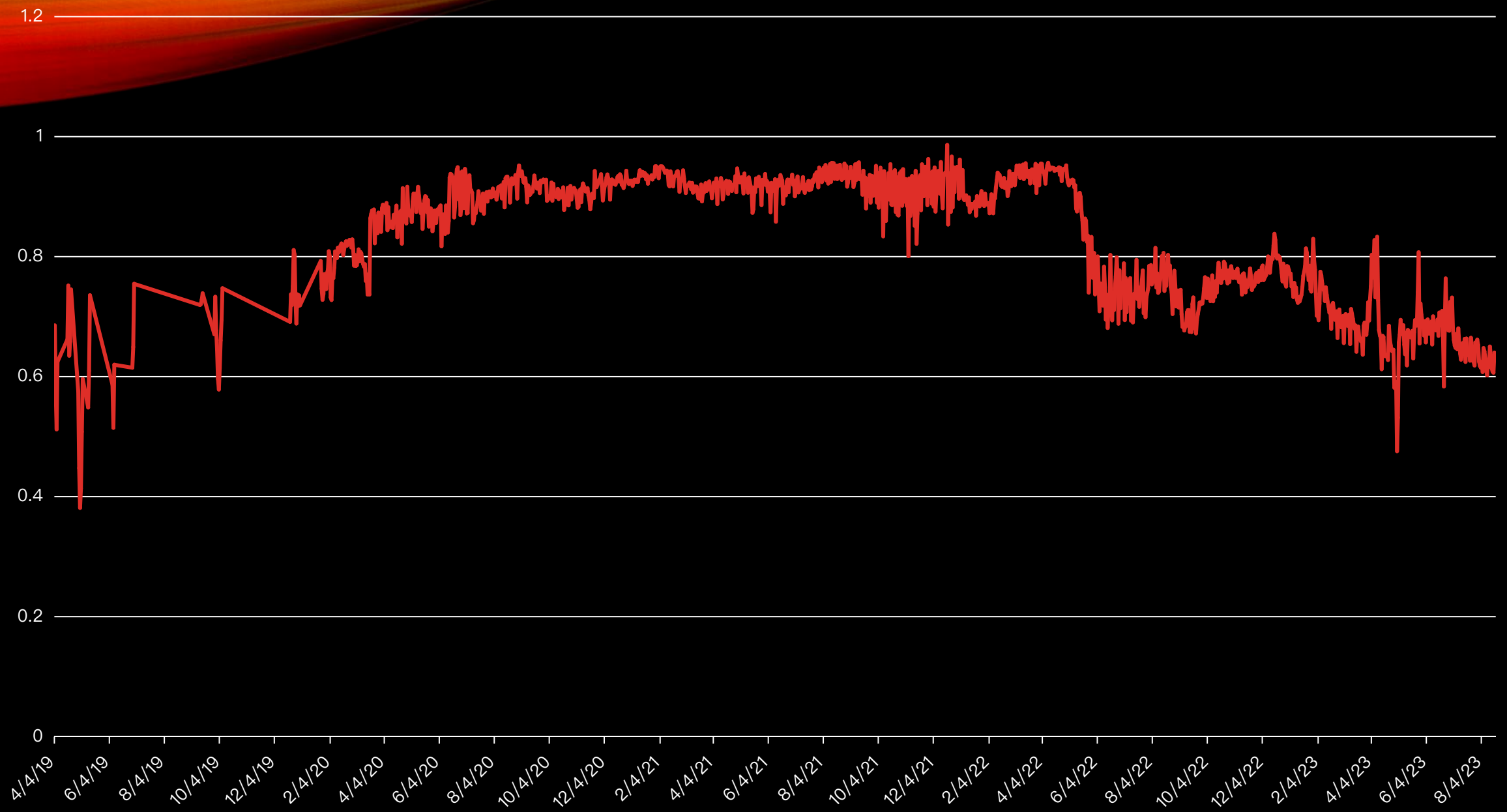
Freeze panes

	A	B	C	D
1	Date	Total HK Residents	Total Travelers	HK Residents/Total Travelers
2	4/4/2019	684162	997982	0.685545431
3	5/4/2019	728986	1266221	0.575717825
4	6/4/2019	594581	1160996	0.512130102
5	7/4/2019	666612	1067021	0.624741219
6	18/4/2019	686472	1036842	0.662079661
7	19/4/2019	907647	1207422	0.751723093
8	20/4/2019	729603	1149142	0.63491109
9	21/4/2019	842444	1279447	0.658443843
10	22/4/2019	848614	1138802	0.74518134
11	30/4/2019	525557	913169	0.575530926
12	1/5/2019	477677	1067397	0.447515779
13	2/5/2019	420745	1103547	0.381266045
14	3/5/2019	452666	1094676	0.413515963
15	4/5/2019	495922	975713	0.508266263
16	5/5/2019	495109	830833	0.595918795
17	11/5/2019	665250	1212693	0.548572475
18	12/5/2019	694590	1139477	0.609569127
19	13/5/2019	822928	1118687	0.735619525
20	7/6/2019	641594	1094077	0.586424904
21	8/6/2019	558202	1084494	0.51471193
22	9/6/2019	646199	1042597	0.619797486
23	29/6/2019	704965	1146505	0.614881749
24	30/6/2019	740350	1140169	0.649333564

Total HK Residents Traveling Across the Border on a Daily Basis



Trend of Hong Kong Residents Crossing Ratio Over Time



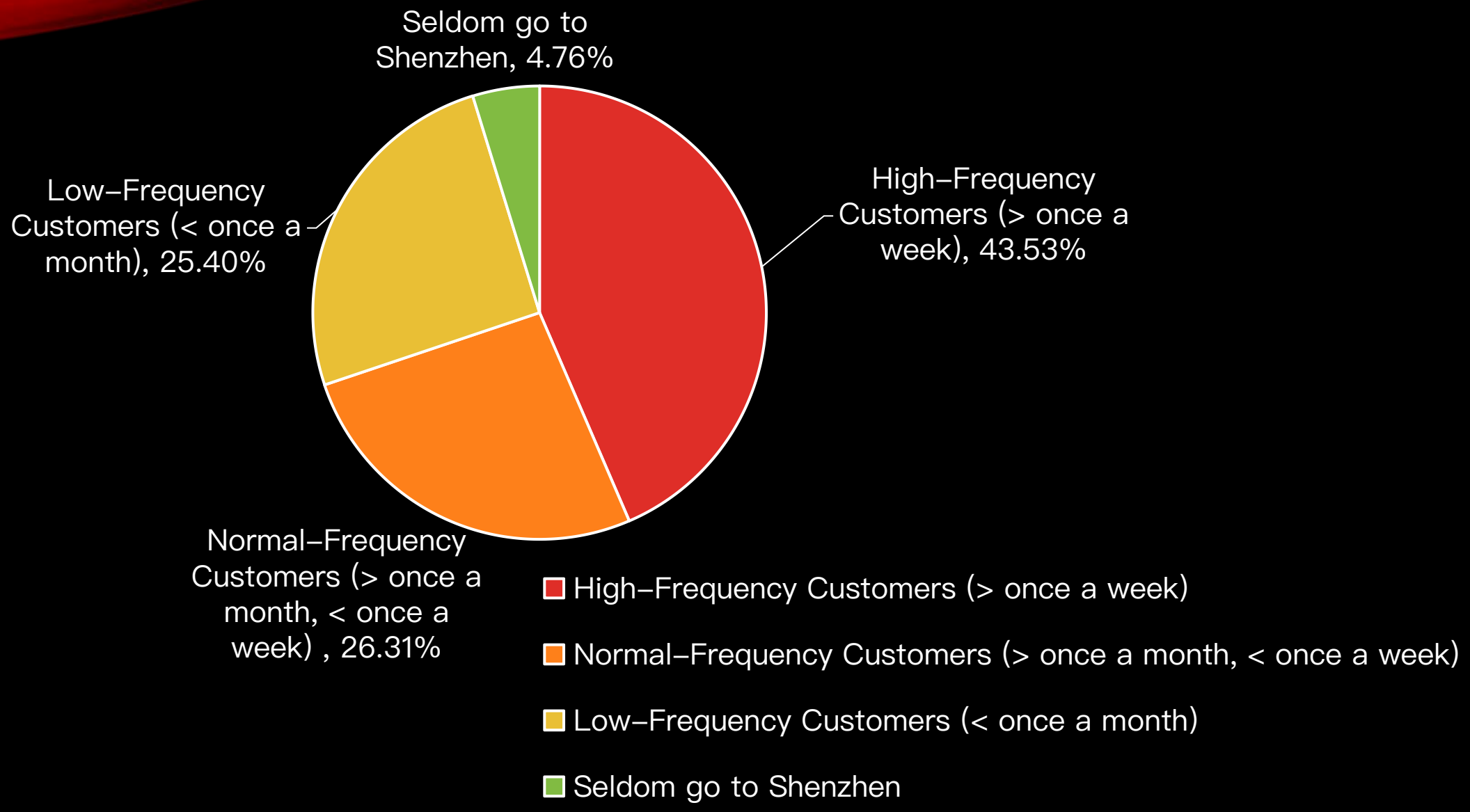
WHAT'S GOING ON ? -- SURVEY DATA

2023《深港兩地消費滿意度調查》

從調查結果來看，有95.24%的港人多次來深圳消費，通常是與家人或朋友一同前來深圳，每周1次以上的高頻客群佔27.62%，每月1次以上的客群佔比達73.33%；多選擇當天往返。港人來深更偏愛的消費場所多為購物中心和大型超市，佔比分別為78.10%和60.00%。同時，港人在深消費的業態中，餐飲消費的佔比達9成以上，其次是購物與休閒娛樂類的消費。

Hong Kong Residents' Consumption Frequency in Shenzhen	Percentage
High-Frequency Customers (> once a week)	43.53%
Normal-Frequency Customers (> once a month, < once a week)	26.31%
Low-Frequency Customers (< once a month)	25.40%
Seldom go to Shenzhen	4.76%

2023 HK Residents' Consumption Frequency in Shenzhen



WHY ?

The Consumer Price Index (CPI) measures the average change in prices paid by consumers for goods and services over time.

Potential Reason1: Economic Pressure

National

	A	B	C	D	E	F	G	H	I	J	K	L
1	数据库：主要城市月度价格											
2	指标：城市居民消费价格指数(上年同月=100)(%) CPI(consumer price index)											
3	时间：最近36个月											
4	地区	2025年2月	2025年1月	2024年12月	2024年11月	2024年10月	2024年9月	2024年8月	2024年7月	2024年6月	2024年5月	2024年4
28	深圳	99.2	101	100.1	100	99.7	99.8	99.8	100	100.3	100.3	
29	南宁	98.8	100.3	100	100	99.8	100	100.3	100.6	100.5	100.2	
30	海口	98.9	100	99.6	99.9	99.8	100.6	100.3	100.3	100.6	100.5	
31	重庆	99.2	100.5	100	100.2	100.4	100.5	100.5	100.5	100.3	100.2	
32	成都	99.7	101.6	100.6	100.3	100.3	100	100.1	100.1	99.9	99.9	
33	贵阳	100.1	100.9	100.3	100.4	100.3	100.2	100.8	100.6	100.1	100.2	
34	昆明	99.2	100.7	100.3	100.2	100.2	100	100.4	100.3	100.1	100.4	
35	拉萨	101	100.7	100.8	100.8	101.2	100.7	100.5	100.7	100.6	100.6	
36	西安	99.9	101.3	101	101	101.1	101	100.5	100.2	99.7	99.9	
37	兰州	99.3	100	99.7	100.4	100.6	101.4	101.6	101.1	100.9	101	
38	西宁	99.6	100.5	100.2	100.2	100.3	100.5	100.6	100.3	100.4	100.1	
39	银川	98.8	99.7	99.2	99.4	99.2	99.4	99.8	99.7	99.6	99.7	
40	乌鲁木齐	100.2	101.5	101.6	102.2	102.1	102.2	101.7	100.9	101	100.4	
41	注：1.按照统计制度规定，我国CPI每五年进行一次基期轮换。每次基期轮换后，调查分类目录、代表规格品和调查网点均有调整，分类权数也有变化，以反映居民消费结构的最新变动。											
42	2.2016年1月-2020年12月编制和发布的是以2015年为基期的CPI。与前几轮基期相比，此轮基期8大类有显著变化，其中“食品”、“烟酒”合并为“食品烟酒”，“医疗保健和个人用品”拆分至“生活用品及服务”、“医疗保健”和“其他用品和服务”中，“娱乐教育文化用品及服务”拆分											
43	3.2021年1月开始编制和发布以2020年为基期的CPI。本轮基期仍分为食品烟酒、衣着、居住、生活用品及服务、交通通信、教育文化娱乐、医疗保健、其他用品及服务8个大类，基本分类增加至268个。											
44	数据来源：国家统计局											

Qinhuangdao				
Taiyuan	99.4	100.3	100.6	

Consumer Price Inc

	D	E	F	G	H
9	地区	2025年2月	2025年1月	2024年12月	2024年11月
10	Shenzhen	99.2	101	100.1	100
11					
12		transpose the data	calculate for further comparison		
13		(CPI, same month of previous yr=100)	with HK CPI data		
14	地区	Shenzhen	year-on-year percentage change		
15	2025年2月	99.2	-0.8		
16	2025年1月	101	1		
17	2024年12月	100.1	0.1		
18	2024年11月	100	0		
19	2024年10月	99.7	-0.3		
20	2024年9月	99.8	-0.2		
21	2024年8月	99.8	-0.2		
22	2024年7月	100	0		
23	2024年6月	100.3	0.3		
24	2024年5月	100.3	0.3		
25	2024年4月	100.2	0.2		
26	2024年3月	100.1	0.1		
27	2024年2月	101.3	1.3		

CPI changes of HK

Table 510-60001: Consumer Price Index (October 2019 to September 2020 = 100)

年	月	綜合消費物價指數 指數	綜合消費物價指數 按年變動百分率	綜合消費物價指數 按月變動百分率	甲類消費物價指數 指數	甲類消費物價指數 按年變動百分率	甲類消費物價指數 按月變動百分率
2022	1	102.3	+1.2	+0.2	103.9	+1.1	+0.2
	2	103.1	+1.6	+0.7	104.9	+1.6	+1.0
	3	103.3	+1.7	+0.2	105.1	+1.8	+0.1
	4	103.1	+1.3	-0.2	104.6	+1.1	-0.4
	5	102.9	+1.2	-0.2	104.3	+0.8	-0.3
	6	103.2	+1.8	+0.3	104.6	+1.8	+0.4
	7	103.3	+1.9	+0.2	104.8	+1.9	+0.2
	8	103.4	+1.9	0.0 [φ3]	104.8	+1.9	0.0 [φ3]
	9	103.5	+4.4	+0.1	105.0	+8.9	+0.2
	10	103.8	+1.8	+0.3	105.4	+2.0	+0.4
	11	104.0	+1.8	+0.1	105.5	+1.8	+0.1
	12	104.2	+2.0	+0.3	105.8	+2.1	+0.3
2023	1	104.8	+2.4	+0.6	106.6	+2.6	+0.7

Table 510-60001

香港特別行
政府統計
Statistics
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Table 510-6
2020 = 100)
Preset sequence
Statistics
Consumer Price Index (C)
Year-on-year percentage change
Monthly percentage change

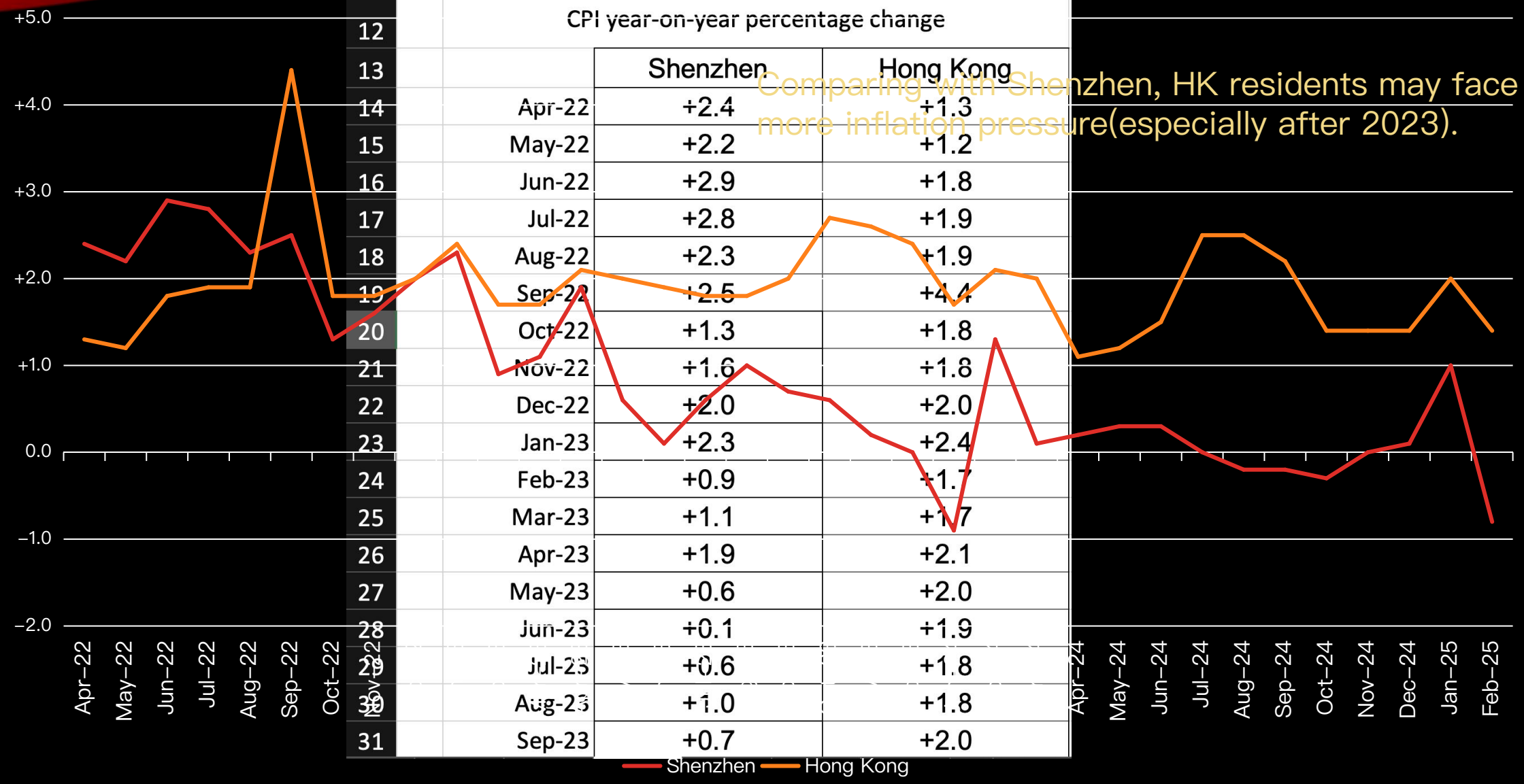
Combine & Visualize the data

Year–on–Year Percentage Change in CPI: Shenzhen vs. Hong Kong

2022.04 — 2025.02

CPI year-on-year percentage change

	Shenzhen	Hong Kong
Apr-22	+2.4	+1.3
May-22	+2.2	+1.2
Jun-22	+2.9	+1.8
Jul-22	+2.8	+1.9
Aug-22	+2.3	+1.9
Sep-22	+2.5	+4.4
Oct-22	+1.3	+1.8
Nov-22	+1.6	+1.8
Dec-22	+2.0	+2.0
Jan-23	+2.3	+2.4
Feb-23	+0.9	+1.7
Mar-23	+1.1	+1.7
Apr-23	+1.9	+2.1
May-23	+0.6	+2.0
Jun-23	+0.1	+1.9
Jul-23	+0.6	+1.8
Aug-23	+1.0	+1.8
Sep-23	+0.7	+2.0

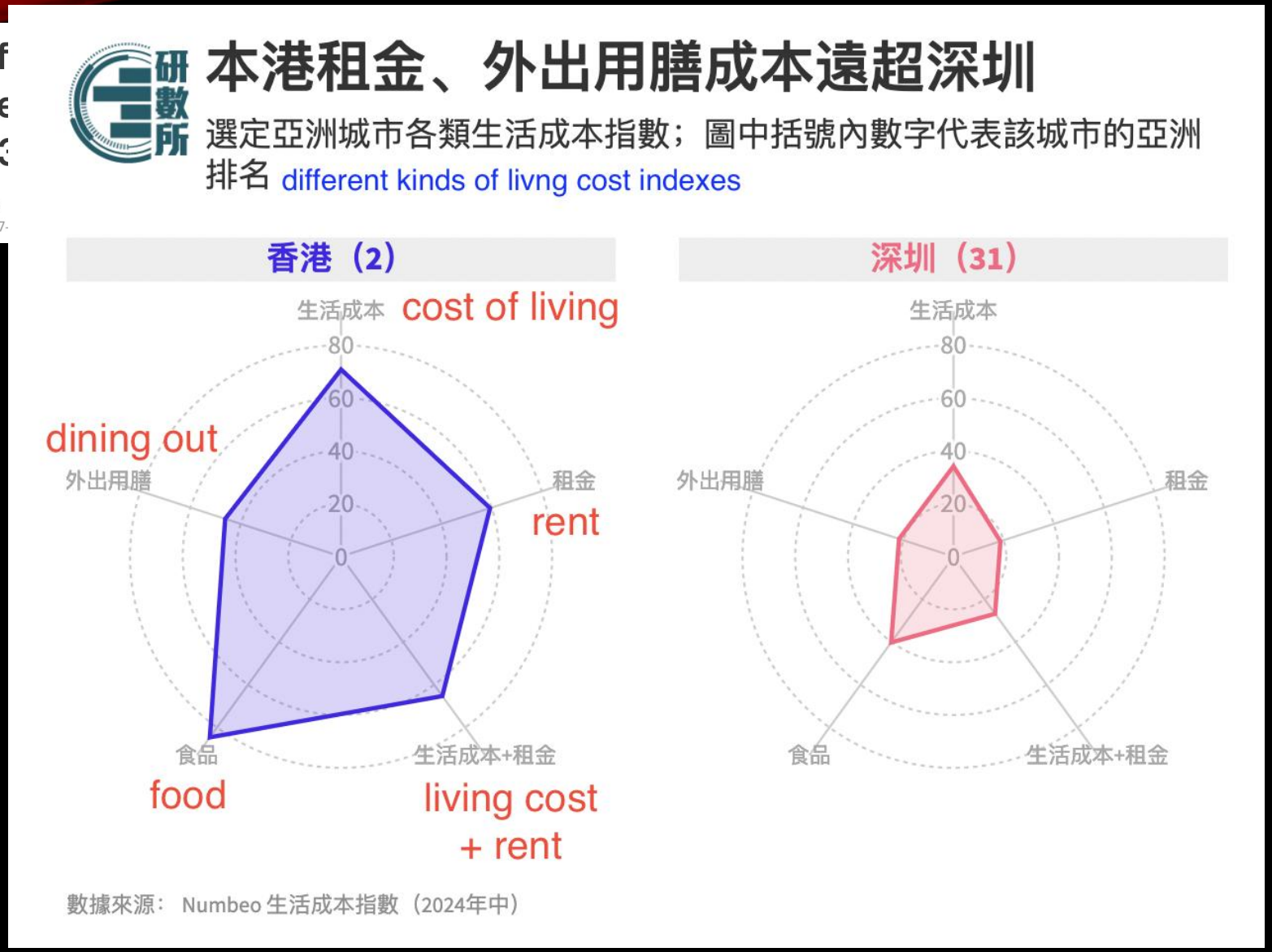


Comparing with Shenzhen, HK residents may face more inflation pressure(especially after 2023).

Numbeo Cost of Living Index Report in 2024

Cost of
Asia, se
only 1/3

Written by:Einstein
publishing:2024-07-



Note: The Numbeo cost of living index covers food, dining out, transportation, utilities, etc.

WHY ?

Potential Reason2: Consumption Experience

2.1: Sellers' Services
2.2: Transportation
2.3: Software & Hardware Environment of Shopping Centers
2.4: Public Convenience Services
2.5: Payment Convenience
2.6: Consumer Rights Protection

data extraction 2023《深港兩地消費滿意度調查》
(2023 SZ-HK consumer satisfaction report)

深圳發布港人來深消費滿意度調查報告　整體滿意率97.14%

2024-01-05 18:50:42　神州

廉」。港人消費者對深圳消費的整體滿意度較高，滿意率高達97.14%，在商家服務、交通出行、場所軟性環境、便民服務和場所硬件環境等七大項目中，「商家服務」滿意率最高，達到92.38%。

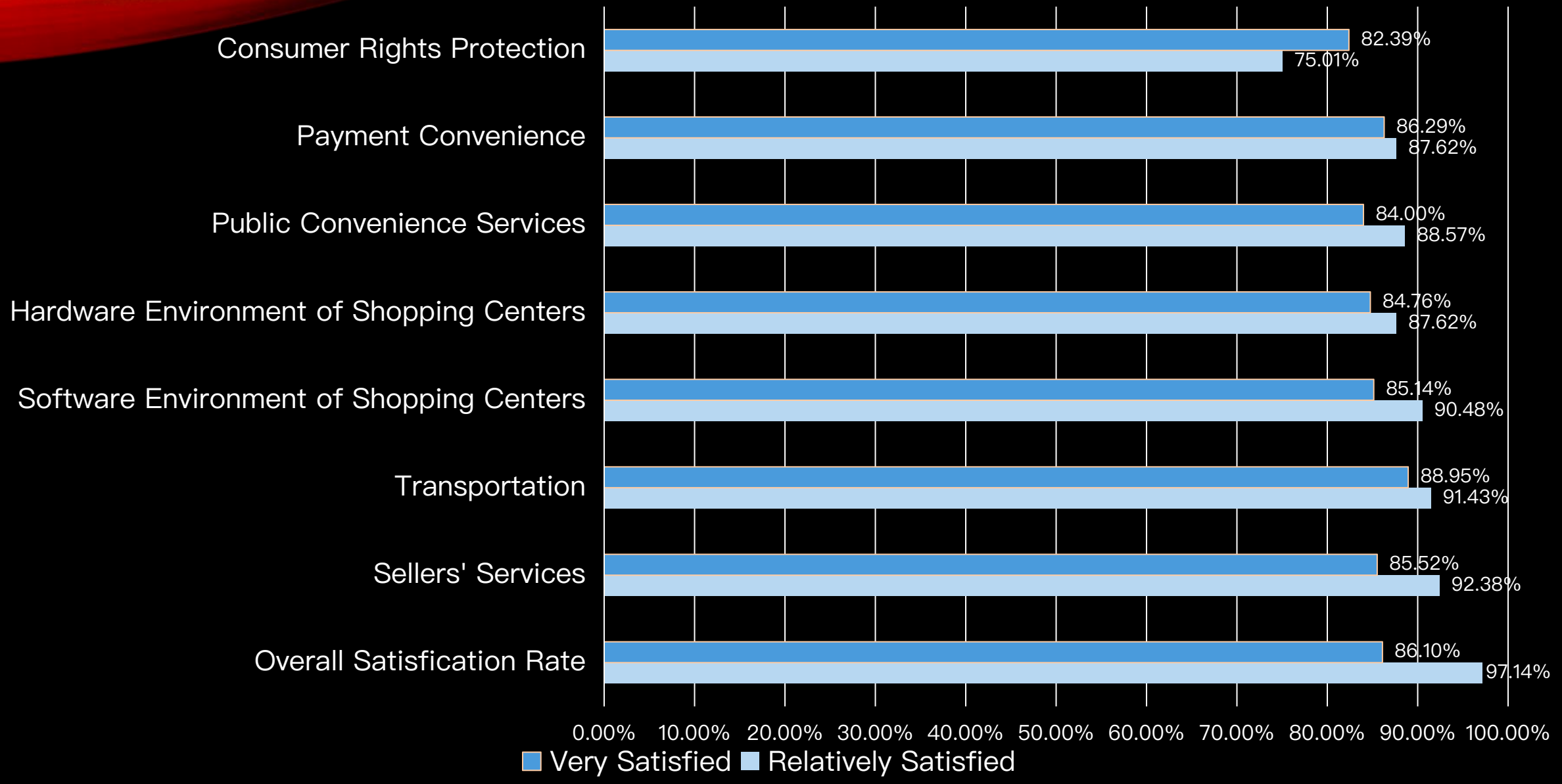
香港消費者普遍認可來深消費時的交通便利性，滿意率高達91.43%，

調查數據顯示，在場所軟性環境方面，香港消費者對各消費場所的滿意率高達90.48%；對深圳各類消費場所硬件環境感知方面滿意率為87.62%。有超5成的香港消費者在深圳消費時使用微信／支付寶進行支付，支付便捷性滿意率為87.62%。

在場所軟性環境方面，香港消費者對各消費場所的裝修裝扮、燈光溫度氣味、消費氛圍、衛生清潔等軟件環境也較為滿意，滿意率高達90.48%。在便民服務方面，香港消費者對於深圳市所提供的消費標識、便民設施、熱線諮詢、粵語/普通話等多語言專席服務消費諮詢、參觀指引等便民服務滿意度較高，滿意率為88.57%。

Aspects of Consumption Experiences in Shenzhen	Relatively Satisfied	Very Satisfied
Overall Satisfication Rate	97.14%	86.10%
Sellers' Services	92.38%	85.52%
Transportation	91.43%	88.95%
Software Environment of Shopping Centers	90.48%	85.14%
Hardware Environment of Shopping Centers	87.62%	84.76%
Public Convenience Services	88.57%	84.00%
Payment Convenience	87.62%	86.29%
Consumer Rights Protection	75.01%	82.39%

Satisfaction Rate of Hong Kong Residents' Shopping Experience in Shenzhen



Payment Convenience -- HK

Especially digital payment

表3.8：按年齡組別劃分的曾使用流動支付的15歲及以上人士數目

統計年份			2022			2023		
			人數			人數		
			千人	百分比（%）	比率（%）(1)	千人	百分比（%）	比率（%）(1)
資訊科技使用 / 活動類別	年齡組別 age group							
曾使用流動支付 (2)	≥15	15-24	415.6	11.3	73.2	458.3	11.2	79.1
have used mobile payment		25-34	770.9	20.9	89.3	805.0	19.6	93.1
		35-44	829.8	22.5	84.4	901.3	22.0	89.7
		45-54	773.6	21.0	74.1	865.6	21.1	80.1
		55-64	652.1	17.7	54.5	731.2	17.8	60.3
		≥65	247.6	6.7	16.8	339.5	8.3	21.6
		≥15	3 689.5	100.0	60.2	4 100.9	100.0	64.9

註釋：

1 在個別年齡組別中佔所有人士的百分比。

2 指使用智能手機或平板電腦等流動設備進行以官方貨幣結算的付款。

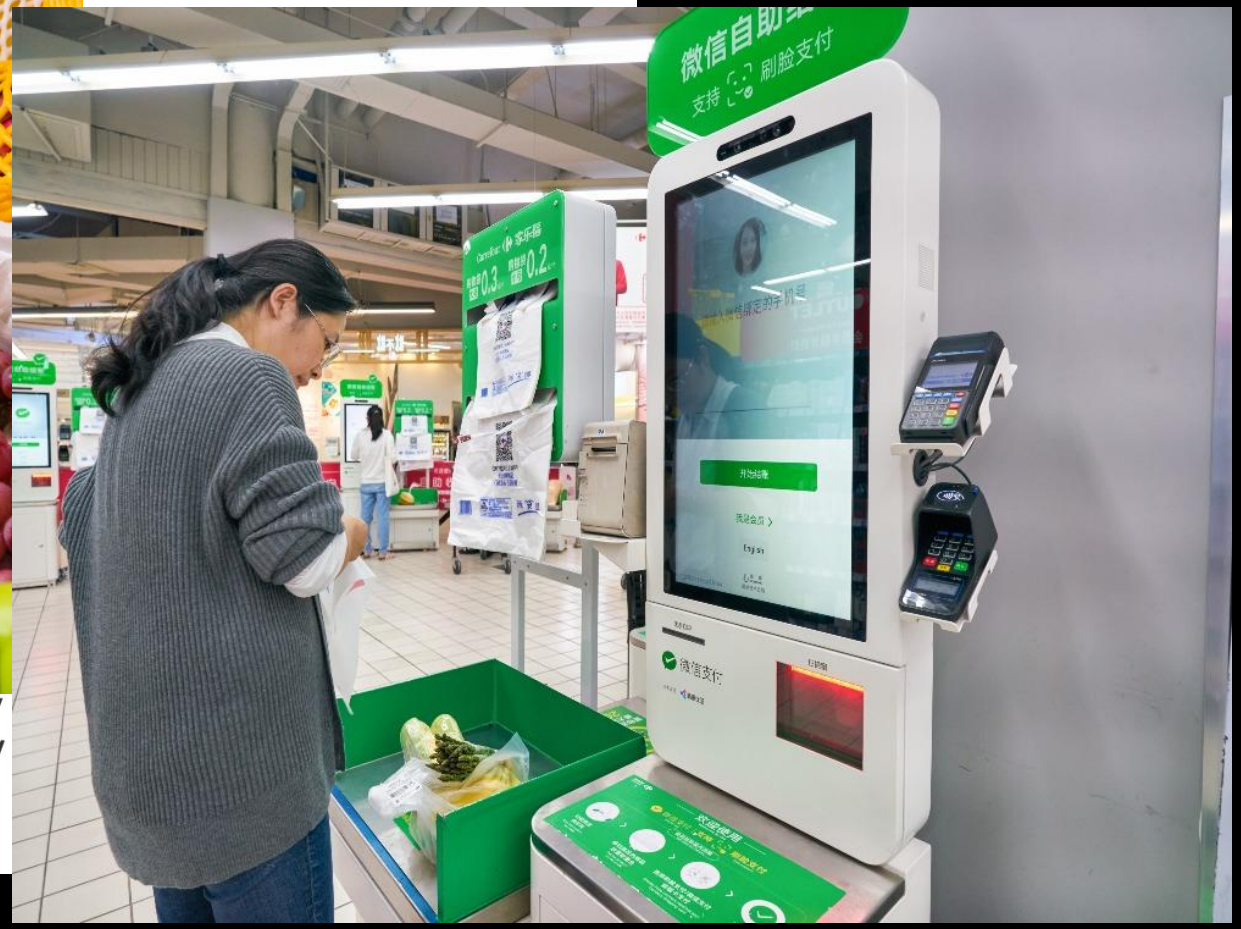
mobile payment: use mobile devices such as smart phone/PC to pay

Payment Convenience — Shenzhen (Mainland)

息化基础、商业消费支付和政务民生服

suggesting that electronic payments should be continuously
that the entire transaction should be promoted electronically

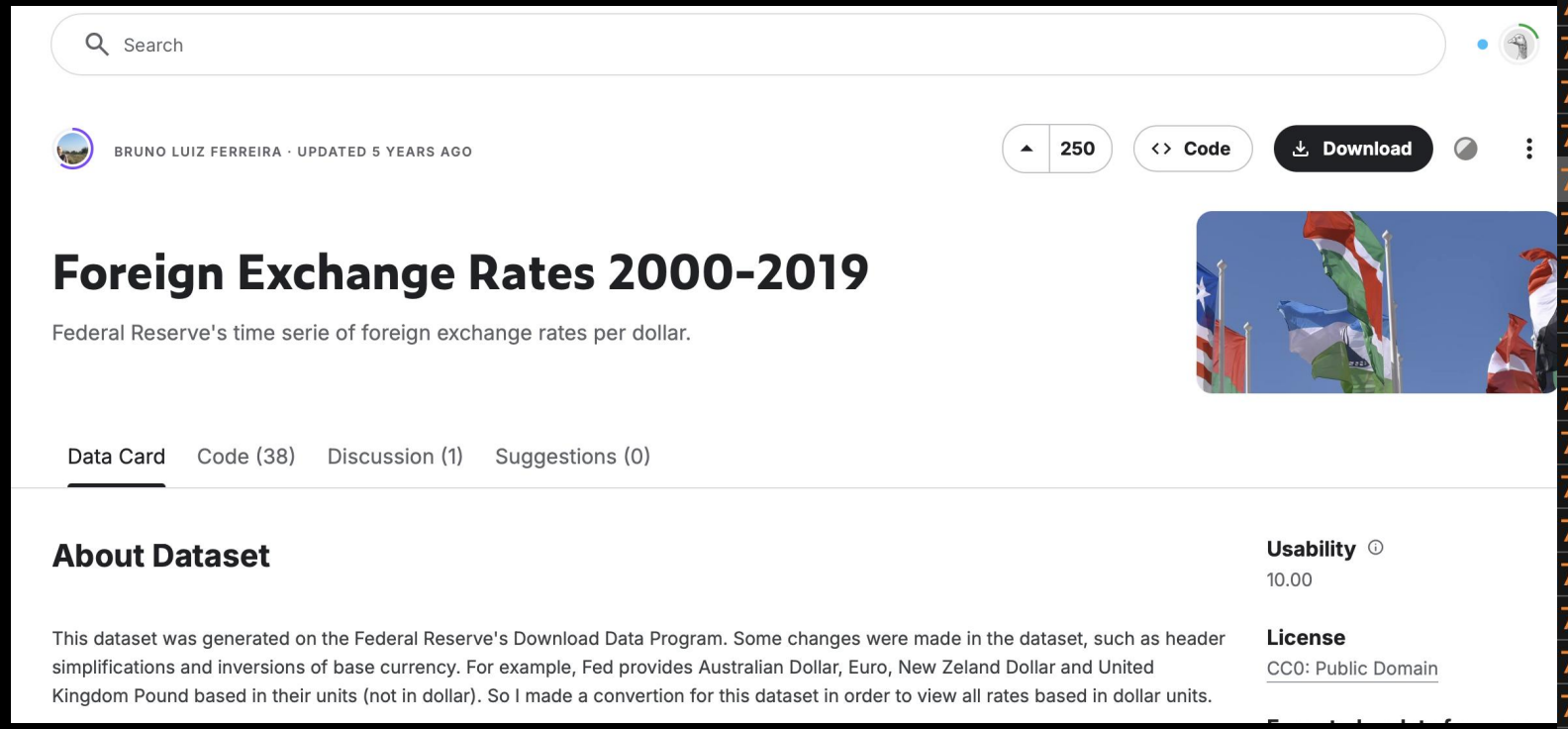
continues to increase, up 11% from last year, and has exceeded 90%.



WHY ?

Potential Reason3: the fluctuation of exchange rate?

Does Higher CNY:HKD → an incentive for consumption ?



	A	K	P	Q
1	date	CNY	HKD	CNY:HKD
709	1/1/2019	7.935703	9.042201	0.8776296
710	2/1/2019	7.79341499	8.89918	0.8757453
711	3/1/2019	7.835374	8.929251	0.8774951
712	4/1/2019	7.839584	8.940399	0.8768718
713	5/1/2019	7.823507	8.92672	0.8764145
714	6/1/2019	7.824807	8.92837	0.8763982
715	7/1/2019	7.857279	8.9855	0.8744398
716	8/1/2019	7.841288	8.967994	0.8743637
717	9/1/2019	7.857225	9.032768	0.8698579
718	10/1/2019	7.81977	9.029232	0.8660504
719	11/1/2019	7.762218	8.997949	0.8626653
720	12/1/2019	7.752575	8.988911	0.8624599
721	13/1/2019	7.753069	8.990374	0.8623745
722	14/1/2019	7.768417	9.001422	0.8630211
723	15/1/2019	7.702458	8.934312	0.862121
724	16/1/2019	7.708305	8.94703	0.861549
725	17/1/2019	7.713645	8.928531	0.8639322
726	18/1/2019	7.702454	8.911996	0.8642793
727	19/1/2019	7.700005	8.912492	0.8639565
728	20/1/2019	7.699981	8.912489	0.8639541
729	21/1/2019	7.729726	8.9198	0.8665806

exchanges

Data from Kaggle

Total HK Residents Traveling Across the Border on a Daily Basis

Correlation & Regression Analysis

Exchange rate & Cross-border population (HK residents)

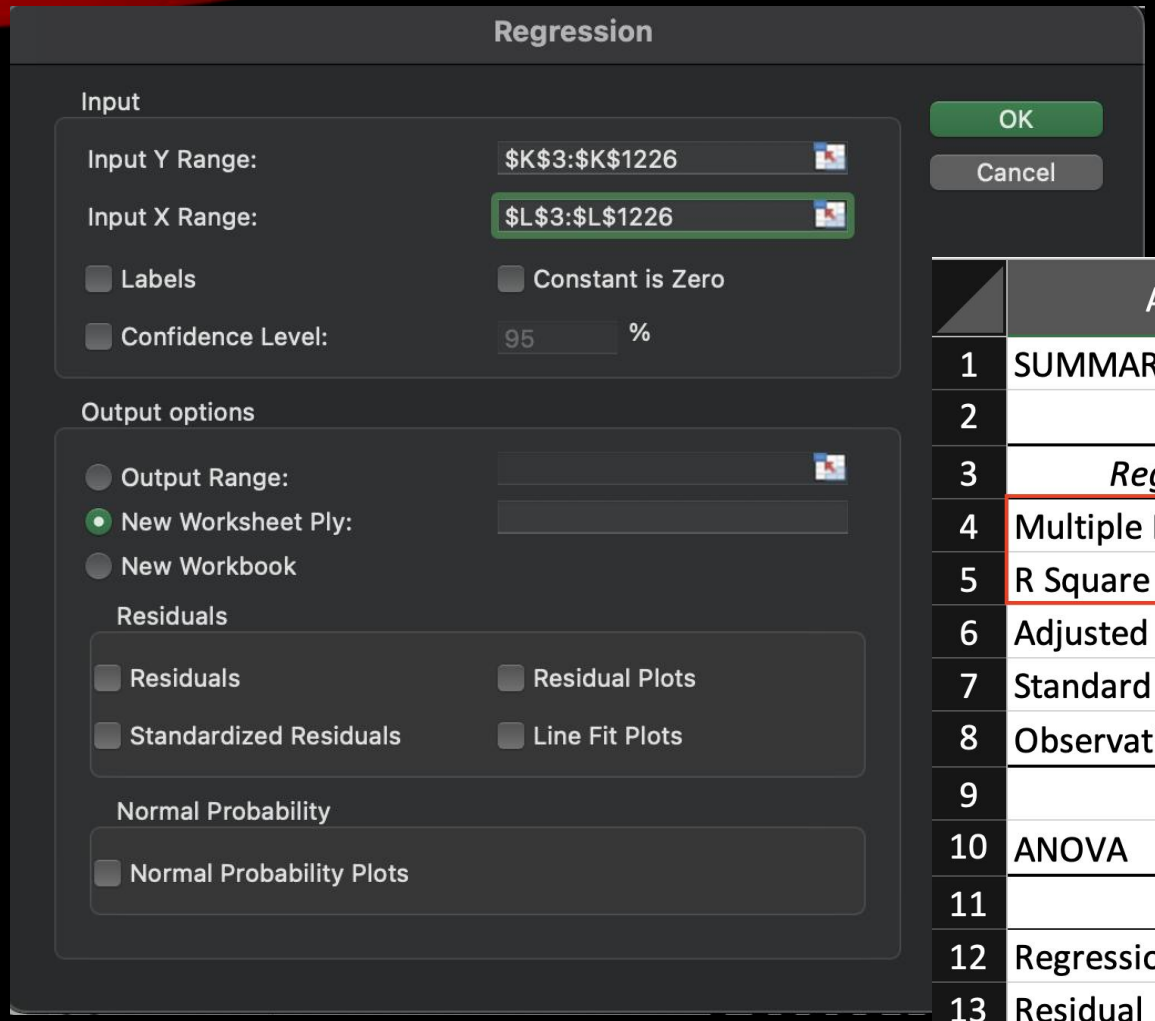
J	K	L
Date	Total HK Residents	Exchange Rate
24/1/2020	397448	0.892655222
25/1/2020	272585	0.893041382
26/1/2020	285064	0.892492855
27/1/2020	267947	0.892073961
28/1/2020	270692	0.892199979
29/1/2020	274218	0.892639785
30/1/2020	200585	0.893205792
31/1/2020	184050	0.893331973
1/2/2020	180969	0.893392085
2/2/2020	179740	0.893427413
3/2/2020	173768	0.903802859
4/2/2020	89221	0.901158518
5/2/2020	80783	0.898221806
6/2/2020	111342	0.897953137
7/2/2020	117638	0.901664369
8/2/2020	41027	0.901544338
9/2/2020	45708	0.901476635
10/2/2020	37301	0.899307763
11/2/2020	30663	0.897019032
12/2/2020	31552	0.897281041
13/2/2020	30716	0.89839483
14/2/2020	31667	0.899551724
15/2/2020	32669	0.900417368
16/2/2020	35221	0.899449151
17/2/2020	29924	0.898639015

Since some of 2019's cross-border data is discrete(missing), we start from 2020.

fx =CORREL(K:K, L:L)

I	J	K	L	M	N
	Date	Total HK Residents	Exchange Rate		Correlation index
	24/1/2020	397448	0.892655222		0.231133996
	25/1/2020	272585	0.893041382		
	26/1/2020	285064	0.892492855		
	27/1/2020	267947	0.892073961		
	28/1/2020	270692	0.892199979		

Correlation & Regression Analysis



Why? — exchange rate is not widely integrated into people's life, maybe can't significantly affect people's decision making in consumption.

Weak correlation

	A	B	C	D	E	F
1	SUMMARY OUTPUT					
2						
3	*Regression Statistics*					
4	Multiple R	0.22936185				
5	R Square	0.05260686				
6	Adjusted R Square	0.05183158				
7	Standard Error	106402.799				
8	Observations	1224				
9						
10	ANOVA					
11		*df*	*SS*	*MS*	*F*	*Significance F*
12	Regression	1	7.6823E+11	7.6823E+11	67.8552305	4.4833E-16
13	Residual	1222	1.3835E+13	1.1322E+10		
14	Total	1223	1.4603E+13			

ANY SOLUTIONS?

The North-To-North Consumer Fever Will Continue.

Li Zhaobo, an honorary teaching and research scholar at the Asia-Pacific Institute of Industry and Commerce of CUHK Business School, said that it is observed that if Hong Kong people go back and forth between the two places on the same day, catering and massage in the mainland, the consumption per person can reach 500 Hong Kong dollars. If the total consumption in the month is as high as 2.3 billion yuan based on the number of Hong Kong people going north in July.

Li Zhaobo believes that the consumption of Hong Kong people going north will continue, mainly because the price in Shenzhen is only 50% to 70% off in Hong Kong, and the service and environment are also much superior, which is superimposed on the motive of the appreciation of the Hong Kong dollar. He took eating in Hong Kong on weekends as an example. Many restaurants have time limits, and the in-store environment is relatively crowded, and many of them "add one" or even 15%. In the mainland, such as Shenzhen and Guangzhou, there is not only no time limit, but the in-store decoration environment is also comfortable and spacious, and there are few cases of additional service fees. "Some friends around me with high consumption power also feel You have to choose to go north instead of spending in Hong Kong.

'At present, it is quite difficult for Hong Kong people to stay in Hong Kong on weekends!" Li Zhaobo believes that it may take until Hong Kong experiences a long "adjustment period" until restaurants close down, no one rents shops, rents are lowered, and restaurant prices are significantly lowered and even at a level comparable to Beishang consumption, there will be a turning point.

ANY SOLUTIONS?

The SAR government should consider from the entire Greater Bay Area's perspective; we shouldn't support integration when it benefits Hong Kong and resist it when it doesn't. The trend of integration between Hong Kong and the mainland is irreversible.

ANY SOLUTIONS?

Short-term shocks are painful and competition is fierce. For Hong Kong to find its survival space in the market, sellers' must have the courage to transform and change their business models. They need to find ways to cut costs or innovate.

Personal Thoughts

- improve overall service quality
- improve qualities of software & hardware facilities in shopping centers
- develop night market economy
- continue promoting digital payment

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THANK YOU FOR LISTENING!