**Assignment 4**

**1.Define functional requirements and information requirements**

Revisiting persona:

I have reconstructed the project persona to young couples in their 30s who treat their pet as their ‘family member’. These people are affluent, and willing to spend money to spoil their ‘child’ with lifestyle products that can provide comfort for pets. They actively want to enrich the pet’s lifestyle and thinks that their pet’s life should be as colorful as the theirs.

Problem statement redefined:

**How might we** help affluent pet owner couples who treat their pet as part of their family to **address the problem of** not having a one stop source of information to make informed choices that are best for the pet and the owners **to achieve the goal of** deepening the overall pet ownership experience and lifestyle while maximizing the quality time spent with their pets.

The project will provide one stop information on local pet-related business/start-ups that promotes an authentic, personalized and luxurious lifestyle for the pet and its owner. I will focus on gathering small businesses that are authentic, organic and supplies high quality food, accessories and services (reasonable pricing!) to help local owners explore their options that are not mainstream. People who values authenticity tend to stay away from mass production from big companies. They think that it is a ‘rip off’ and are usually overpriced for what it sells. Handmade, fresh and customized products are considered as the more superior lifestyle option for both the owner and the pet. These small businesses may include pet bakery, freshly made treats, customized leash and bowtie, pet clothing, pet birthday cakes, in-house grooming etc. To further enhance the experience of owning a pet, gathering information and providing recommendations on ‘pet-friendly hotels for your next staycation’, ‘Fine dining with your furry friend’ ‘Pet themed parks and party rooms’ or ‘Planning the next Spa day for your pet’ are information that will be presented. The goal is to address the needs of both the supplier and consumer through this exchange of information while providing a solution best fit for the consumer. A focus on ‘lifestyle’ will make this project sustainable in the long run.

**2.Research:**

Through my research, I have found 3 key drivers for a booming pet economy that justifies why I chose my persona and the driving force behind my project idea:

* Changing demographics**:**
  + Decreasing birth rates in recent years and the tendency of late marriage have seen a shift in the city’s demographics
  + Couples have sought companionship by welcoming four-legged friends to their homes
* Changing attitudes towards pet raising
  + More people regard pets as part of their family, taking care of them like human beings (59.1 % of pet owners regard their pets as their children while 27.8 % regard them as relatives)
  + Pet owners also put strong emphasis on the beauty and wellness of their furry kids
  + Opened doors for companies to introduce numerous discretionary pet products and services.
* Social media enables start-ups to run pet-related businesses at lower costs
  + The start-up and marketing costs of a pet-related business can be substantially lowered
  + Entrepreneurs have been able to introduce diverse pet-related services and e-commerce such as pet sitters, pet Airbnb, pet psychic communicators and on-site pet grooming.

According to the *Thematic Household Survey Report No.66* conducted by the Census and Statistic Department of Hong Kong in June 2019, research shows that for households keeping dogs, 85% of the interviewees lives in private housing and 44.3% has a monthly household income greater than or equal to 40,000 HKD. It is interesting to see that pet ownership is the highest among the more affluent families. Furthermore, the rising pet ownership in HK opens up a host of retail opportunities. Findings suggested that today’s devoted pet owners spend a lot of money on their furry kids, spoiling them with luxury products and services, as consumption patterns have become increasingly “humanized and preimmunized”. From my research, I can conclude that there is definitely a growth potential of this niche market that is worth exploring.

**Potential sources on information include:**

Finding small business through Instagram hashtags and navigating through local pet Instagram accounts to look for collaborations between shops and pet (pet as brand ambassador). Small businesses’ website (e.g. Three dog bakery at Happy Valley) is another source of information. Pet-a-hood website provides information on variety of pet-related online/offline businesses. Lifestyle blogs (Sassy HK, Timeout, klook) provides information on local experiences and activity to do with pet.

**Strategy for Information that cannot be obtained:**

Some of the information for small businesses online have very limited information. However, as social media enables start-ups to run pet-related business as their main driving force, it is easy for me to directly contact such small businesses through their social media channels i.e. Instagram/Facebook account. Furthermore, to further understand the business, going through reviews and contacting people who have first-hand experience of their product/services (e.g. such as tagging or posting about the business) might be useful to gauge customer’s perception with this kind of authentic and local start-ups. Personally visiting Hong Kong’s pet mall ‘Petoyo’ (potential competitor) can be beneficial as there are no online information available as this time.

Useful Links:

<https://www.chinadailyasia.com/article/145581>

<https://www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=C0000034&scode=430>

<https://www.scmp.com/property/hong-kong-china/article/2134862/pet-theory-rising-ownership-hong-kong-opens-host-retail>