



Air Cargo Survey 2010 - Summary Report

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Background & Research Objectives

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Background

The Airport Authority Hong Kong has tracked satisfaction levels for the services and facilities provided by Asia Airfreight Terminal (AAT) and Hong Kong Air Cargo Terminals Limited (Hactl) as well as the expectations of air cargo terminal users on a regular basis. The Authority has commissioned Cimigo to conduct the survey in January 2010 on its behalf.

Research Objectives

The survey was aimed at providing user feedback to the two Cargo Terminal Operators (CTOs). Specifically, the objectives of the survey were:

- to gauge satisfaction levels for the air cargo terminal services and facilities among various types of users;
- to compare results with past surveys and identify any changes in perception of service levels over time; and
- to better understand the needs of different types of users and suggestions for further service enhancement.

Research Design

The background is a solid blue color with several overlapping, semi-transparent circular and oval shapes in various shades of blue, creating a layered, abstract effect. The shapes are positioned primarily in the upper right and middle right areas of the frame.

Research Design - I

Fieldwork Dates

Survey fieldwork was conducted between 21 January and 3 March, 2010.

Target Respondents

The survey covered the following CTO users:

- operation managers of Airlines, Freight Forwarders and Truckers, or persons in similar job functions working in back offices
- staff of Freight Forwarders and Truckers working in the operational areas of the CTOs

Data Collection Methods

To maximize response, data were collected from the various types of users through the following approaches:

- Online survey/ Telephone interviews with operation managers/ staff in back offices
- Face-to-face interviews with staff working in the operational areas of CTOs

Research Design - II

Sampling

➤ The effective sampling composition was as follows:

	TOTAL	Airlines	Freight Forwarders	Truckers
Telephone interviews	267	-	211	56
Face-to-face interviews	154	-	48	106
Online survey	66	66	-	-
TOTAL	487	66	259	162

Research Design - III

Scope of Evaluation

- Dependent on the user type, respondents were invited to provide ratings on different combinations of service aspects as shown in the following table:

	Airlines	Freight Forwarders	Truckers
- Cargo Terminal Services	✓	-	-
- Facilities	✓	-	-
- Transshipment	✓	-	-
- Cargo Security	✓	✓	-
- Cargo Protection	✓	✓	-
- Use of IT	✓	✓	✓
- Safety	✓	✓	✓
- Customer Services	✓	✓	✓
- Import	-	✓	✓
- Export	-	✓	✓

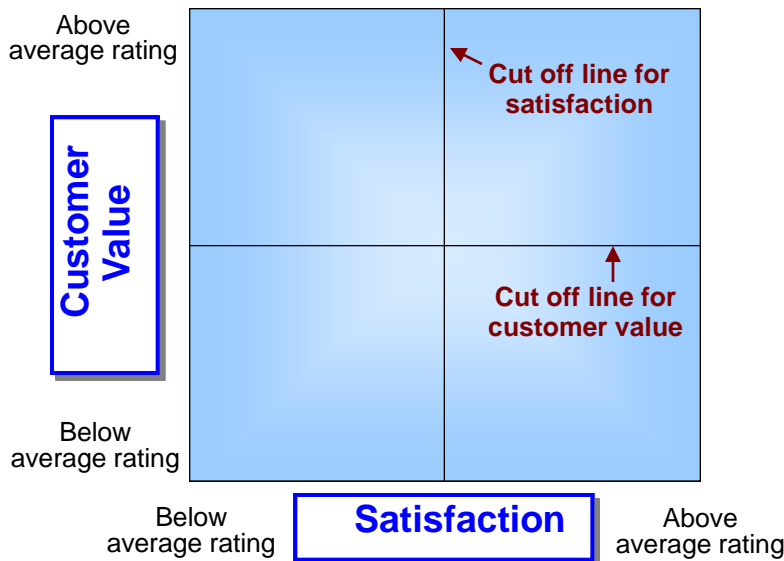
Notes

1. Since the two CTOs are different in scale, facilities and customer base, comparisons of ratings between the operators are not expected.
2. Rating Scale: A 10-point rating scale was used to represent importance and satisfaction levels for the various aspects of services, where
 - 7-10 points: important/ satisfied
 - 5-6 points: average/ acceptable
 - 1-4 points: unimportant/ dissatisfied

Notes

3. In the Quadrant map for comparing importance with satisfaction, the cut off lines denotes the average performance of customer value for service areas and the average performance of satisfaction for respective user groups.

Take Freight Forwarders as an example, average performance of customer value for the service areas is the simple average of the importance rating for each service area:



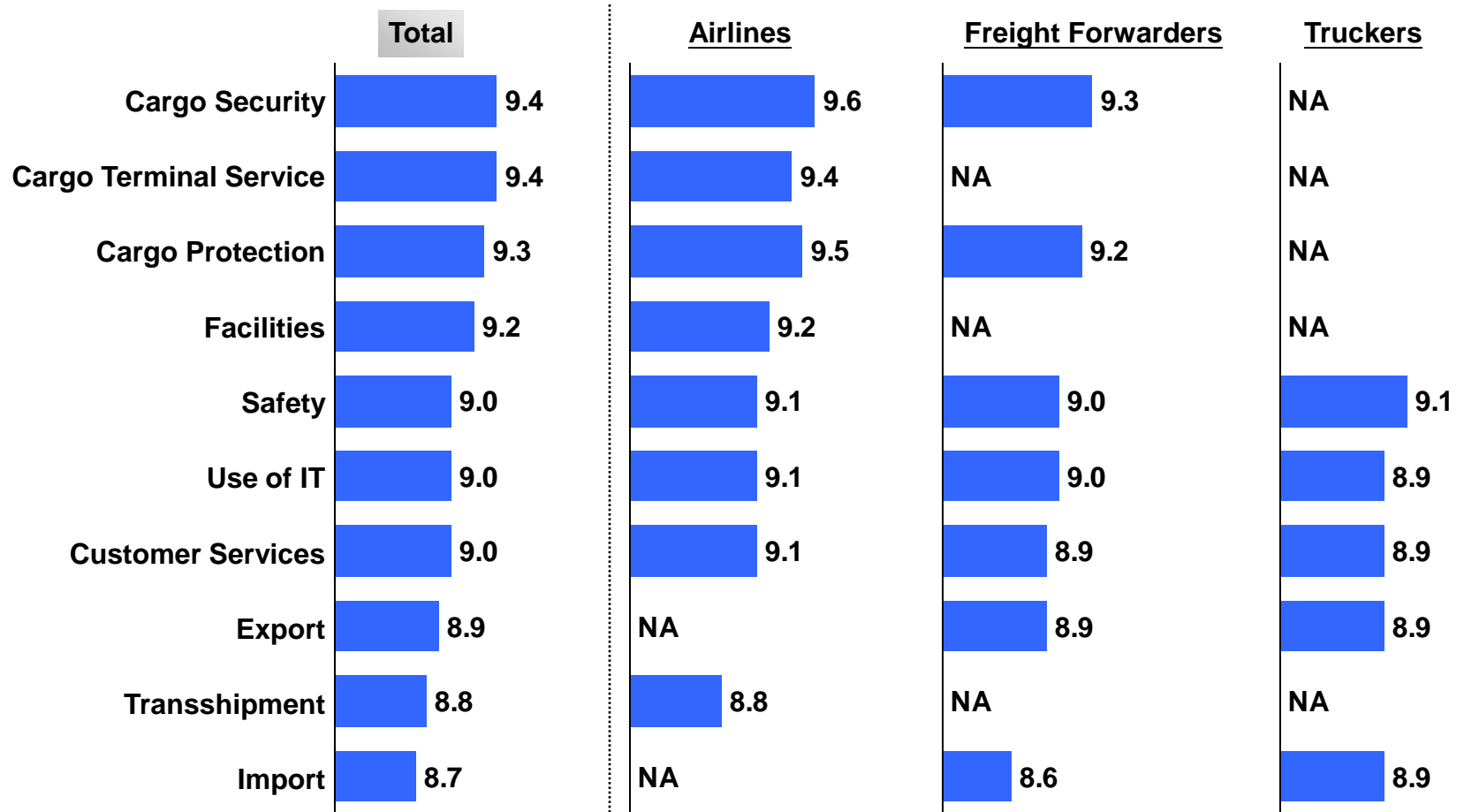
Cargo Security:	9.3 points
Cargo Protection:	9.2 points
Use of IT:	9.0 points
Safety:	9.0 points
Customer Services:	8.9 points
Export:	8.9 points
Import:	8.6 points
Average:	9.0 points

As each user group has its own set of service areas, the cut off lines for each user group will be different.

Customer Value of Service Areas

Customer Value of Service Areas by User Types

- Cargo Security and Cargo Protection were considered to be most important aspects of CTO services by Airlines and Freight Forwarders.
- Safety was the primary concern of Truckers.



Base: All respondents

n=487

n=66

n=259

n=162

Customer Value of Service Areas - Overall

- Cargo Security, Cargo Protection, Cargo Terminal Services and Transshipment were all perceived to be more important than in 2008.
- Changes in importance of other service areas were marginal.

Range

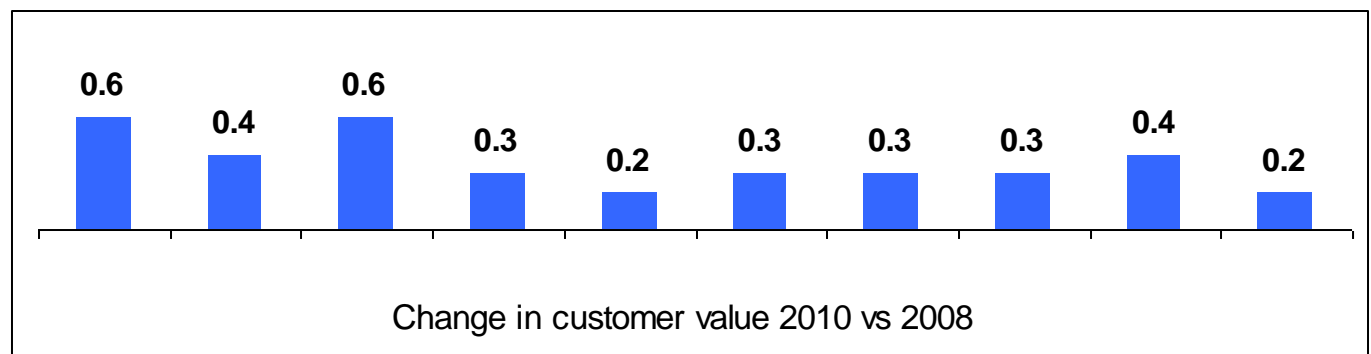
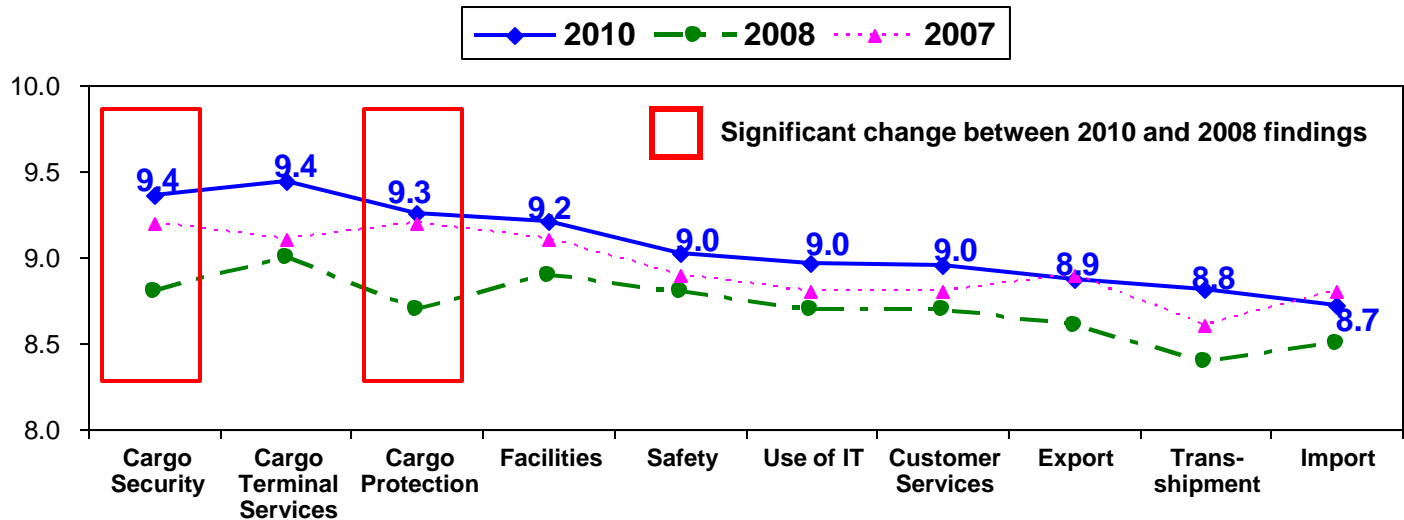
- 8.7 to 9.4

Most Significant Changes

- Cargo Security (+0.6)
- Cargo Protection (+0.6)

Perceived Importance

- Increased overall



Customer Value of Service Areas - Airlines

- Cargo Protection, Cargo Security, Cargo Terminal Services and Transshipment were all perceived to be more important than in 2008.
- Changes in importance of other service areas were marginal.

Range

- 8.8 to 9.6

Most Important

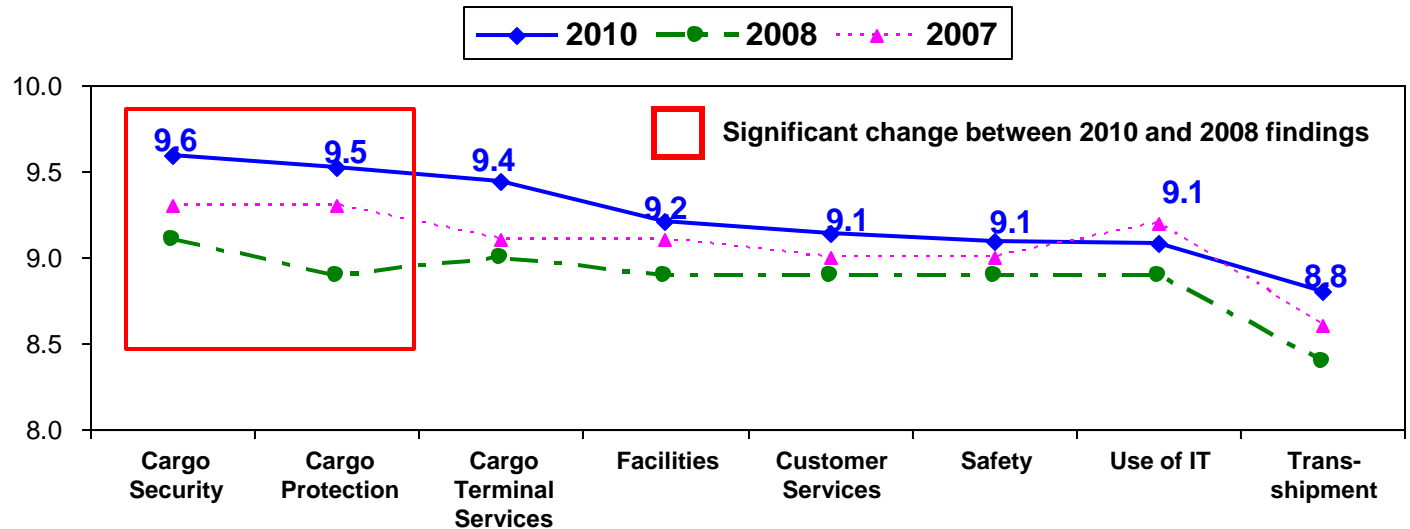
- Cargo Security (9.6)

Most Significant Change

- Cargo Protection (+0.6)

Perceived Importance

- Increased overall



Customer Value of Service Areas - Freight Forwarders

- Perceived importance of all service areas increased, but relative importance of attributes remained the same.

Range

- 8.6 to 9.3

Most Important

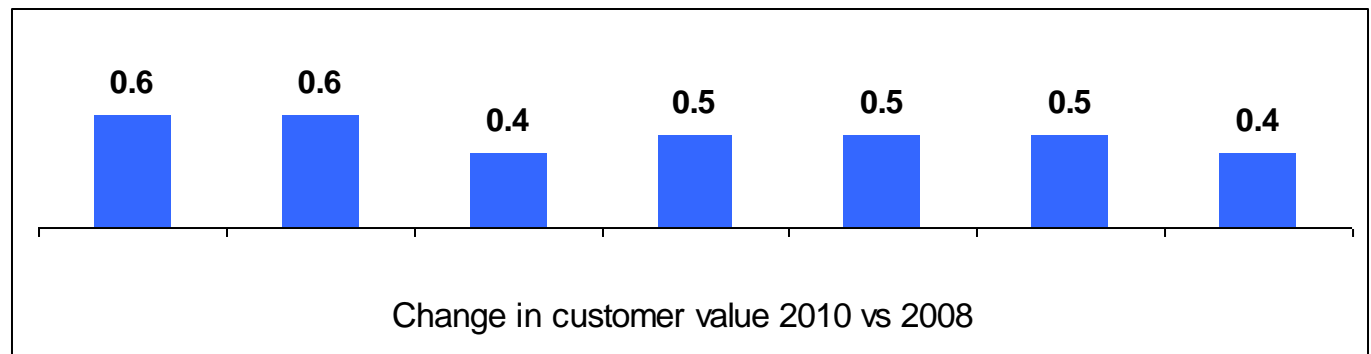
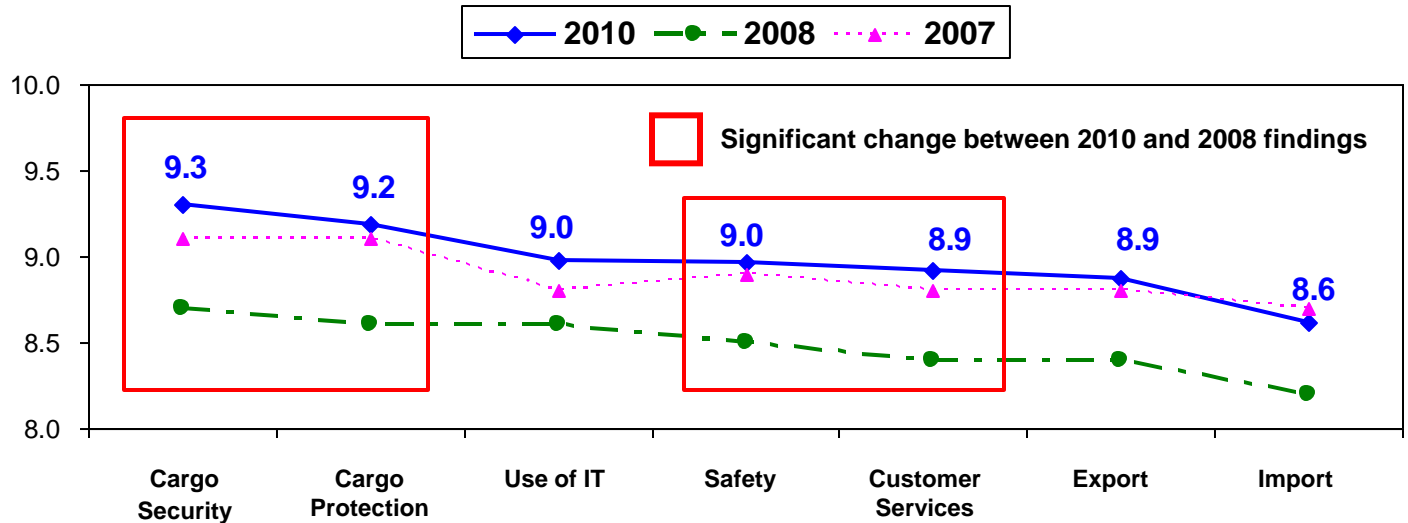
- Cargo Security (9.3)

Most Significant Change

- Cargo Security (+0.6)
- Cargo Protection (+0.6)

Perceived Importance

- Increased overall



Customer Value of Service Areas - Truckers

- Importance of all service areas was largely unchanged.

Range

- 8.9 to 9.1

Most Important

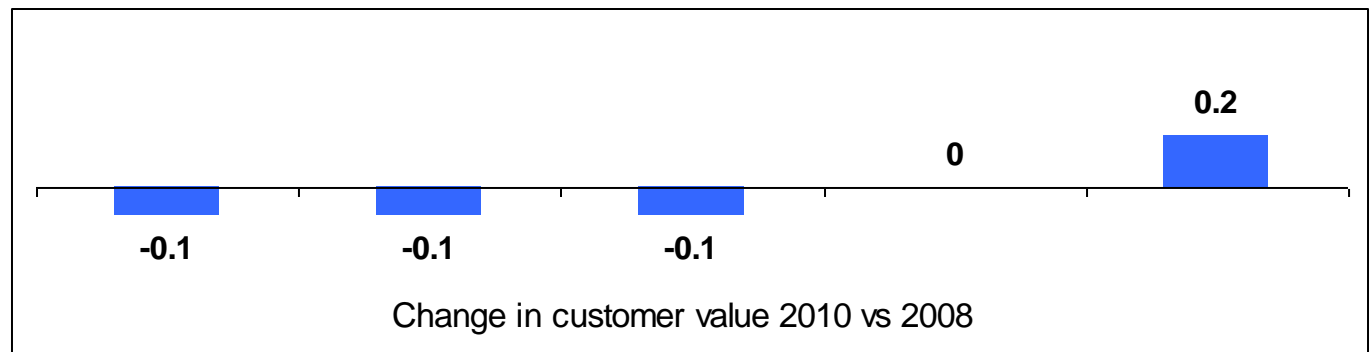
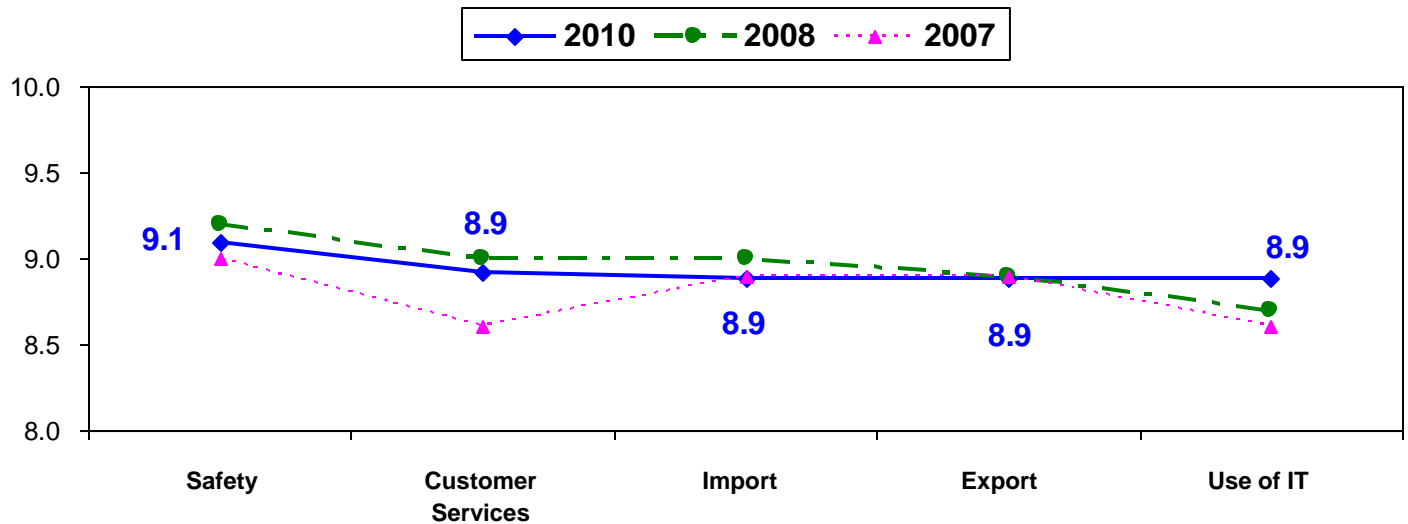
- Safety

Most Significant Change

- Use of IT (+0.2)

Perceived Importance

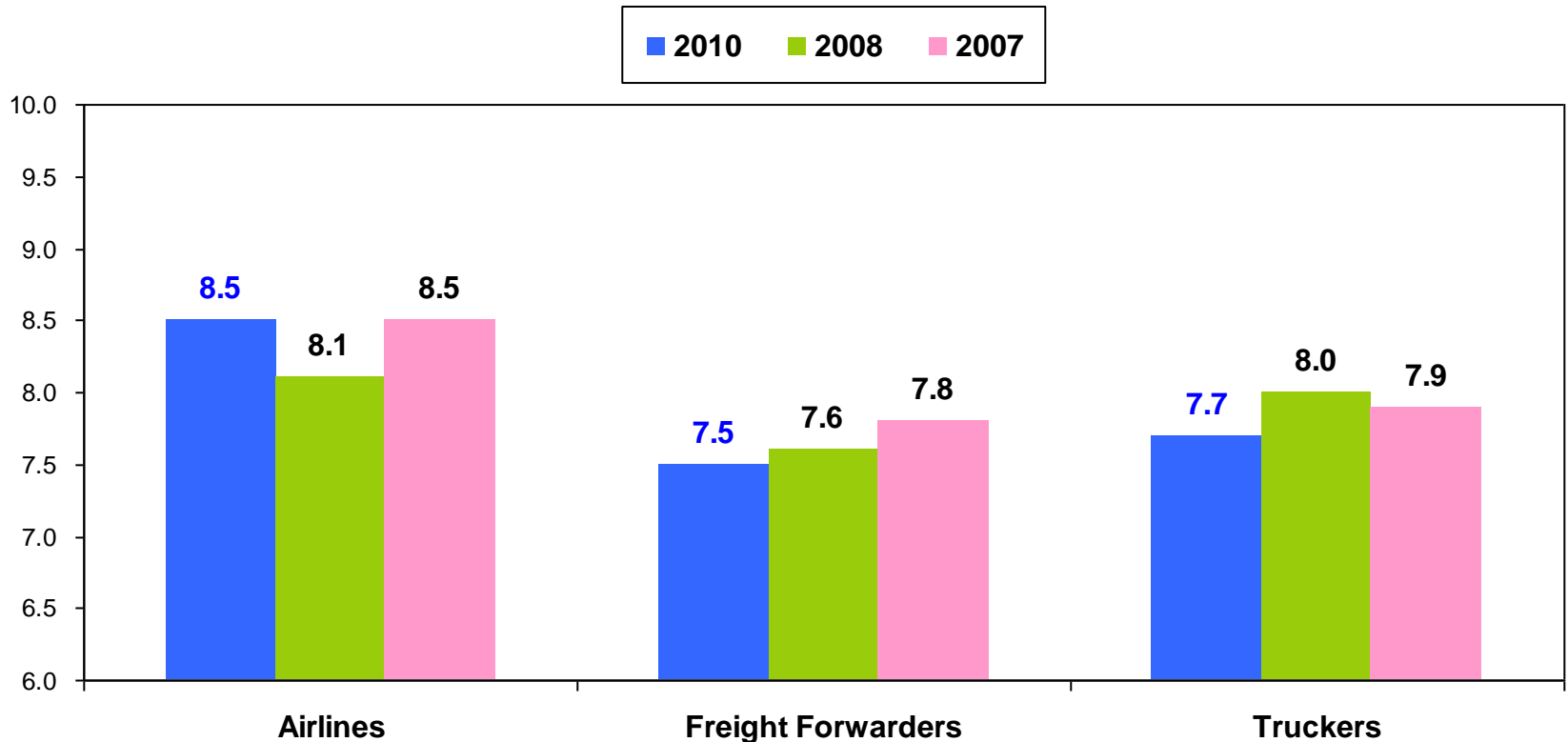
- Little changed



Overall Satisfaction with AAT

Overall Satisfaction with AAT

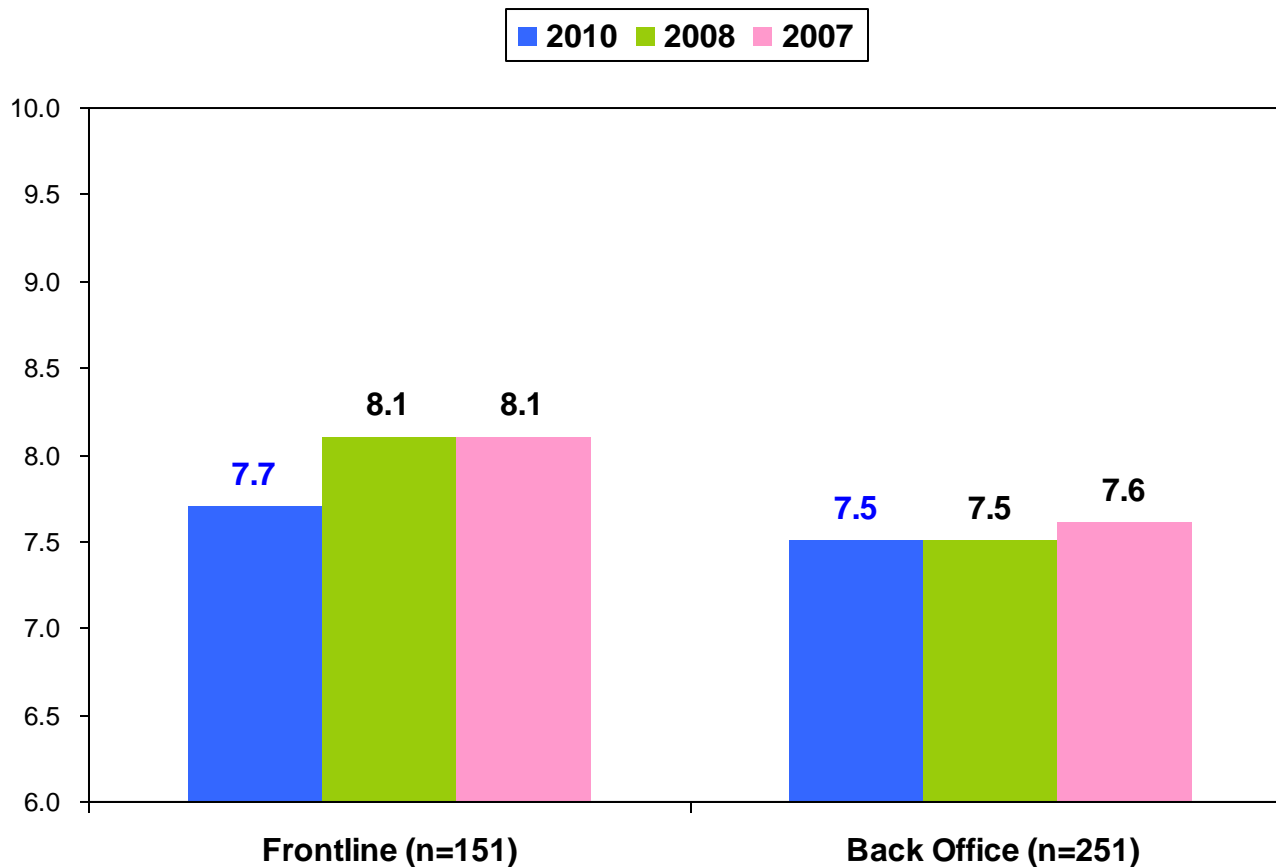
- Satisfaction of Airlines (+0.4) rebounded from 2008 level. Airlines (8.5) remained the most satisfied users among the three types of users.
- There was some marginal decline in satisfaction of Freight Forwarders over the past three years. Freight Forwarders (7.5) remained the least satisfied users.
- Truckers (-0.3) recorded some decline in satisfaction from 2008



Overall Satisfaction with AAT

- Frontline vs. Back Office

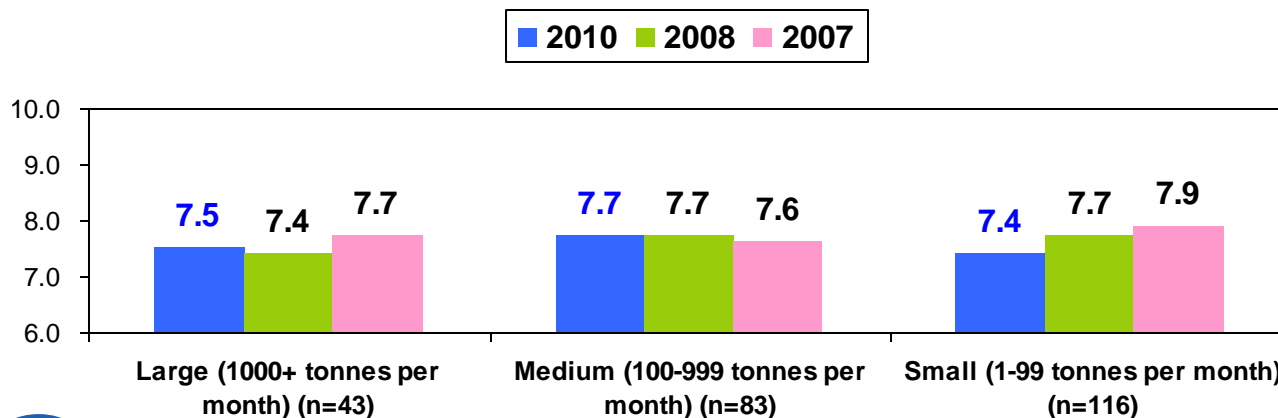
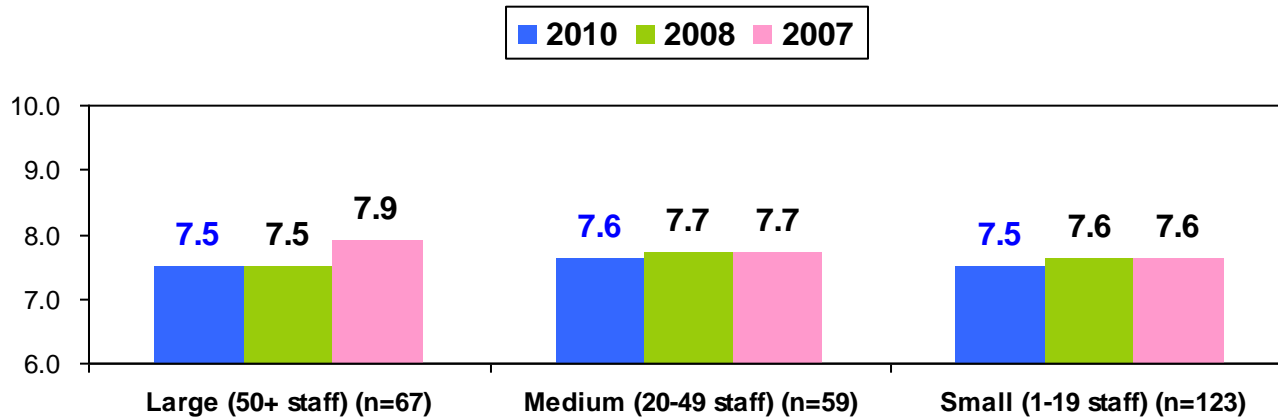
- Satisfaction of Back Office managers and staff had change a little over the past three years.
- Frontline staff (-0.4), consisting of mostly Truckers, were less satisfied than they were in 2008, but were marginally more satisfied than Back Office staff.



Overall Satisfaction with AAT

- Freight Forwarders by company size

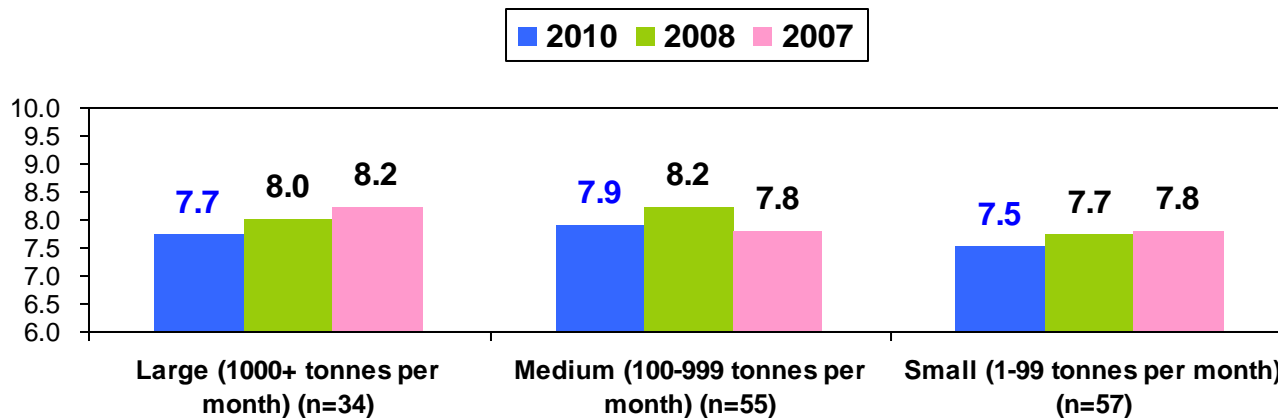
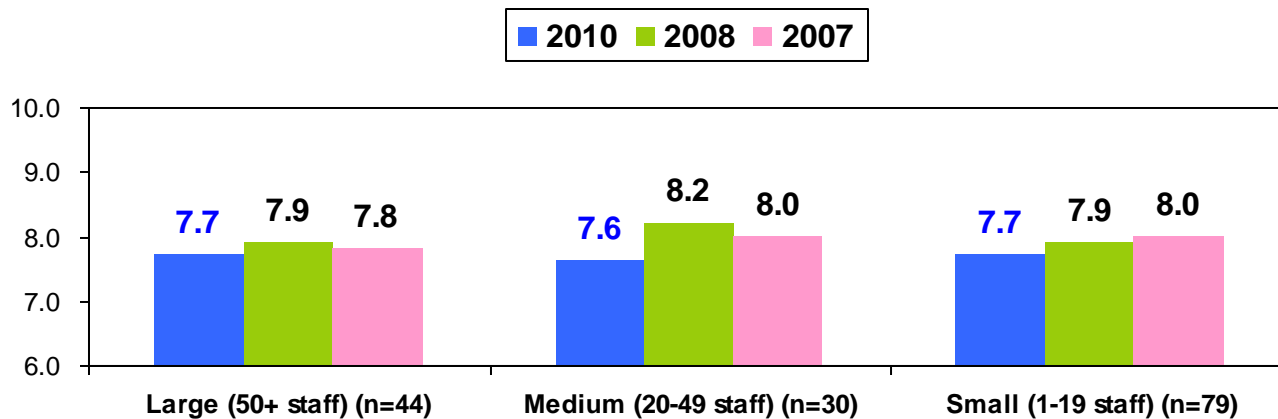
- There was only marginal difference in overall satisfaction of the different categories of Freight Forwarders. Large size Freight Forwarders tended to be less satisfied than they were three years ago. Satisfaction of other Freight Forwarders was largely unchanged.
- Satisfaction of small size Freight Forwarders by tonnage handled declined to 7.4 whereas satisfaction among large and medium size Freight Forwarders fluctuated about the same levels as in previous years.



Overall Satisfaction with AAT

- Truckers by company size

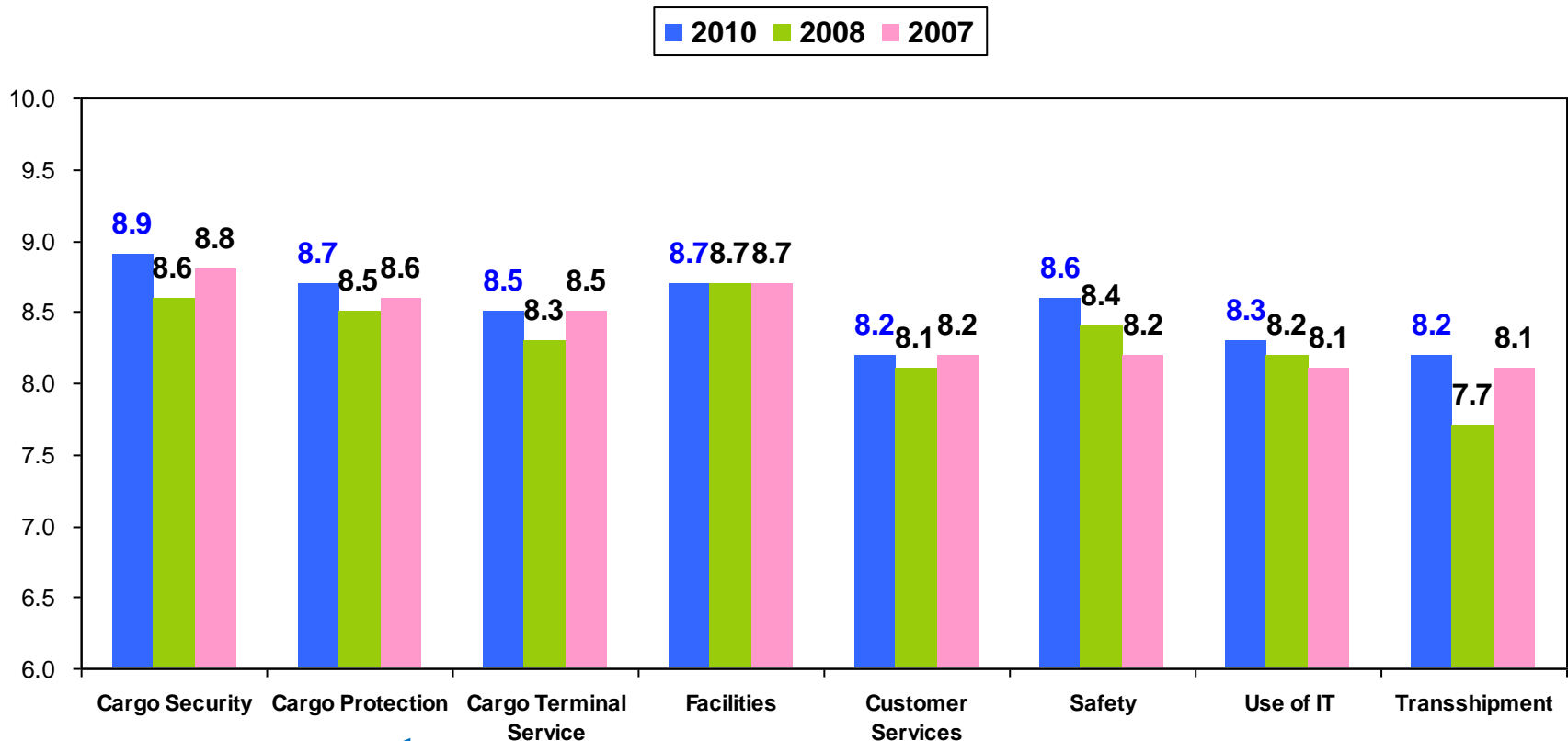
- Satisfaction of different categories of Truckers were about the same level in 2010. Medium size Truckers (-0.6) were significantly less satisfied than in 2008.
- By tonnage handled, small size Truckers (7.5) remained the least satisfied. Both large and small size Truckers saw gradual decline in satisfaction over the past three years.



Satisfaction by Service Area of AAT

Satisfaction by Service Area of AAT - Airlines

- Satisfaction has generally improved from 2008 levels with biggest improvement in Transshipment (+0.5).
- The most satisfactory area is Cargo Security (8.9), followed by Cargo Protection (8.7) and Facilities (8.7).
- Airlines were least satisfied with Customer Services (8.2) and Transshipment (8.2).



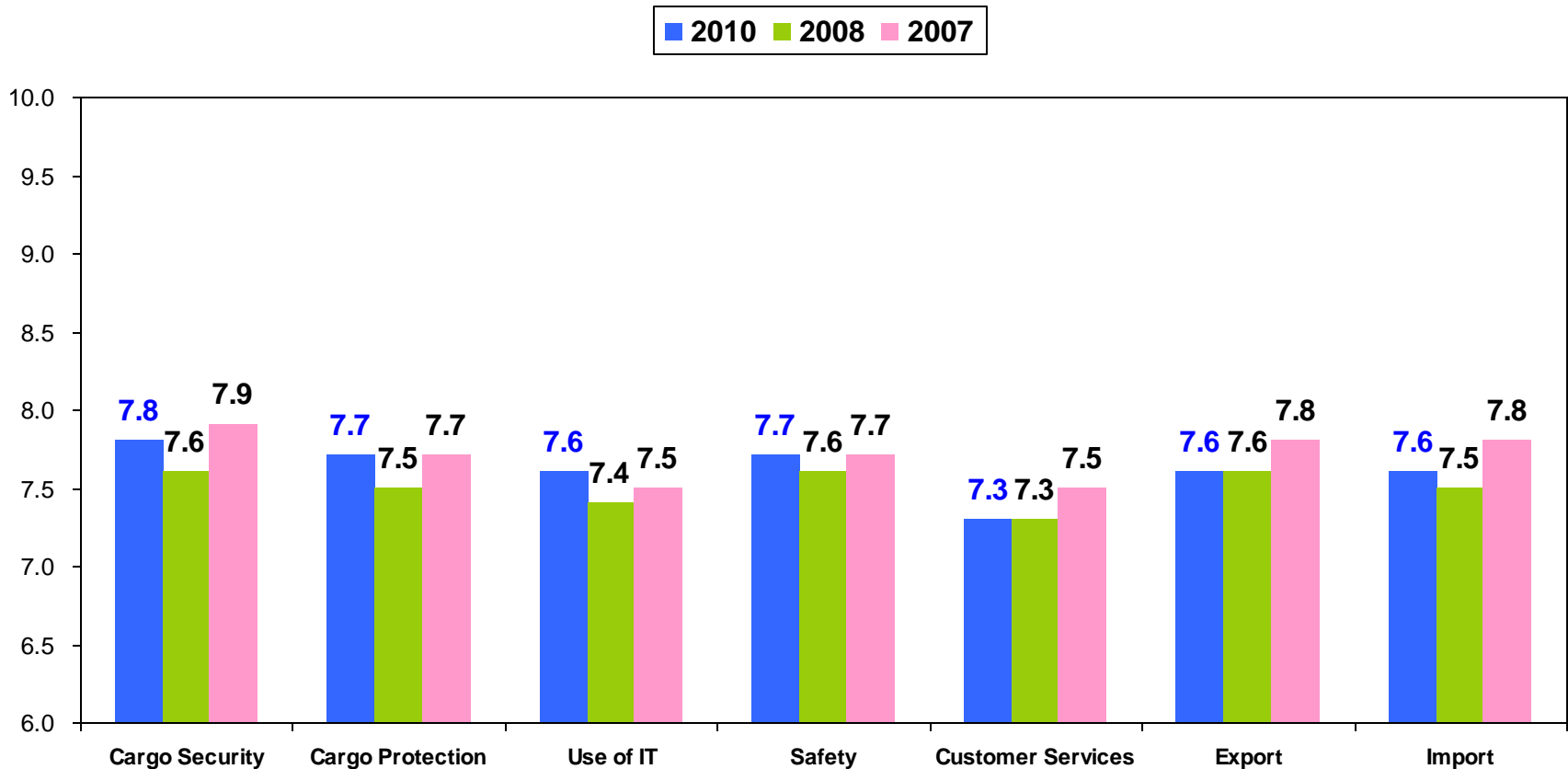
Most important

Least important



Satisfaction by Service Area of AAT - Freight Forwarders

- Satisfaction fluctuated about the same levels as in previous years.
- Cargo Security (7.8) remained the most satisfactory area and Customer Services (7.3) continued to be rated lowest.



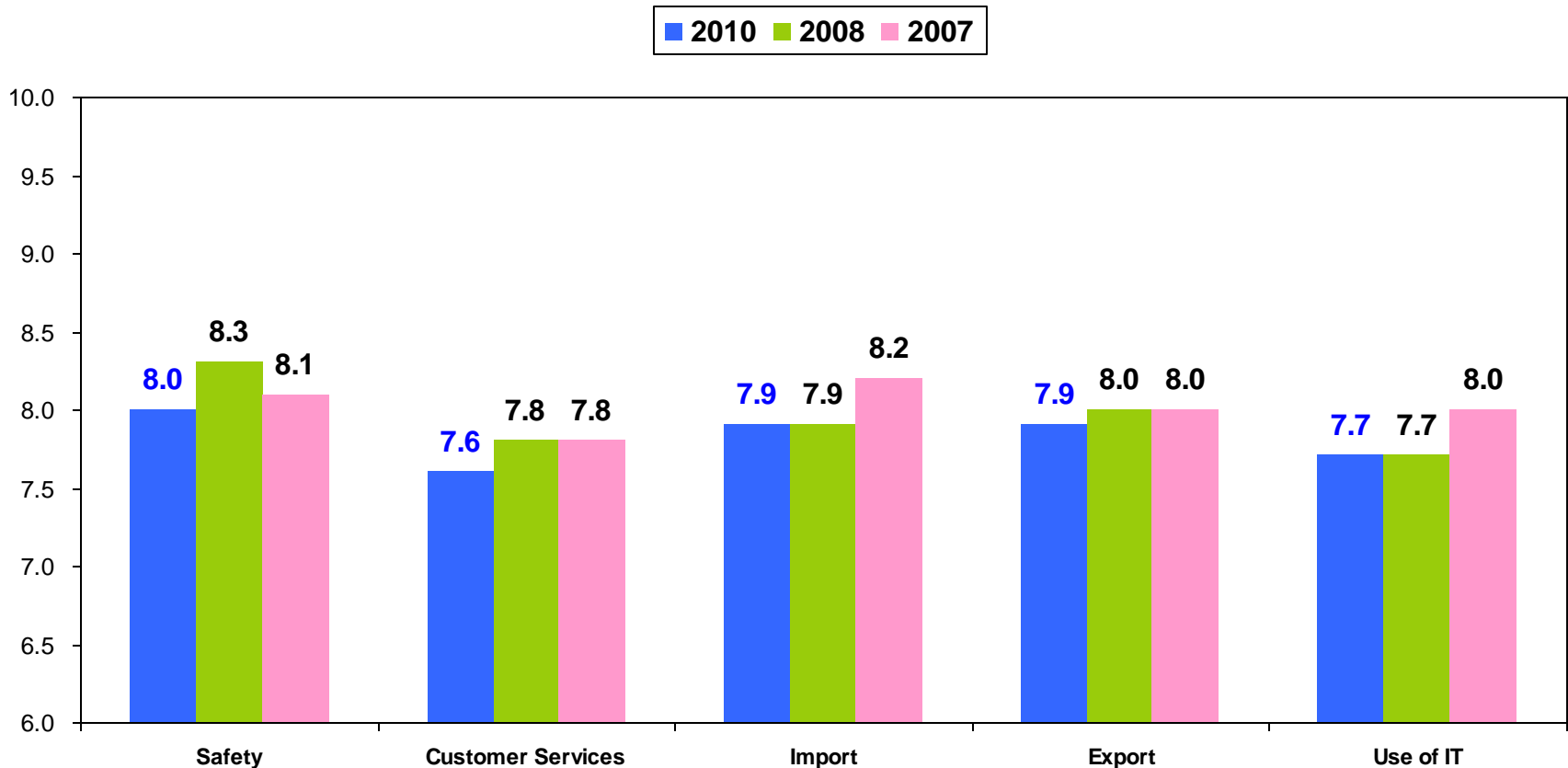
Most important



Least important

Satisfaction by Service Area of AAT - Truckers

- Satisfaction with Safety (-0.3) and Customer Services (-0.2) declined marginally from 2008.
- Truckers were most satisfied with Safety (8.0) and least satisfied with Customer Services (7.6).



Most important

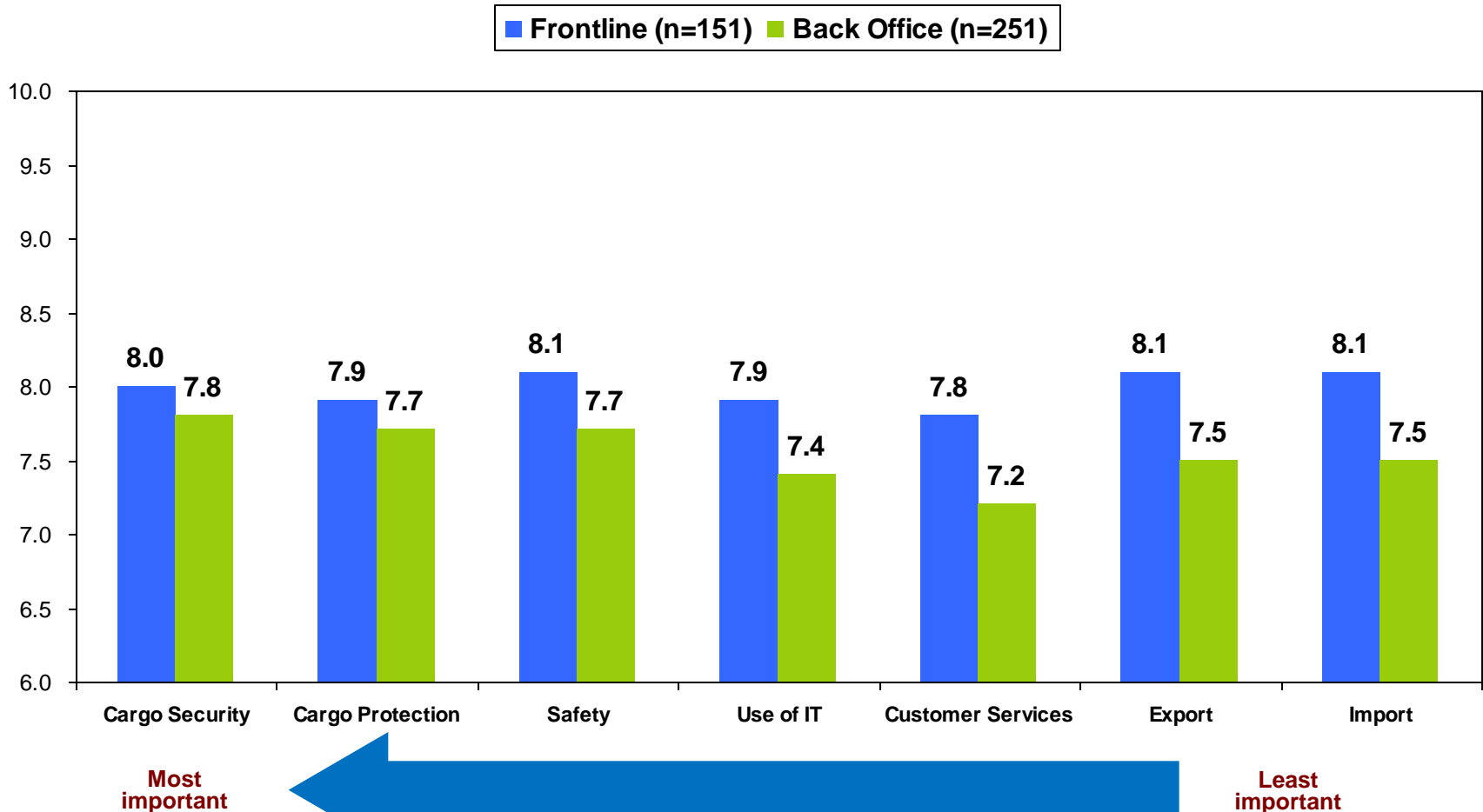


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Satisfaction by Service Area of AAT

- Frontline vs. Back Office

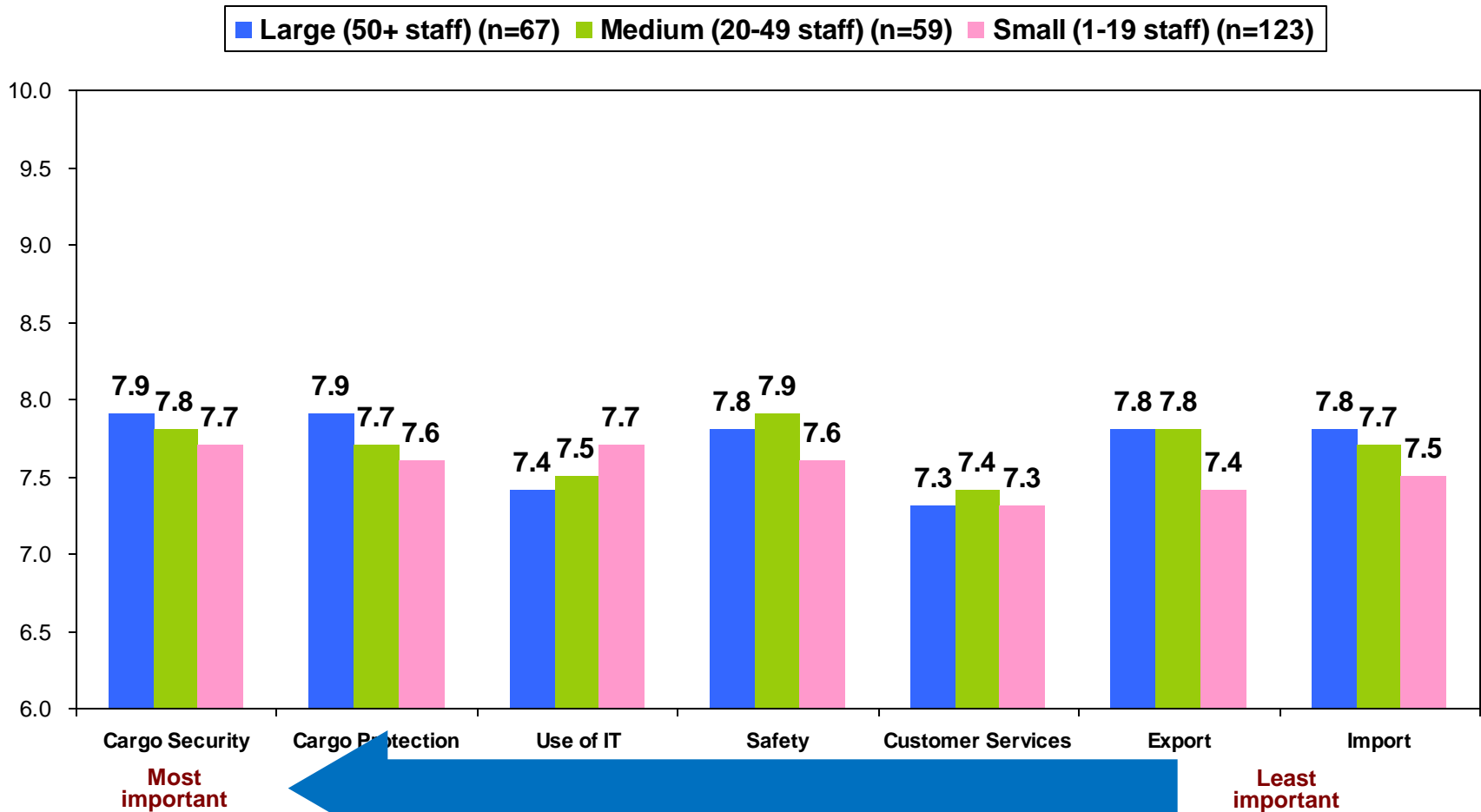
- Frontline staff tended to be more satisfied than Back Office managers and staff in terms of Customer Services, Export and Import.
- Back Office managers and staff were relatively less satisfied with Customer Services (7.2) and Use of IT (7.4).



Satisfaction by Service Area of AAT

- Freight Forwarders by company size (by employee numbers)

- There appeared only marginal differences between Freight Forwarders of different sizes across attributes. Small size Freight Forwarders tended to be less satisfied with Export, Import, Cargo Protection and Safety than larger Freight Forwarders whereas large size Freight Forwarders were relatively less satisfied with use of IT.

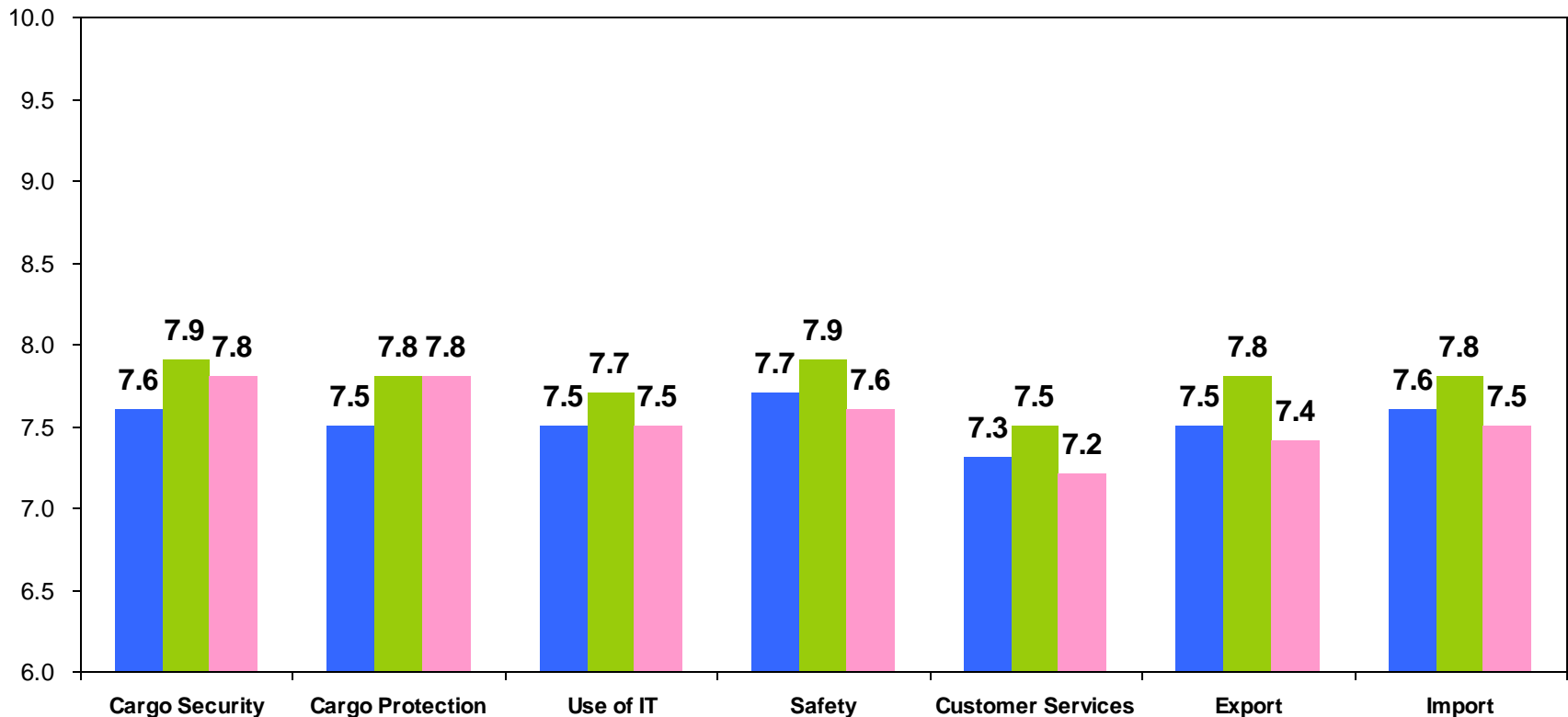


Satisfaction by Service Area of AAT

- Freight Forwarders by company size (by tonnage handled)

- Differences in satisfaction levels were again marginal, but large size Freight Forwarders tended to be less satisfied with important attributes like Cargo Security and Cargo Protection. Small size Freight Forwarders tended to be less satisfied with Export, Import, Safety and Customer Services.

■ Large (1000+ tones per month) (n=43) ■ Medium (100-999 tones per month) (n=83) ■ Small (1-99 tones per month) (n=116)



Most important

Least important

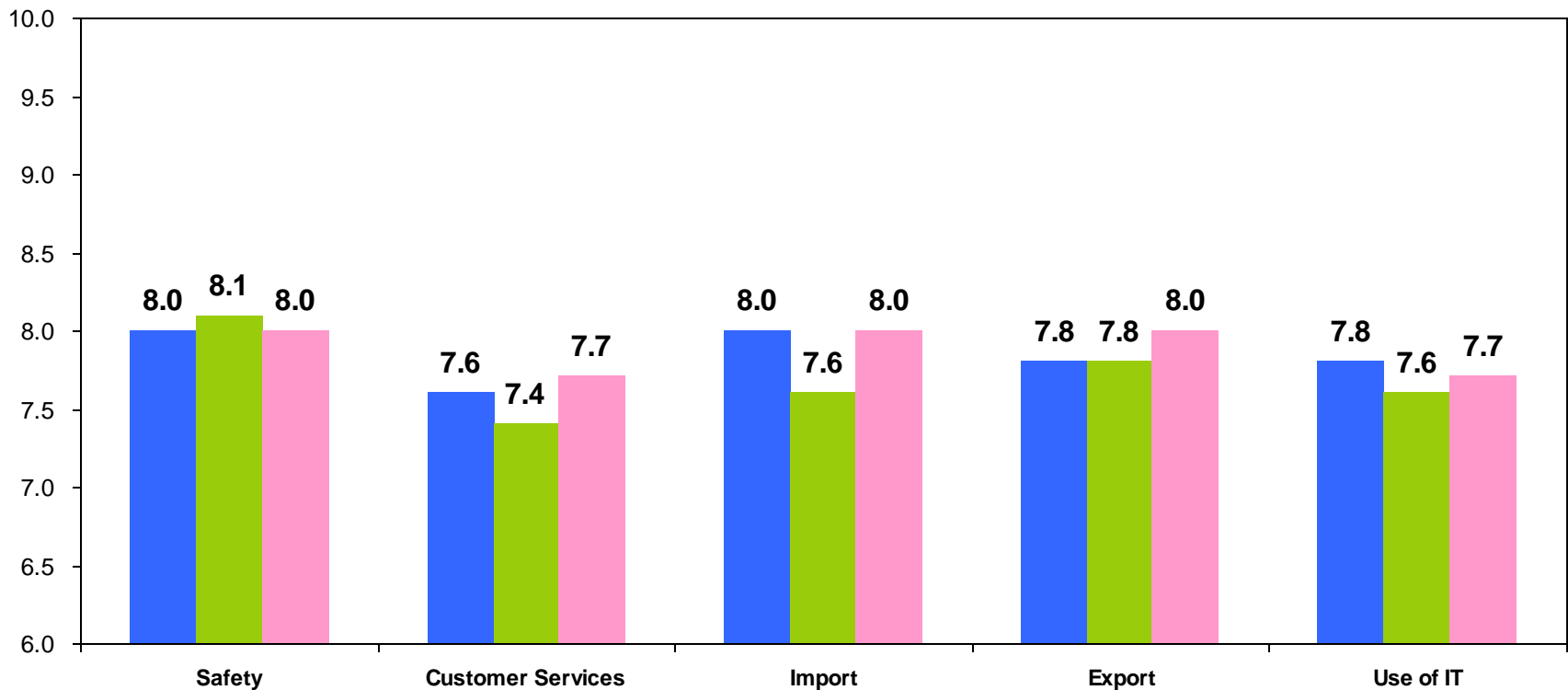


Satisfaction by Service Area of AAT

- Truckers by company size (by employee numbers)

- Only minor differences in satisfaction levels were observed among the three categories of Truckers. Medium size Truckers were marginally less satisfied with Import and Customer Services than their counterparts.

■ Large (50+ staff) (n=44) ■ Medium (20-49 staff) (n=30) ■ Small (1-19 staff) (n=79)



Most important

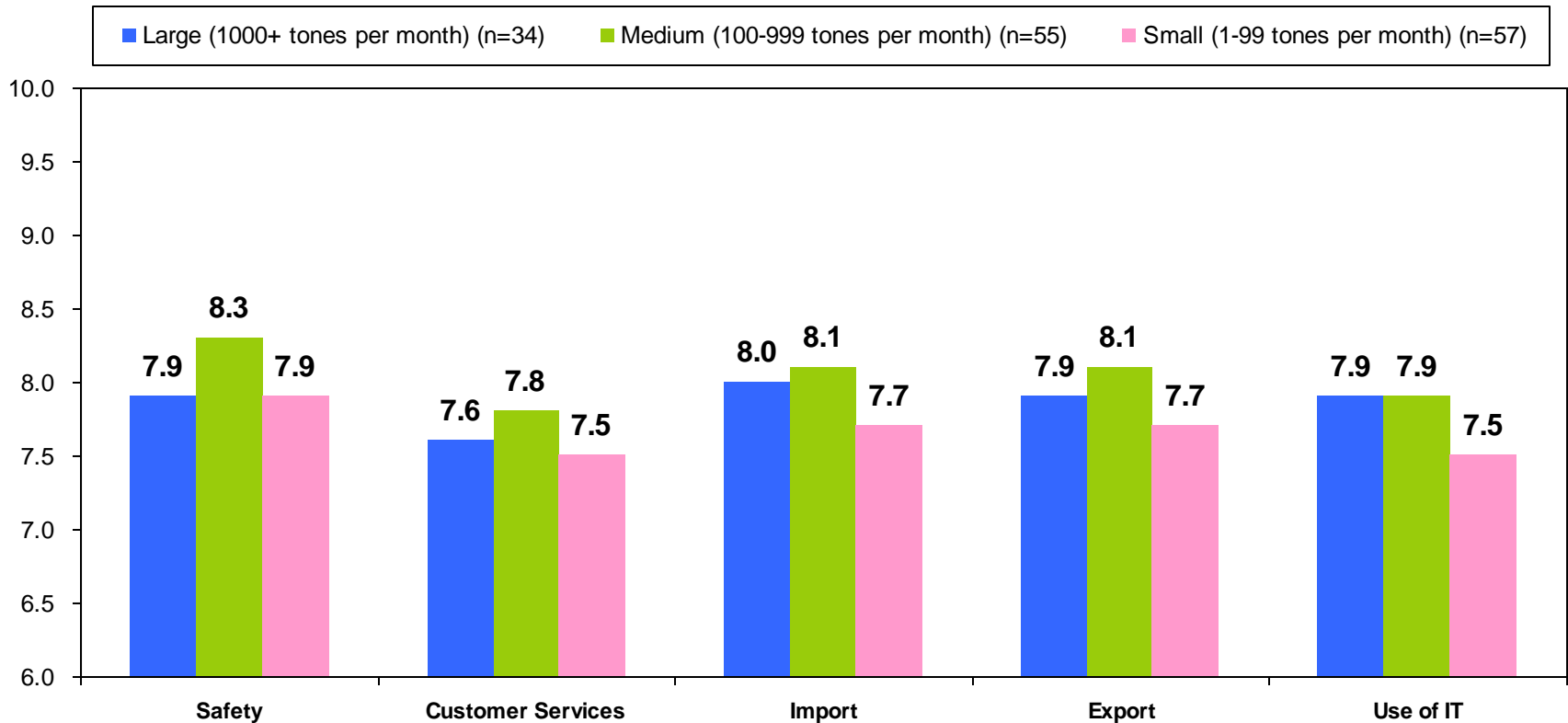


Least important

Satisfaction by Service Area of AAT

- Truckers by company size (by tonnage handled)

- Medium size Truckers consistently gave higher ratings than their small size counterparts across attributes.
- Both large and small size Truckers were slightly less satisfied with Safety, the most important attribute.



Most important

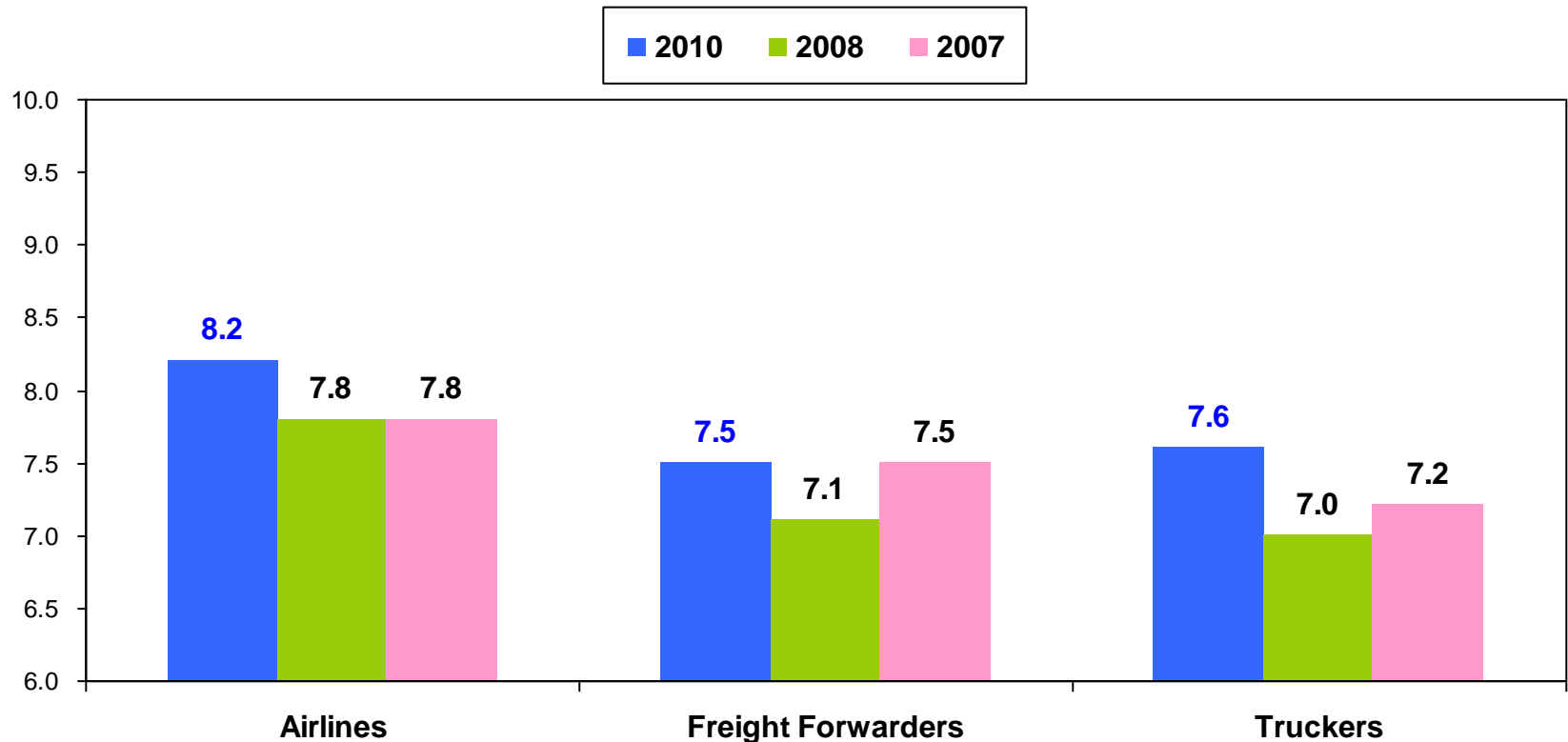


Least important

Overall Satisfaction with Hactl

Overall Satisfaction with Hactl

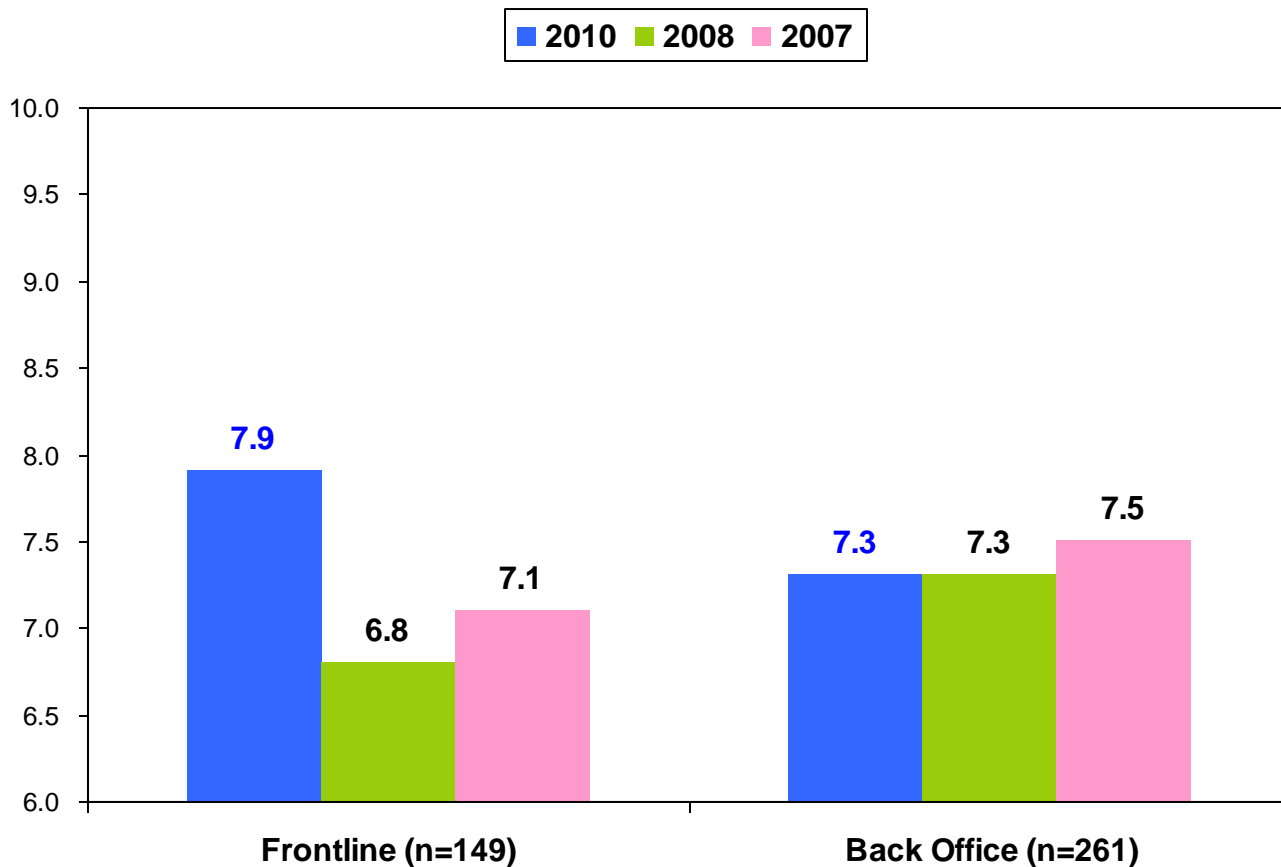
- Satisfaction ratings were significantly up from 2008 levels for all users alike.
- Airlines (8.2) remained more satisfied than Freight Forwarders (7.5) and Truckers (7.6).



Overall Satisfaction with Hactl

- *Frontline vs. Back Office*

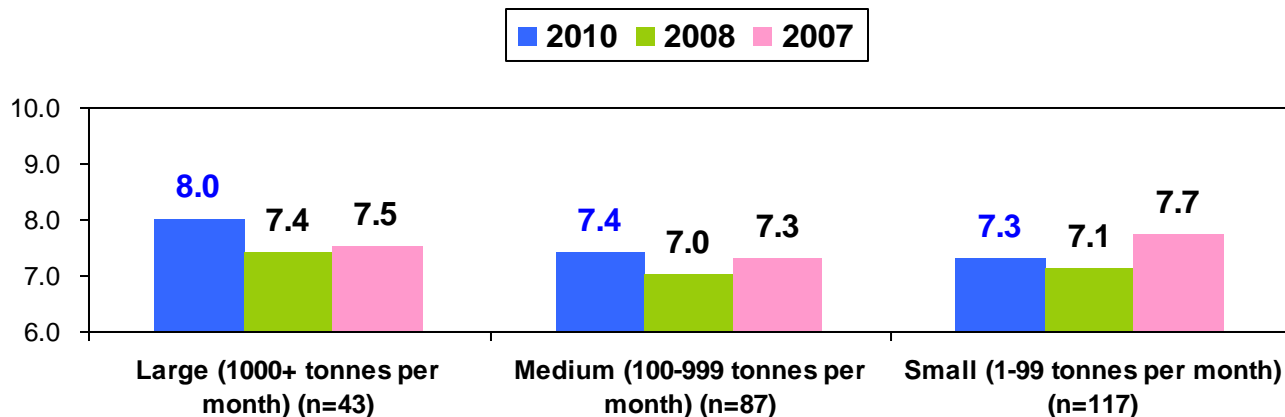
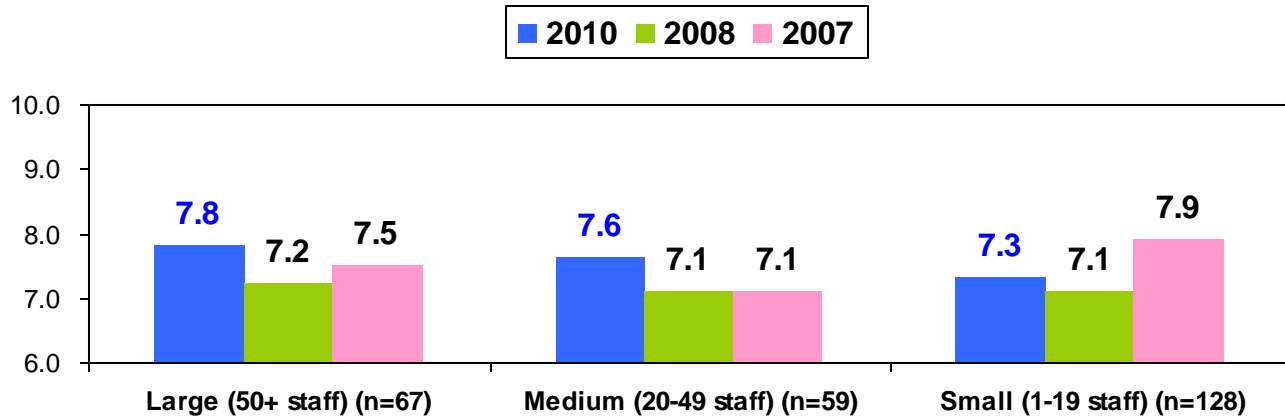
- Improvement in overall satisfaction was mainly contributed by Frontline staff (+1.1) which registered a significant rebound in satisfaction from 2008 level.



Overall Satisfaction with Hactl

- Freight Forwarders by company size

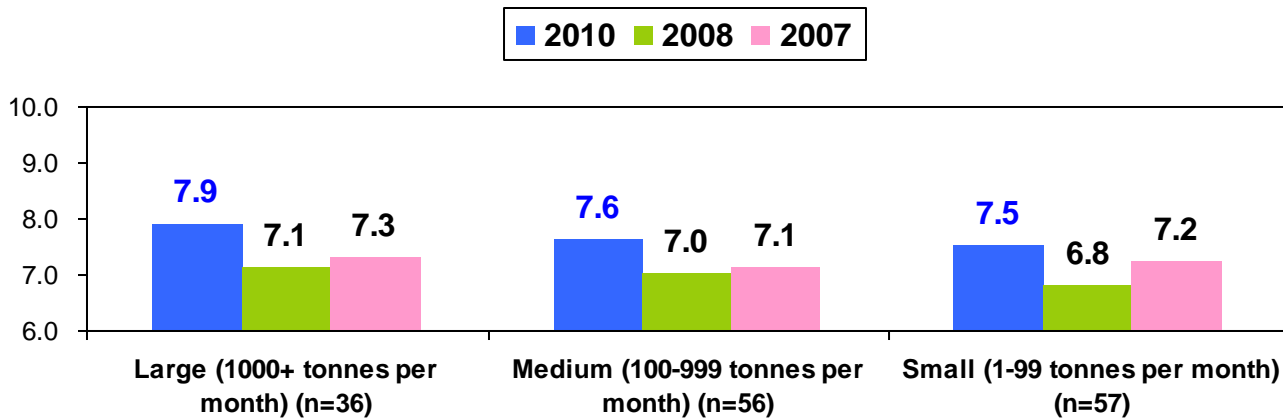
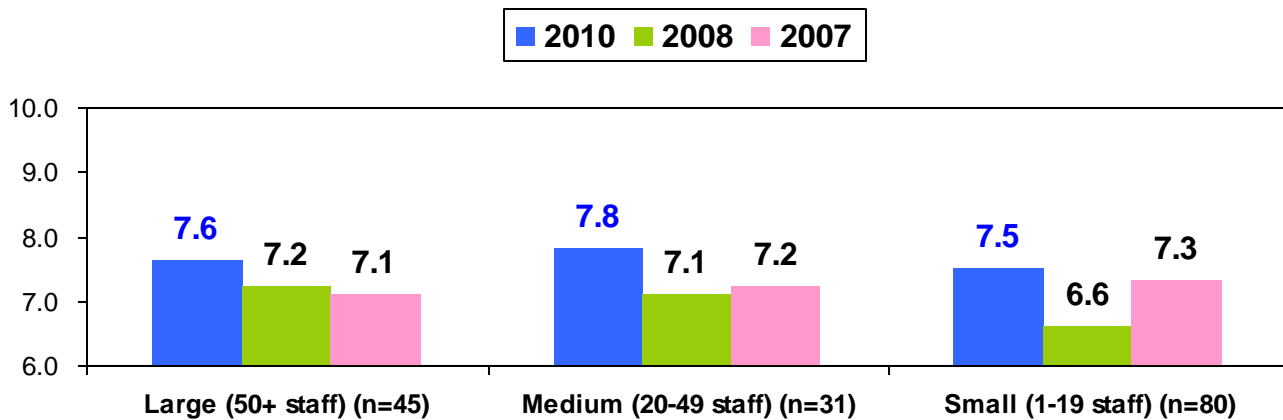
- Both large (+0.6) and medium (+0.5) size Freight Forwarders by employer numbers were significantly more satisfied than in 2008. Small size Freight Forwarders (7.3) were the least satisfied.
- By tonnage handled, large size Freight Forwarders (8.0) were significantly more satisfied than medium (7.4) and small (7.3) size Freight Forwarders. Both large (+0.6) and medium (+0.4) size Freight Forwarders were more satisfied than in 2008.



Overall Satisfaction with Hactl

- Truckers by company size

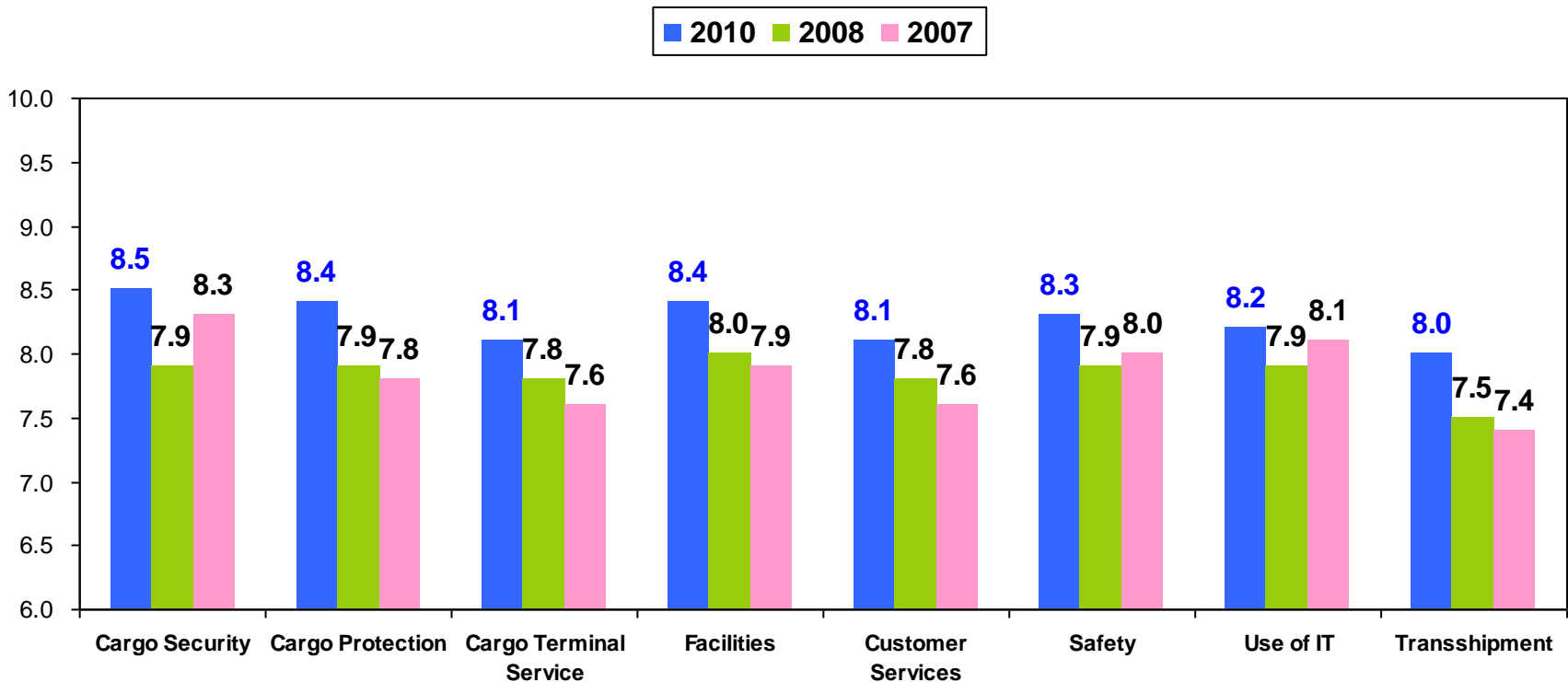
- By employee numbers, Truckers of all sizes saw increase in overall ratings with small size Truckers (+0.9) seeing most improvement from 2008.
- By tonnage handled, Truckers of all sizes saw similar levels of improvement from 2008.



Satisfaction by Service Area of Hactl

Satisfaction by Service Area of Hactl - Airlines

- Improvement was observed across attributes with most significant change in satisfaction with Cargo Security (+0.6).
- Airlines were most satisfied with Cargo Security (8.5) and least satisfied with Transshipment (8.0). The relatively lower rating for Cargo Terminal Service (8.1), one of the most important attributes, should also be noted.



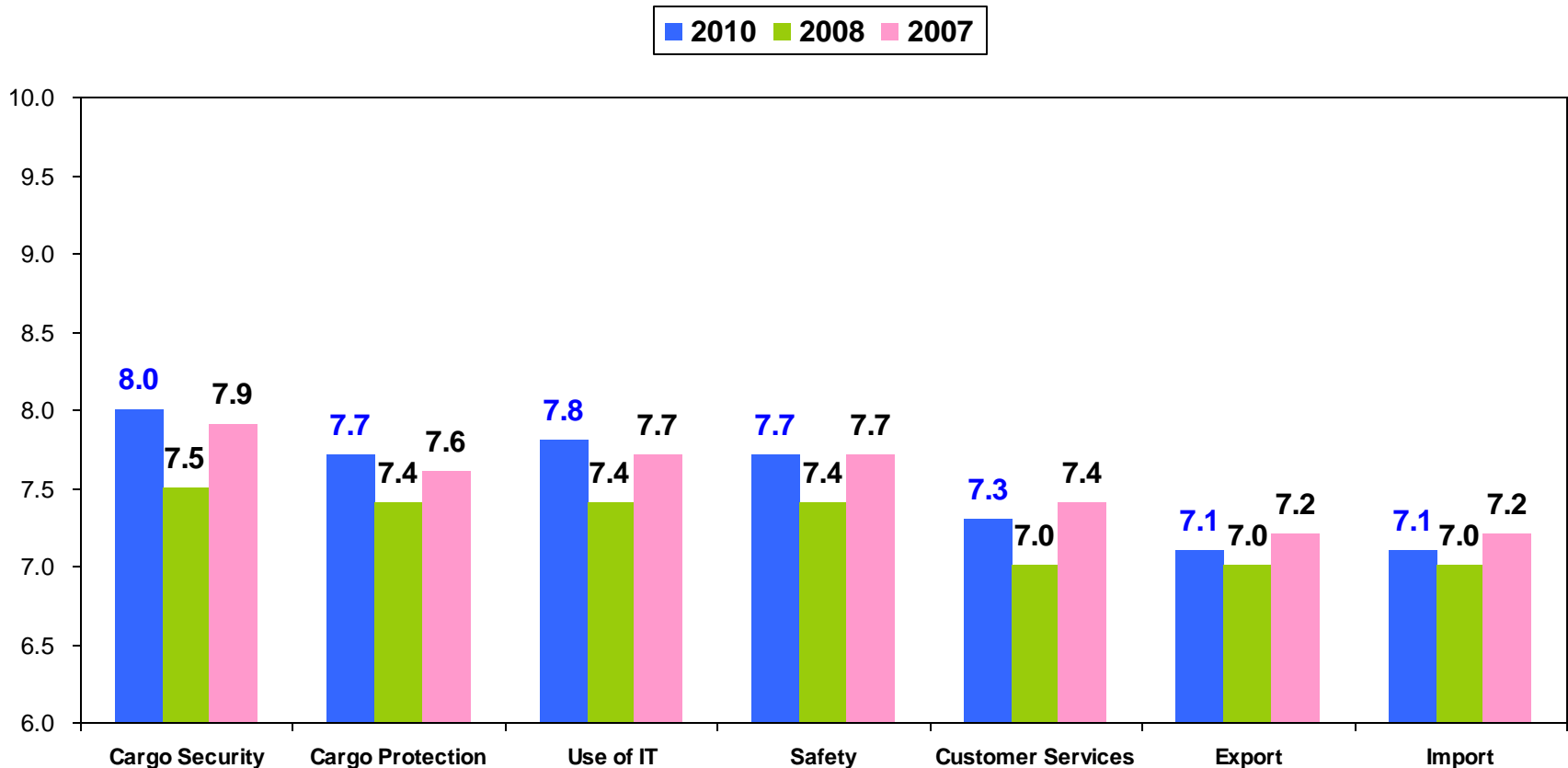
Most important



Least important

Satisfaction by Service Area of Hactl - Freight Forwarders

- Satisfaction in general improved across attributes, with most significant increase in rating for Cargo Security (+0.5).
- Cargo Security (8.0) was rated highest and Export (7.1) and Import (7.1) scored lowest, though the latter two attributes were considered relatively less important.



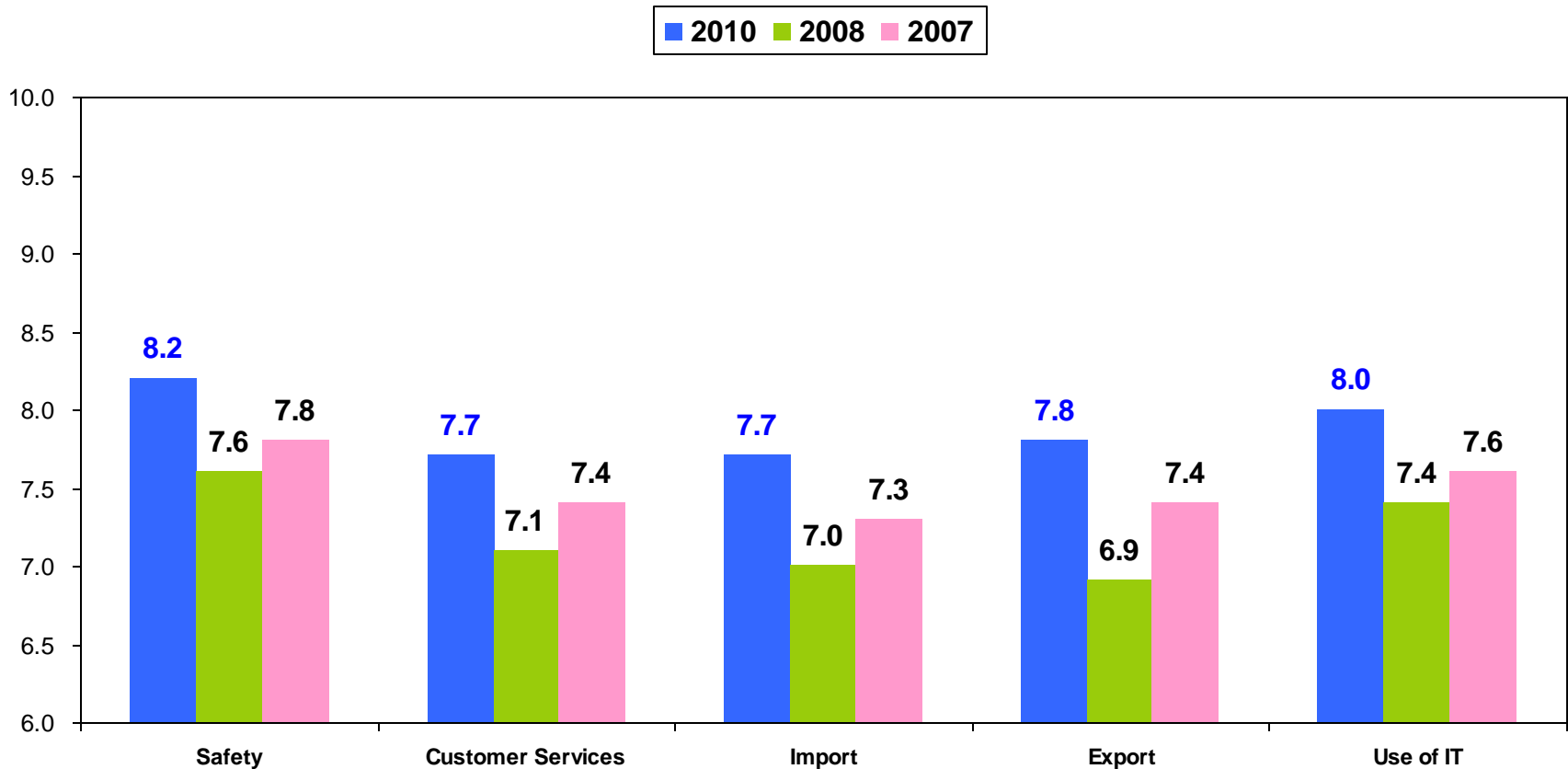
Most important



Least important

Satisfaction by Service Area of Hactl - Truckers

- Satisfaction ratings were all significantly up from 2008 levels with sharpest increase in satisfaction with Export (+0.9).
- Truckers were most satisfied with Safety (8.2) and least satisfied with Customer Services (7.7) and Import (7.7).



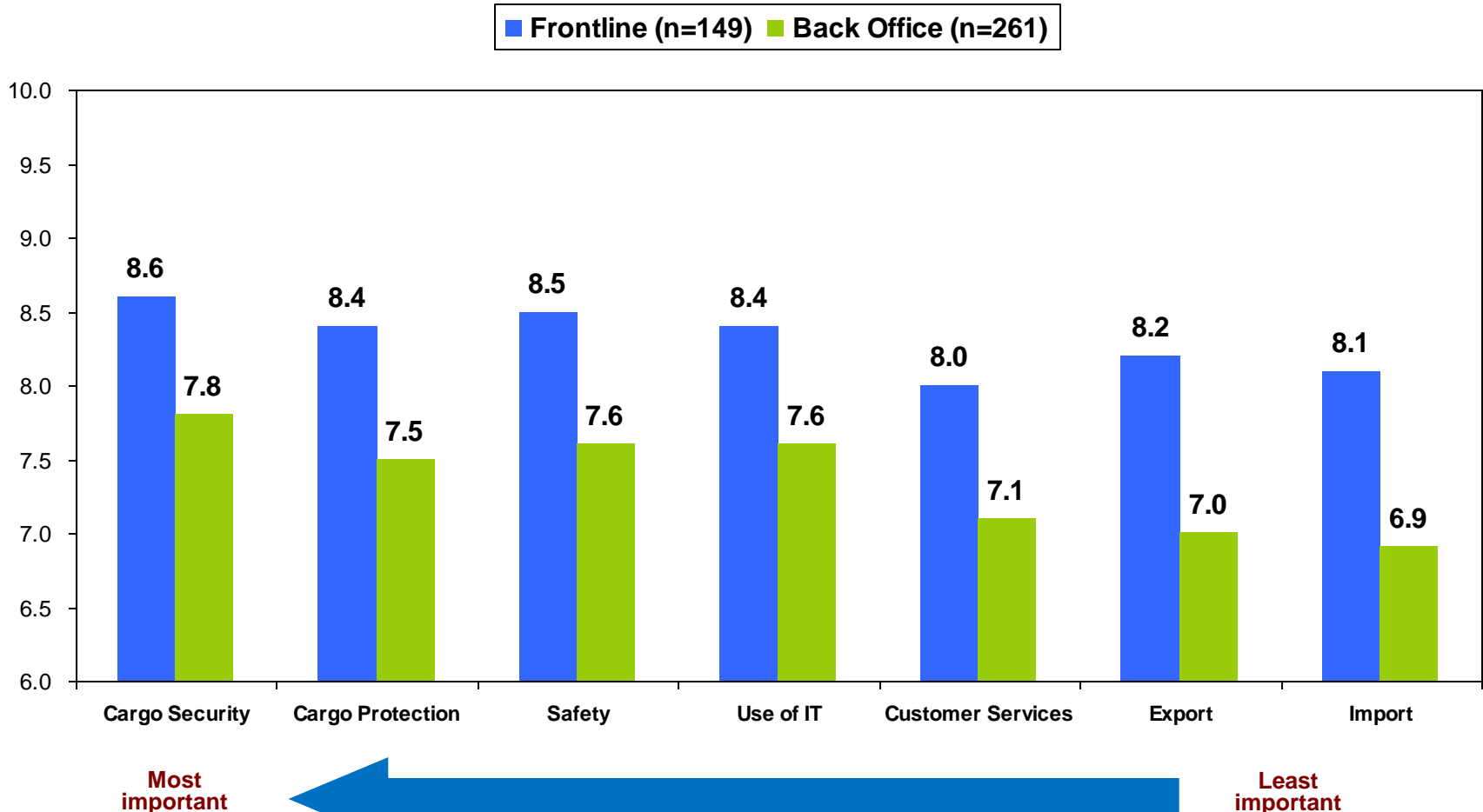
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Satisfaction by Service Area of Hactl - Frontline vs. Back Office

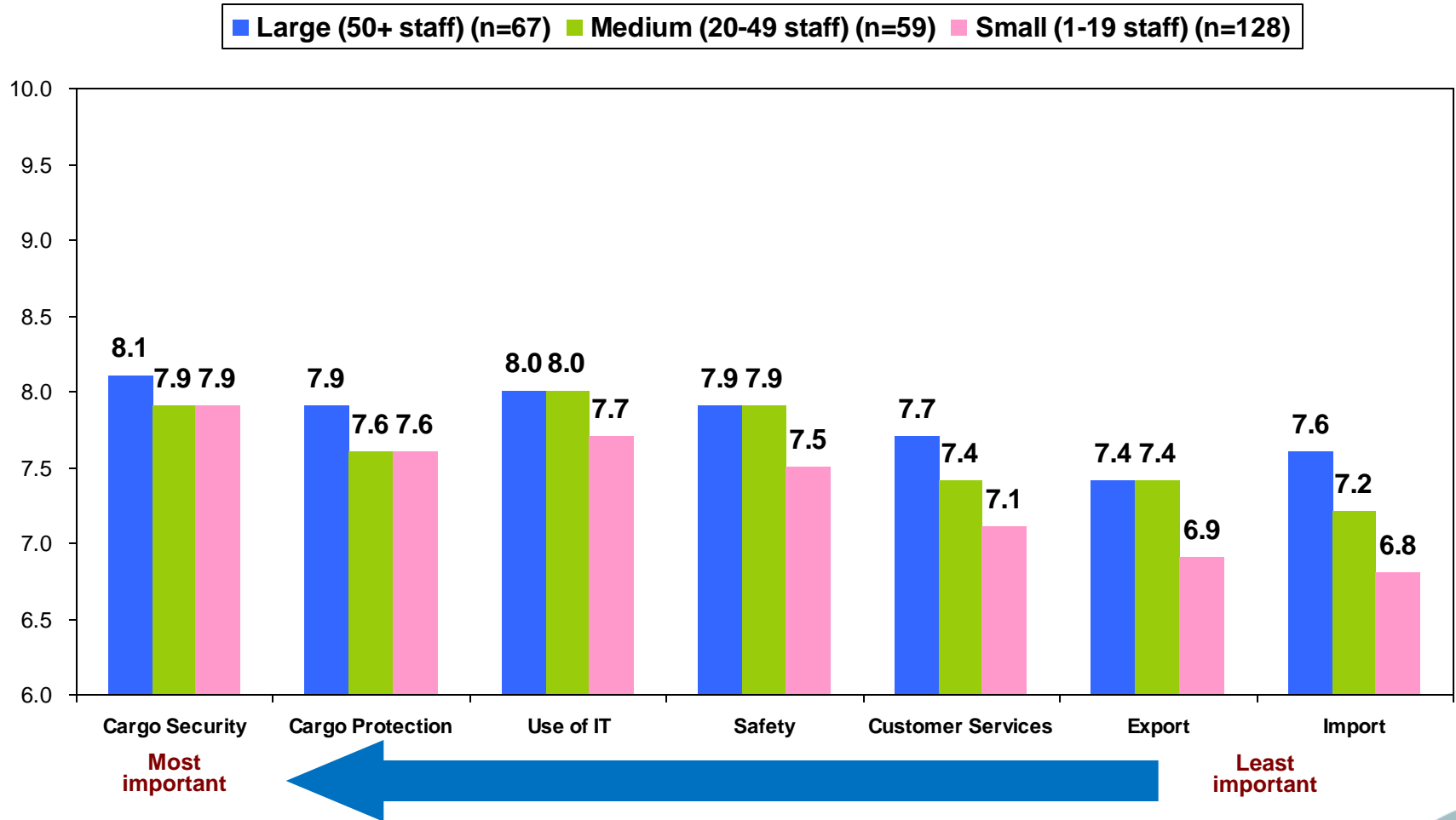
- Back Office managers and staff consistently rated 0.8 to 1.2 points lower than Frontline staff with most significant differences in satisfaction levels for Export and Import.



Satisfaction by Service Area of Hactl

- Freight Forwarders by company size (by employee numbers)

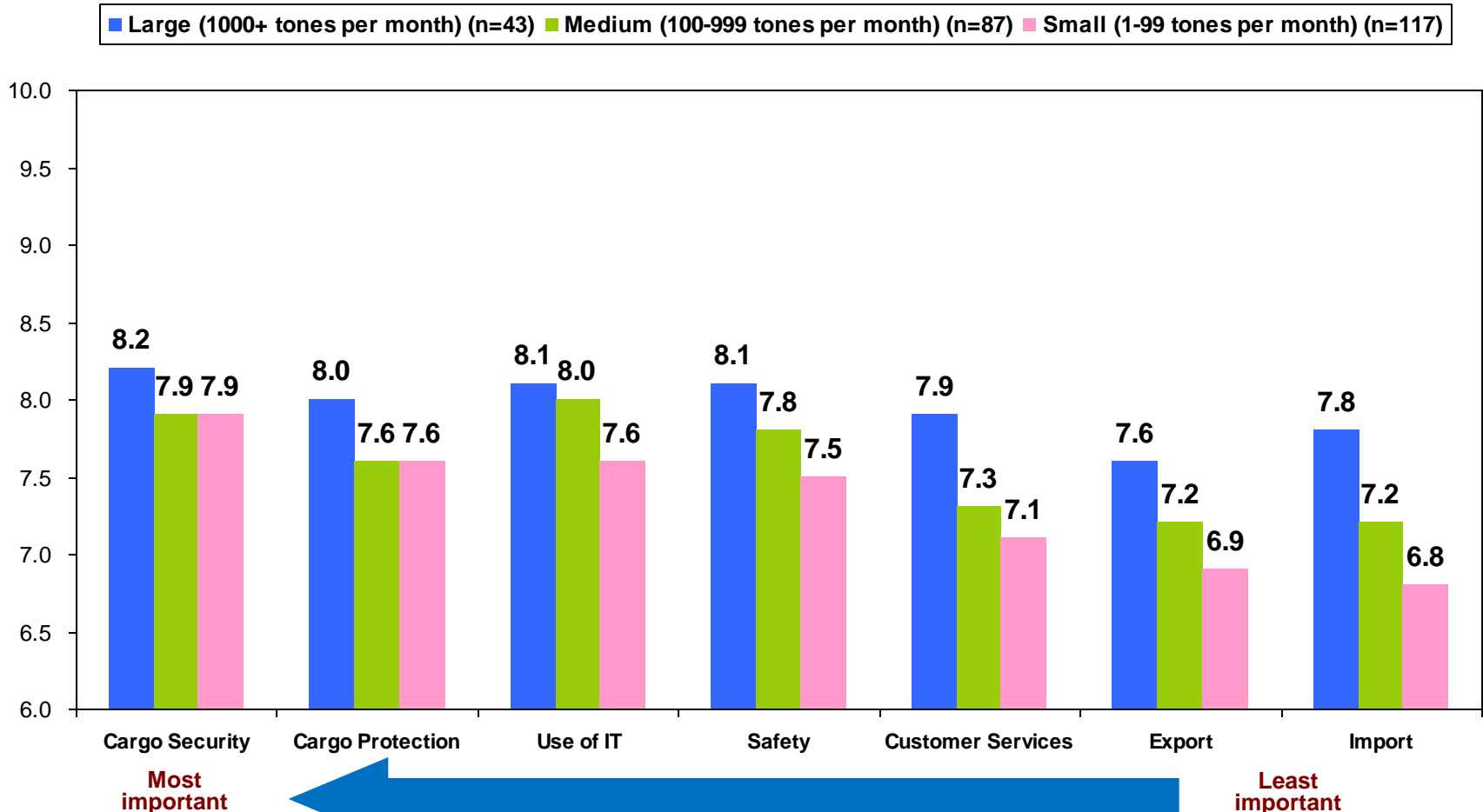
- In line with overall satisfaction, large size Freight Forwarders tended to be more satisfied than smaller Freight Forwarders across attributes especially in terms of Import and Customer Services.



Satisfaction by Service Area of Hactl

- Freight Forwarders by company size (by tonnage handled)

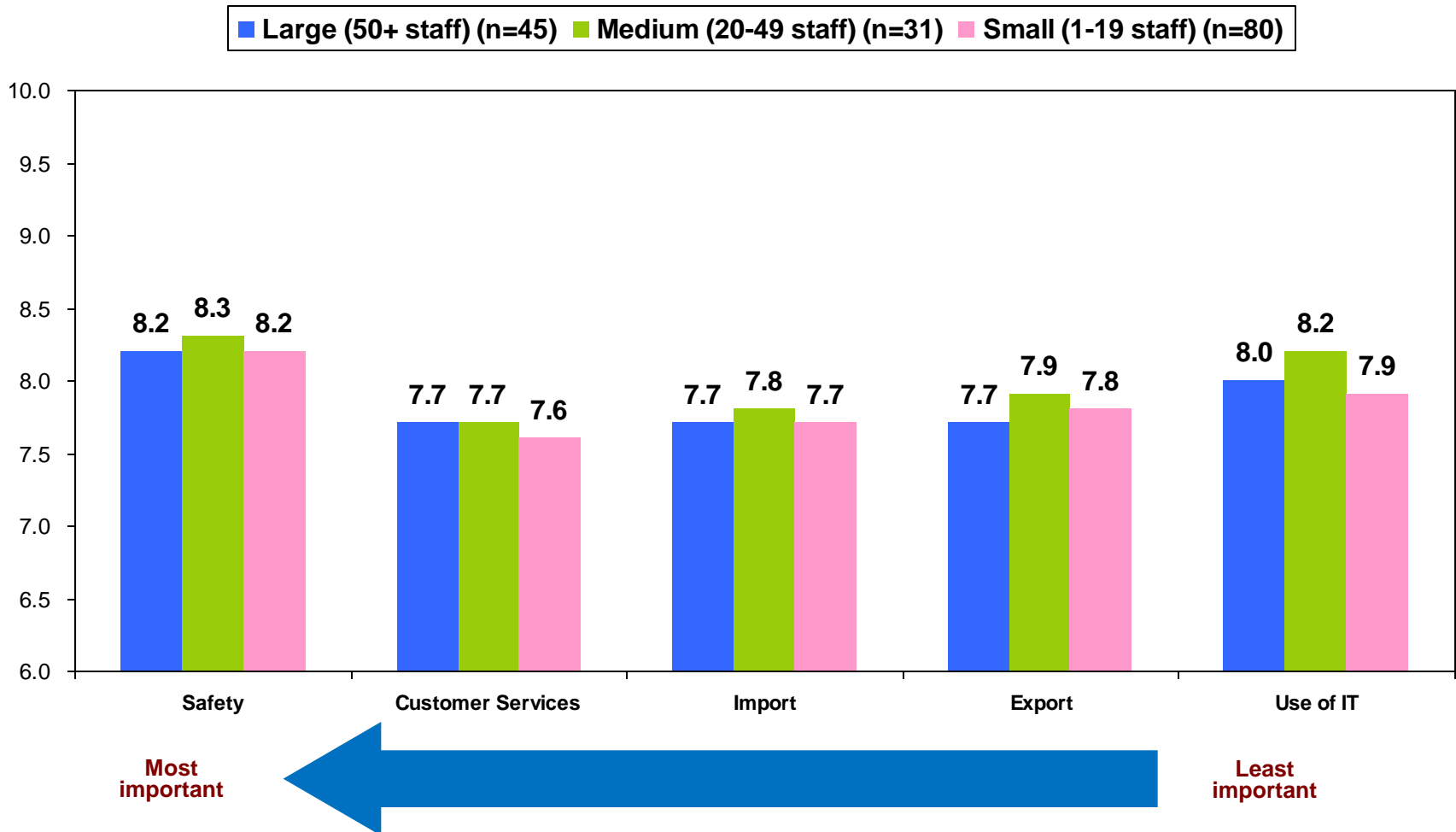
- Both small and medium size Freight Forwarders were less satisfied than large size Freight Forwarders especially the small size ones. Satisfaction with Import, Export and Customer Services showed most significant differences.



Satisfaction by Service Area of Hactl

- Truckers by company size (by employee numbers)

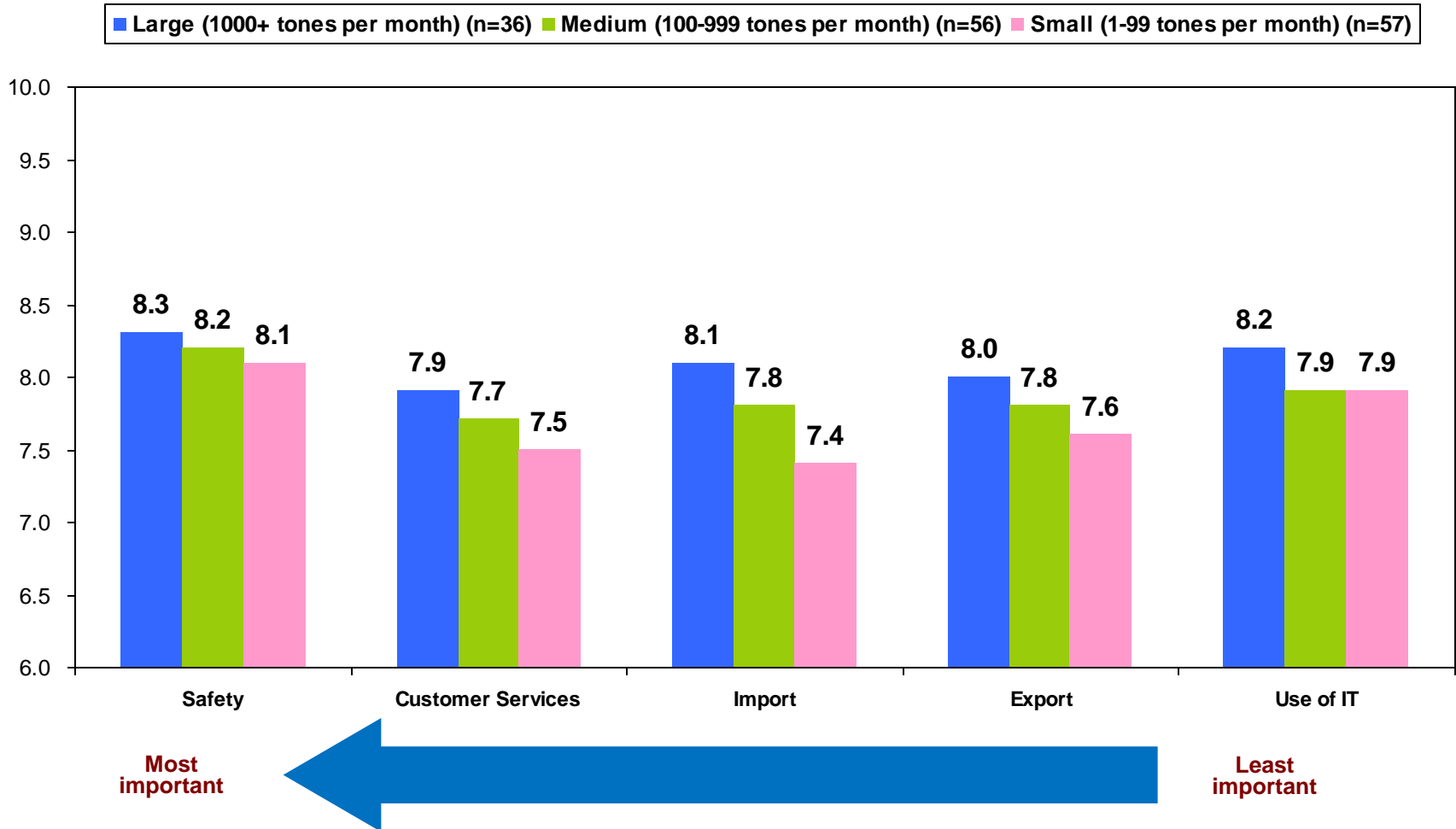
- Satisfaction among Truckers of different sizes was largely the same.



Satisfaction by Service Area of Hactl

- Truckers by company size (by tonnage handled)

- Satisfaction levels tended to be lower among the smaller size Truckers, especially in the areas of Import, Customer Services and Export.



Awareness of Performance Standards

Awareness of Performance Standards

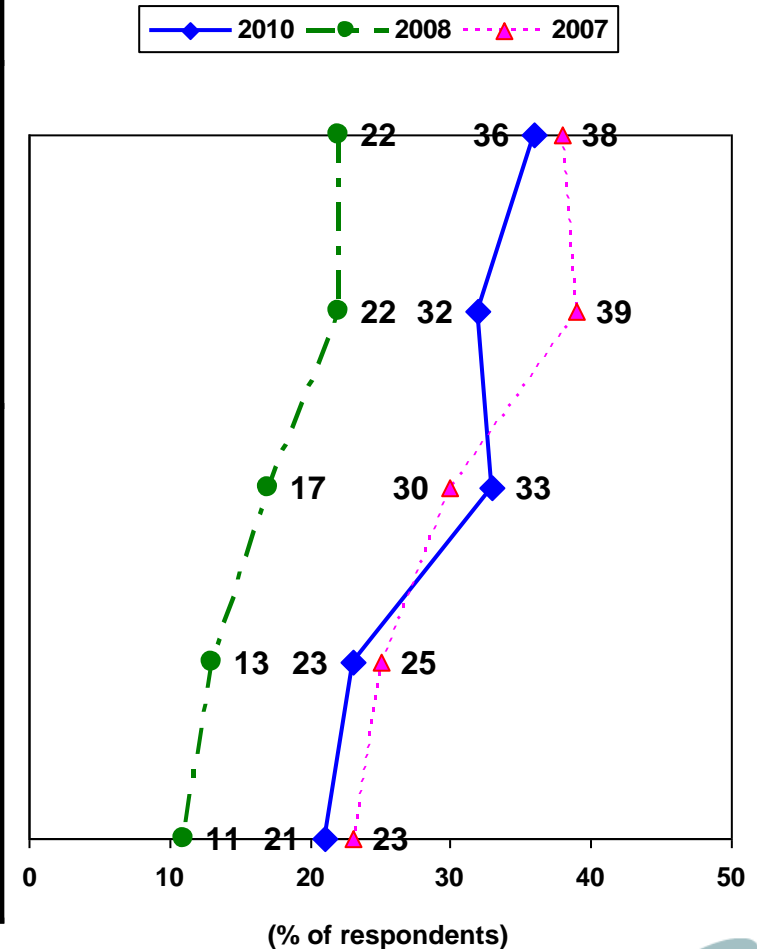
- Around one third or less were aware of the performance standards pledged by the CTOs.

	% of respondents aware of the standard (%)	Target (min)	% of those aware can tell the target correctly	Mean of the perceived standard (min)
Import: The queuing time at the car park/truck control office (after getting SRF) to truck dock assigned	36	30	34%	42 min
The waiting time of consignor/shipper/trucker after submitting SRF at the import collection points, to receiving the first piece of cargo	32	30	28%	45 min
Export: The queuing time from entering the check booth/entrance to truck dock assigned	33	30	25%	37 min
The waiting time of consignee/shipper/trucker, after registering at the CTO reception points, to being served for the first piece of cargo	23	15	13%	33 min
The waiting time of a truck after submitting URF at the ULD collection points, to receiving the first empty ULD	21	30	26%	36 min

Awareness of Performance Standards

- Awareness of all performance standards was higher than that in 2008.

		CTO's target (min)
Import	The queuing time at the car park/truck control office (after getting SRF) to truck dock assigned	30
	The waiting time of consignor/ shipper/ trucker after submitting SRF at the import collection points, to receiving the first piece of cargo	30
Export	The queuing time from entering the check booth/entrance to truck dock assigned	30
	The waiting time of consignee/ shipper/ trucker, after registering at the CTO reception points, to being served for the first piece of cargo	15
	The waiting time of a truck after submitting URF at the ULD collection points, to receiving the first empty ULD	30



Perceived Performance Standards

- Among those who claimed to be aware of the performance standards, only one third or less could tell standards correctly.
- Awareness of the actual standard for waiting time of the first piece of cargo at the CTO reception points appeared to be the lowest.

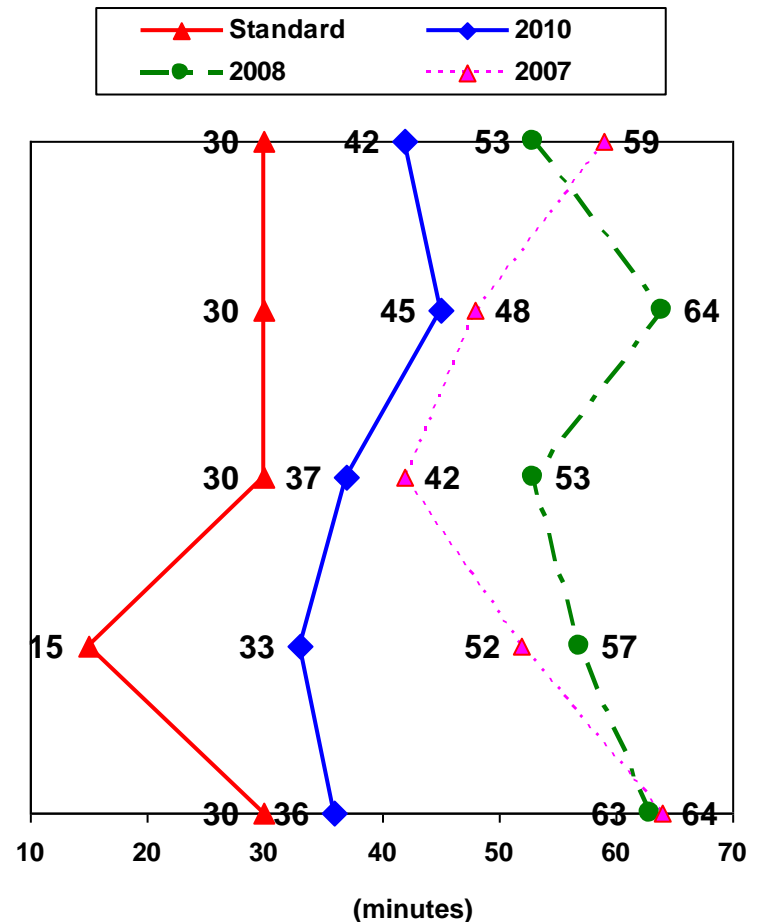
		CTO's target (min)	% of perceived standard is			
			Lower than target	Same as target	Longer than target	Don't know
Import	The queuing time at the car park/truck control office (after getting SRF) to truck dock assigned	30	21	34	19	26
	The waiting time of consignor/shipper/trucker after submitting SRF at the import collection points, to receiving the first piece of cargo	30	27	28	23	22
Export	The queuing time from entering the check booth/entrance to truck dock assigned	30	31	25	19	26
	The waiting time of consignee/shipper/trucker, after registering at the CTO reception points, to being served for the first piece of cargo	15	16	13	48	23
	The waiting time of a truck after submitting URF at the ULD collection points, to receiving the first empty ULD	30	26	26	22	27

Base: Those who claimed they are aware of respective standard service time.

Perceived Performance Standards

- Perceived performance standards remained significantly higher than CTO's targets, but the gaps were smaller than in 2008.

Import	The queuing time at the car park/truck control office (after getting SRF) to truck dock assigned
	The waiting time of consignor/ shipper/ trucker after submitting SRF at the import collection points, to receiving the first piece of cargo
Export	The queuing time from entering the check booth/entrance to truck dock assigned
	The waiting time of consignee/ shipper/ trucker, after registering at the CTO reception points, to being served for the first piece of cargo
	The waiting time of a truck after submitting URF at the ULD collection points, to receiving the first empty ULD



Conclusions

The background is a solid blue color. On the right side, there is a large, stylized graphic element consisting of several overlapping circles and arcs, resembling a large eye or a stylized face. The circles are in various shades of blue, creating a layered effect.

Conclusions - General

- **Customer value of service areas**

Group of respondents	In comparison with 2008 results	Most important service area
Airlines	Increased in general	Cargo Security
Freight Forwarders	Increased in general	Cargo Security
Truckers	Largely unchanged	Safety

- **Awareness and perception of performance standards**
 - Awareness of the five performance standards ranged from 21% to 36%, which improved significantly from 2008 levels (11% to 22%).
 - The perceived standards remained longer than the target time pledged by the CTOs. The biggest gap was found between the perceived standard for waiting time at the CTO reception point (33 min vs CTO's target of 15 min).

Conclusions - AAT

1. In terms of overall satisfaction, Airlines remained the most satisfied group (8.5, vs 7.8 for Freight Forwarders and 7.7 for Truckers). Their satisfaction with AAT in various service areas has also improved in general.
2. Overall satisfaction of Frontline staff and Truckers declined marginally from 2008 levels.
 - Frontline staff : 7.7 from 8.1 in 2008
 - Truckers : 7.7 from 8.0 in 2008
3. Overall satisfaction of Freight Forwarders and Back Office staff was about the same as last year.
4. In general, Frontline staff were more satisfied than Back Office staff overall and in various service areas.

Conclusions - AAT

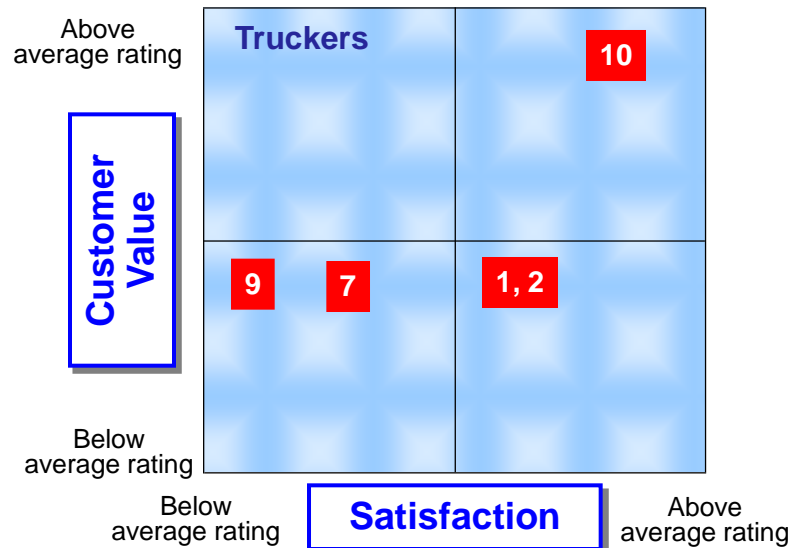
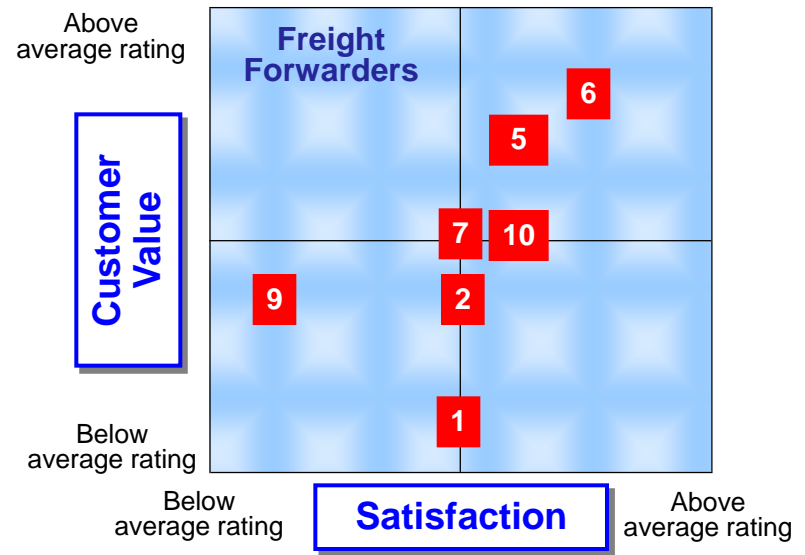
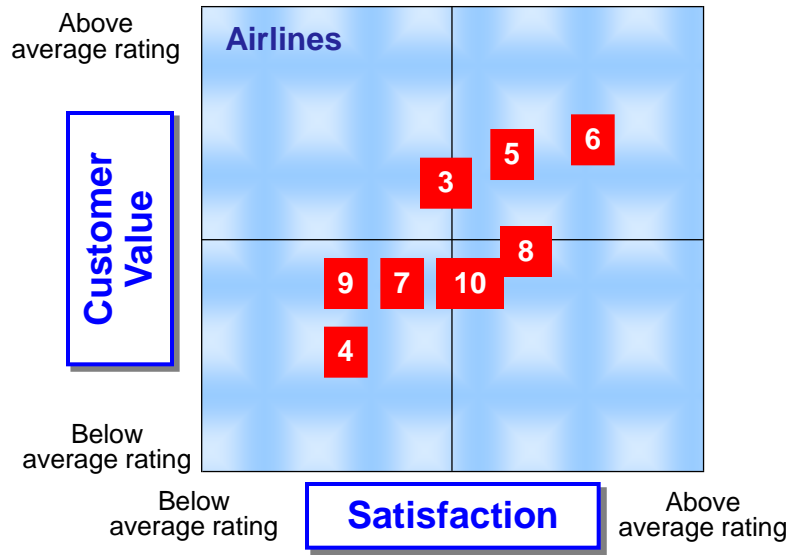
5. Satisfaction ratings for the various service areas by user types are summarized as follows:

	Airlines	Freight Forwarders	Truckers
Most satisfactory	Cargo Security (8.9)	Cargo Security (7.8)	Safety (8.0)
Most improved	Transshipment (+0.5)	Cargo Security, Cargo Protection and Use of IT (+0.2)	-
Least satisfactory	Customer Services and Transshipment (8.2)	Customer Services (7.3)	Customer Services (7.6)
Most declined	-	-	Safety (-0.3)
Largest gap between perceived importance and satisfaction	Cargo Terminal Services and Customer Services (0.9)	Customer Services (1.3)	Customer Services (1.3)

Note: Service areas highlighted in bold blue colour are:

1. Ranked among top 3 most important areas for Airlines or Freight Forwarders, or
2. Top most important area for Truckers

All Service Areas (Importance vs. Satisfaction) - AAT



1. Import
2. Export
3. Cargo terminal service
4. Transshipment
5. Cargo Protection
6. Cargo Security
7. Use of IT
8. Facilities
9. Customer Services
10. Safety

Note:

1. Customer value is based on perceived importance of various service areas of each user type.
2. Average satisfaction is based on AAT's performance in respective service areas.

Recommendations for improvement - AAT

Service area	Summary Performance	Comments and suggested improvement from respondents
Customer Services	<ul style="list-style-type: none"> ▪ This is the least satisfactory area for Airlines, Freight Forwarders and Truckers, <u>AND</u> ▪ Moderately important area as perceived by all user types 	<ul style="list-style-type: none"> ▪ <i>Allocate more staff to answer the telephone hotline</i> ▪ <i>The hotline staff need to provide prompt response to those customers leaving voice messages on the hotline especially for those about complaints / cargo damage / cargo loss</i> ▪ <i>Provide training to customer service staff to answer enquiry effectively / professionally</i>
Use of IT	<ul style="list-style-type: none"> ▪ This is the second least satisfactory area for Freight Forwarders and Truckers 	<ul style="list-style-type: none"> ▪ <i>Provide more information than just arrival or departure time</i> ▪ <i>Update information more frequently</i> ▪ <i>Improve response time for information enquiry</i>

Conclusions - Hactl

1. Overall satisfaction with Hactl improved among all user types.
 - The greatest improvement was found among Truckers (7.6 in 2010 vs 7.0 in 2008)
 - Airlines remained the most satisfied (8.2 in 2010 vs 7.8 in 2008)
2. Frontline staff, consisting mainly of Truckers, also registered significant improvement in overall satisfaction with Hactl (7.9 in 2010 vs 6.8 in 2008).
3. For both Freight Forwarders and Truckers, the small size (either by employee size or tonnage handled) tended to be less satisfied than the larger size ones.

Conclusions - Hactl

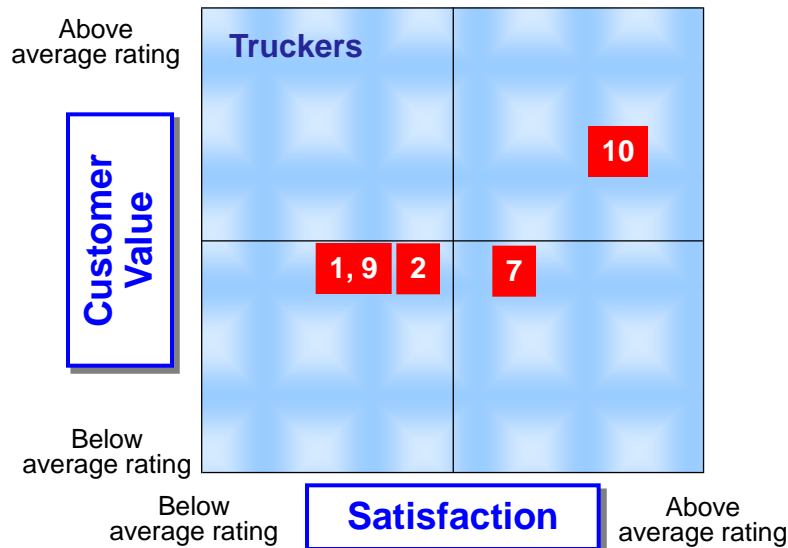
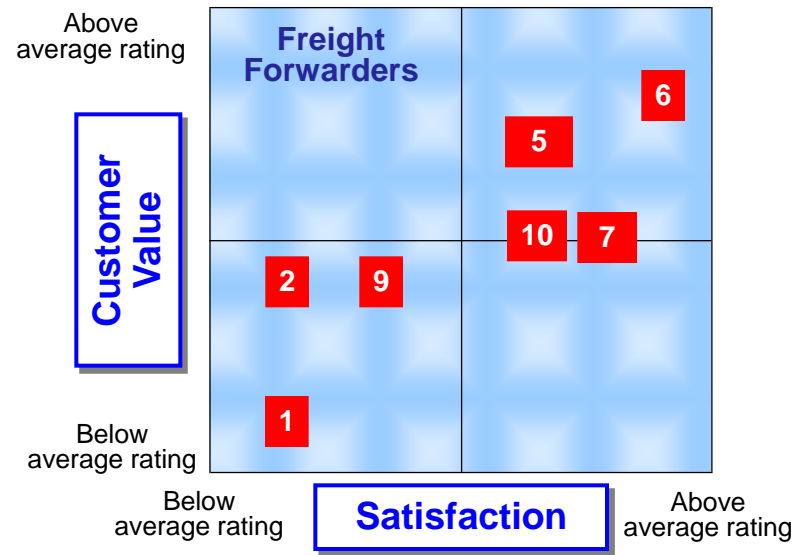
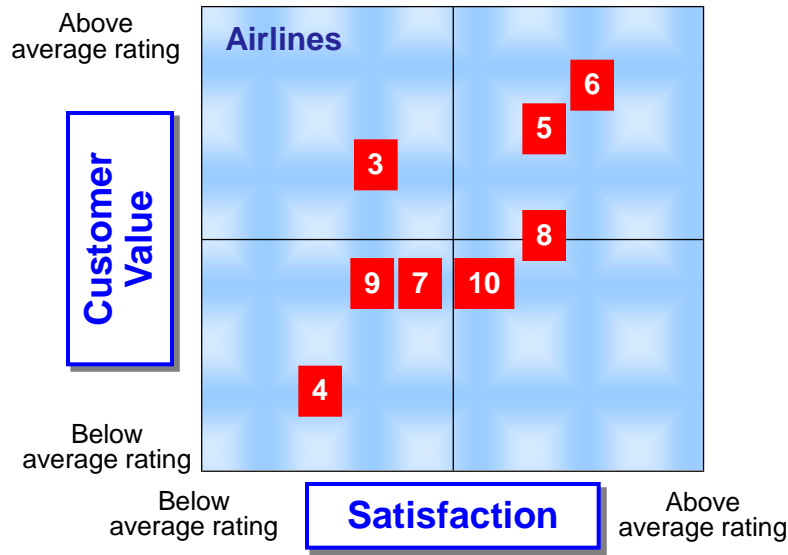
4. Satisfaction ratings for the various service areas by user types are summarized as follow:

	Airlines	Freight Forwarders	Truckers
Most satisfactory	Cargo Security (8.5)	Cargo Security (8.0)	Safety (8.2)
Most improved	Cargo Security (+0.6)	Cargo Security (+0.5)	Export (+0.9)
Least satisfactory	Transshipment (8.0)	Export and Import (7.1)	Customer Services and Import (7.7)
Most declined	-	-	-
Largest gap between perceived importance and satisfaction	Cargo Terminal Services (1.3)	Export (1.8)	Customer Services and Import (1.2)

Note: Service areas highlighted in bold blue colour are:

1. Ranked among top 3 most important areas for Airlines or Freight Forwarders, or
2. Top most important area for Truckers

All Service Areas (Importance vs. Satisfaction) - Hactl



1. Import
2. Export
3. Cargo terminal service
4. Transshipment
5. Cargo Protection
6. Cargo Security
7. Use of IT
8. Facilities
9. Customer Services
10. Safety

Note:

1. Customer value is based on perceived importance of various service areas of each user type.
2. Average satisfaction is based on Hactl's performance in respective service areas.

Recommendations for improvement - Hactl

Service area	Summary Performance	Comments and suggested improvement from respondents
Export	<ul style="list-style-type: none"> ▪ This is the least satisfying area and the area with the biggest gap between importance and satisfaction for Freight Forwarders, <u>AND</u> ▪ Moderately important area as perceived by Freight Forwarders 	<ul style="list-style-type: none"> ▪ <i>Shorten the waiting and processing time by improving ULD allocation and staff allocation for export cargo acceptance</i>
Customer Services	<ul style="list-style-type: none"> ▪ This is the least satisfying area and the area with biggest gap between importance and satisfaction for Truckers, <u>AND</u> ▪ Moderately important area as perceived by all user types 	<ul style="list-style-type: none"> ▪ <i>Allocate more staff to answer the telephone hotline</i> ▪ <i>The hotline staff need to provide prompt response to those customers leaving voice messages on the hotline especially for those about complaints / cargo damage / cargo loss</i> ▪ <i>Provide training to customer service staff to answer enquiry effectively / professionally</i>
Import	<ul style="list-style-type: none"> ▪ This is the least satisfactory area for Freight Forwarders and Truckers 	<ul style="list-style-type: none"> ▪ <i>Improve efficiency of import cargo release, such as speeding up truck dock assignment and staff efficiency</i> ▪ <i>Second important area for improvement is staff attitude. The staff need to show they are passionate or helpful to customers</i>

Recommendations for improvement - HactI

Service area	Summary Performance	Comments and suggested improvement from respondents
Transshipment	<ul style="list-style-type: none">▪ Comparatively this is the least satisfying area for Airlines, <u>AND</u>▪ The least important area as perceived by Airlines	<ul style="list-style-type: none">▪ <i>No major area is suggested for immediate attention</i>▪ <i>Monitor the handling of inter-terminal shipment' for its relatively low rating</i>

Cimigo