

Appendix II

Frequency Tables

Table 3 [Q1] What is the major challenge(s) that your company is facing now under the current macro environment? 【Read out answers, order randomized by computer, multiple answers allowed】

	Frequency	Percentage of responses (Base=1,132)	Percentage of cases (Base=514)
Increasing operational cost apart from rent (e.g. salary, raw materials)	279	24.6%	54.3%
Shrinking business	278	24.6%	54.1%
Rent increases	213	18.8%	41.4%
Staff shortages	124	11.0%	24.1%
Cash flow issues	123	10.9%	23.9%
Difficult to acquire capital	83	7.3%	16.1%
No difficulties	18	1.6%	3.5%
Others (please see below)	3	0.3%	0.6%
Don't know / Hard to say	11	1.0%	2.1%
Total	1,132	100.0%	
<i>Missing</i>	<i>1</i>		
Others that cannot be grouped			
Dominated by large companies	1		
Macroeconomic environment	1		
Low profit	1		
Sub-total	3		

Table 4 [Q2] What is your company's source of fund?

	Frequency	Percentage (Base=513)
Own source	222	43.3%
Stockholders	180	35.1%
Banks or other financial loans	63	12.3%
Clients/business revenue	26	5.1%
Government	4	0.8%
Others (please see below)	2	0.4%
Don't know / Hard to say	16	3.1%
Total	513	100.0%
<i>Missing</i>	<i>2</i>	
Others that cannot be grouped		
America	1	
Capital from mainland China	1	
Sub-total	2	

Table 5 [Q3] In general, how much time on average does it take to receive payment from your customers?

	Frequency	Percentage (Base=514)
1 month or below	167	32.5%
2-3 months	204	39.7%
4-5 months	22	4.3%
6-12 months	7	1.4%
12 months or over	2	0.4%
Customers paid on time	100	19.5%
Don't know / Hard to say	12	2.3%
Total	514	100.0%
<i>Missing</i>	<i>1</i>	
Mean	1.9 month	
Median	2.5 months	
Sampling error	+/-0.17 month	
Base (exclude "customers paid on time")	402	

Table 6 [Q4] Should your customers delay payment, how will it affect your business operation? 【Read out answers, order randomized by computer, multiple answers allowed】

	Frequency	Percentage of responses (Base=603)	Percentage of cases (Base=508)
Add pressure to cash flow	294	48.8%	57.9%
Delay payment to your suppliers	124	20.6%	24.4%
Delay payment to your employees	22	3.6%	4.3%
Others (please see below)	4	0.7%	0.8%
Have Influence	349		68.7%
Customers pay on time / No difficulties	124	--	24.4%
Don't know / Hard to say	35	5.8%	6.9%
Total	603	100.0%	
<i>Missing</i>	<i>7</i>		
Others that cannot be grouped			
Use bank back up reserves to over draft	1		
Have back up reserves so there is no pressure	1		
Won't do business with them	1		
Borrow from banks	1		
Sub-total	4		

Table 7 [Q5] Has your company delayed payment to your suppliers/business partners in 2012? If yes, how long was the delay in general?

	Frequency	Percentage (Base=513)
Within 1 month	83	16.2%
2-3 months	58	11.3%
4-5 months	4	0.8%
6-12 months	4	0.8%
Paid on time	354	69.0%
Don't know / Hard to say	10	1.9%
Total	513	100.0%
<i>Missing</i>	2	
Mean	1.6 month	
Median	0.5 month	
Sampling error	+/-0.27 month	
Base(exclude "paid on time")	149	

Table 8 [Q6] What are the major daily expenses for your company amenities? Please exclude those of staff, rent and raw materials. 【Read out answers, order randomized by computer, only one answer is allowed】

	Frequency	Percentage (Base=511)
Business trips	165	32.3%
Business service	144	28.2%
Office supply	75	14.7%
Meeting and entertainment	28	5.5%
Logistics	13	2.5%
Maintenance fee (water, electricity, gas)	4	0.8%
No major daily expenses	30	5.9%
Others (please see below)	5	1.0%
Don't know / Hard to say	47	9.2%
Total	511	100.0%
<i>Missing</i>	4	
Others that cannot be grouped		
Social fee	2	
Cash flow	1	
Goods on credit	1	
Advertisement fee	1	
Sub-total	5	

Table 9 [Q7] Are there any challenges you find in managing your company's expenses? If yes, what are the challenges? 【Read out answers, order randomized by computer, multiple answers allowed】

	Frequency	Percentage of responses (Base=654)	Percentage of cases (Base=515)
Ever increasing operational cost	246	37.6%	47.8%
Lack of negotiation power	117	17.9%	22.7%
Lack of choices of suppliers	67	10.2%	13.0%
Others (please see below)	1	0.2%	0.2%
} Have challenges 292 } 56.7%			
No challenges	219	33.5%	42.5%
Don't know / Hard to say	4	0.6%	0.8%
Total	654	100.0%	
Others that cannot be grouped			
Find a good supplier to produce good specifications	1		
Sub-total	1		

Table 10 [Q8] Do you have any plan to reduce the operation cost of your company?
 【Don't read out answers, multiple answers allowed】

	Frequency	Percentage of responses (Base=605)	Percentage of cases (Base=513)
Use cheaper business service	106	17.5%	20.7%
Use cheaper office supply	65	10.7%	12.7%
Lay off employees	62	10.2%	12.1%
Cut the number of business trips	31	5.1%	6.0%
Lower/Control the operational cost	18	3.0%	3.5%
Pay cut	15	2.5%	2.9%
Rent offices at a lower rate	10	1.7%	1.9%
Cut employee benefits/pay freeze	5	0.8%	1.0%
No longer recruit people	3	0.5%	0.6%
No plans	261	43.1%	50.9%
Others (please see below)	10	1.7%	1.9%
Don't know / Hard to say	19	3.1%	3.7%
Total	605	100.0%	
<i>Missing</i>	2		
Others that cannot be grouped			
Change the operation method	2		
Try to do the work by himself/herself	1		
Different departments use their methods to reduce the operational cost	1		
More systematic	1		
Prolong payment period	1		
Reduce or outsource production	1		
Slight increase in selling price	1		
Increase revenue, cut expenditure	1		
Banking service	1		
Sub-total	10		

Table 11 [Q9] How much time on average do you or your financial management staff spend on managing the company's expenses per month?

	Frequency	Percentage (Base=515)
Less than half-day	33	6.4%
Half-day to whole day	44	8.5%
1-2 days	62	12.0%
2-3 days	61	11.8%
More than 3 days	280	54.4%
Don't know / Hard to say	35	6.8%
Total	515	100.0%
Mean	2.3 days	
Median	3.0 days	
Sampling error	+/-0.09 day	
Base	480	

Table 12 [Q10] How do you source business services/amenities providers for your company? 【Read out answers, order randomized by computer, multiple answers allowed】

	Frequency	Percentage of responses (Base=868)	Percentage of cases (Base=515)
Referral from friends or business partners	346	39.9%	67.2%
Online search	243	28.0%	47.2%
Advertisement and media	120	13.8%	23.3%
Referral from governmental organization or business associations/chamber of commerce	74	8.5%	14.4%
Yellow Page	40	4.6%	7.8%
Referral from agencies	4	0.5%	0.8%
Not necessary/ No channels	11	1.3%	2.1%
Others (please see below)	7	0.8%	1.4%
Don't know / Hard to say	23	2.6%	4.5%
Total	868	100.0%	
Others that cannot be grouped			
Exhibition	3		
Find customers by himself/herself	2		
Done by company sales	1		
Tender	1		
Sub-total	7		

Table 13 [Q11] Which payment method does your company use most often when paying your suppliers or business partners? 【Read out answers, order randomized by computer, multiple answers allowed】

	Frequency	Percentage (Base=513)
Cheque	337	65.7%
Bank transfer	131	25.5%
Cash	20	3.9%
Corporate credit card	3	0.6%
Personal credit card	0	0.0%
Others (please see below)	19	3.7%
Don't know / Hard to say	3	0.6%
Total	513	100.0%
<i>Missing</i>	2	
Others that cannot be grouped		
Telegraphic transfer	9	
Letter of credit	7	
Remittance	3	
Sub-total	19	

[Remarks: since no respondents answered “Personal credit card” in Q11, thus no one was asked in Q12 in the survey.]

Table 14 [Q13] How often does your company settle payment with corporate credit cards? (Interviewer probe intensity)

	Frequency	Percentage (Base=515)
Always	29	5.6%
Sometimes	12	2.3%
Seldom	67	13.0%
Never	401	77.9%
Don't know / Hard to say	6	1.2%
Total	515	100.0%

Table 15 [Q14] What do you think are the advantages of using corporate credit cards to pay for company expenses? 【Read out answers, order randomized by computer, multiple answers allowed】

	Frequency	Percentage of responses (Base=646)	Percentage of cases (Base=514)
Integrated statement to present a clear overview of your financial situation	115	17.8%	22.4%
Enjoy business-to-business benefits provided by credit card	95	14.7%	18.5%
Better cash flow	86	13.3%	16.7%
Clear management of the company expense	64	9.9%	12.5%
More convenient to pay	8	1.2%	1.6%
Others (please see below)	4	0.6%	0.8%
	240		46.7%
Have advantages			
No advantages	208	32.2%	40.5%
Don't know / Hard to say	66	10.2%	12.8%
Total	646	100.0%	
Missing	1		
Others that cannot be grouped			
No effect on personal credit	1		
Prolong payment	1		
Asked by client	1		
Loan	1		
Sub-total	4		

Table 16 [Q15] Do you know that some credit cards provide a repayment period up to 56 days?

	Frequency	Percentage (Base=512)
Yes	298	58.2%
No	214	41.8%
Total	512	100.0%
Missing	3	