

Membership Info

All Board members and Honourable members Mr. Raymond Kwok, Mr. Michael Tien, Dr. Roger C.K. Chan, Professor Rebecca L.H. Chiu, Professor Eddie C.M. Hui, Professor Sin Yat Ming, Dr. T.M. Kwong, Mr. Jimmy C.W. Wong, Mr. Kendrew C.Y. Leung welcome the following new members.

Full Member

Kwok Man Yui, Kitty
Lee Kwok Kei, Ken
Leung Ka Lai
Lo Shui Kwan, Annie
On Ka Hong
Poon Yue Yan, Peter
Tam Kar Yee, Rebecca

Associate members

Chao Yuet Yee, Katherine
Ho Wai Shun, Wilson
Lai Hei Man, Esther
Wong Wing Wa, Alice
Yu Chi Hang, Ricky

Quick Apply

Our Membership is open to any individual person who is a practitioner in shopping centre industry and student who is enrolled in the course of shopping centre management of HKU Space will also be considered.

Grade of Membership	Annual Fee
Fellow Member	HK \$ 1,450
Full Member	HK \$ 960
Associate Member	HK \$ 600
Student Member	HK \$ 250

Online application can be completed at the following link:
www.iscm.org.hk



Membership fees for new applications will be good for 31 March 2016.

Members' Corner

Want to join us and become a volunteer helper in organising various events and activities of ISCM?

Please feel free writing to us and email to:
contactus@iscm.org.hk

Upcoming

ISCM 11th Annual Dinner

Date: 17 April 2015 (Fri)
Time: 6:30-10:00pm
Venue: 5/F Salon Room, Harbour Grand Hong Kong
23 Oil Street, Tin Hau, Hong Kong
(Details will be announced soon)



Contact Us

The Editor

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contactus@iscm.org.hk

Membership Enquiry:

membership@iscm.org.hk



The Board

Chairman	Maureen Fung
Vice Chairman	Victor Wong
Vice Chairman	Victor Ng
Vice Chairman	Baldwin Ko
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Jolene Lo	Ivan Yu
Jimmy Mak	

Editorial

Dear Members & Friends,

What is your new year's resolution? If expanding your business network is one of them, you should stay tuned with us. We are honored to start this issue with the message from our Honorary Secretary Ms. Michelle Lee who is also one of our fellow members and has been growing with the Institute.

Professional sharing has also been our mission. In the last quarter, our Institute organised two seminars on BIM model and "Cybertecture" respectively as well as a members' welfare activity. On top, our Chairman, Ms. Maureen Fung attended the annual CASC Conference held in Jakarta, Indonesia to share her experience in the Mainland's luxury market.

To start with the year of 2015, what are the market trends you have to pay attention to? Our "Market Spotlight" and "Focus Feature" may give you some clues.

Message from the Institute

ISCM has stepping into its 2nd decade in 2014, and it is also my great pleasure becoming the Honorary Secretary to serve our members, after joining ISCM since its establishment a decade ago and serving the position of Chairman of Publication Committee for years.



With the growth of our membership base in recent years, we have established a total of 7 committees and sub-committees with an aim to enhance the services and programmes to our members in a systematic and efficient manner. The committees cover the areas of Membership, Training, External Affairs, Welfare, Publication, Corporate Social Responsibility and IT. All our board and committee members are volunteers who are experienced professionals and wish to make dedication to the shopping centre industry's ongoing development.

For those members and non-members who have participated in our activities and events before, I trust that they must be impressed by the unique and diversified topics and contents which are not commonly found elsewhere. More importantly, we encourage the communication and exchange of ideas from all participants during these occasions, and a platform of networking has been well-established throughout these activities especially for young practitioners. We have also extended our commitment further to the community and have contributed to NGOs including St. James' Settlement and Make A Wish through charity auction in our annual dinner. All the above has encouraging response which is really a positive reinforcement to us and certainly there will be more dynamics of events with wider spectrum in 2015!

ISCM is also a member of Council of Asian Shopping Centers (CASC) which has members from different Asian countries. ISCM will continue to work closely with our counterparts in the region to form a bigger regional network.

Looking forward, 2015 is another year of challenge given the ever-changing market competition and sentiment. For the shopping centre industry, it relies on all industry players' effort and ISCM strives to continue its leading role in contributing more to the whole industry. If you are not our member yet, please action now via our online application: www.iscm.org.hk. We look forward to seeing your participation onwards!

Michelle Lee
Honorary Secretary

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Seminar : BIM for Shopping Mall - Enabling Collaboration to Reduce Cost, Risk and Time Across Whole Shopping Mall Management Lifecycles”

10 October 2014

Together with the industry, ISCM rides on the changing times and market trends. At our seminar on October 10, Mr. Elvis Li, CEO and Director of is. BIM Limited, the leading Building Information Modeling (BIM) consultant in Hong Kong, Taiwan and China, talked about the application and advantages of BIM, which is widely used in construction nowadays.

Elvis noted that BIM is a data-based model and its primary purpose is to facilitate the whole planning, design, construction and operation process of a venue. A 3D simulation model for the construction is drawn from data analytics. The design is then evaluated for its effectiveness in meeting future needs and for areas of enhancement, which improves and speeds up communication between different users. It also facilitates supervision of the construction work, enhances management efficiency, and minimises time and communication in the re-design process.

Elvis began the seminar with the example of Sky Tower in Tokyo by explaining the application of BIM for a complicated multi-storey shopping centre. Elvis referred to the KITEC (Kowloon Bay International Trade & Exhibition Centre) as an example. In planning the conversion of some of the venue's floor space into a cinema, the use of BIM resolved some of the technical and cost control issues during the project management stage. Drawing on

the scientific data from BIM, construction management achieved much greater efficiency in cost and time reduction as well as its facilitation in decision making process.

He added that BIM is also used in many construction projects in the mainland. The construction of Tencent Corporate Headquarters was based on a 3D simulation model of the towers, which minimises lots of re-design risk during and after the construction.



Mr. Elvis Li gave us an interesting seminar on BIM application.

Seminar : Cybertecture - The Next Generation's Architecture

10 Jan 2015

Sustainable development is a keyword in various fields today and if you think of a world as a system over space, its application in architectural design is an integral to our life and the system. In the afternoon of 10 January, James Law, founder and CEO of Cybertecture gave an innovative talk on the future trend of

space planning and architectural design for ISCM members and industry professionals.

Well-thought and inspiring urban and architectural planning helps slowing down the acceleration effects from rapid urbanisation and global warming. James mentioned the concept of Cybertecture, referencing the use of green intelligence technology in his design for The Pad, a new residential development in Dubai. The exterior of the building resembles that of an iPad and tilts slightly. The building is equipped with different high-tech facilities that meet the residents' needs for entertainment, social life, and enhancement of personal health.

James also mentioned that the Dubai Government devised the eco-friendly building, Tecnosphere, which is one of his company's signature projects. Using the self-sufficiency of the earth as the design concept, the globe-shaped "micro city" offers residential units, offices, entertainment and greening spaces, all of which utilise eco-friendly energy.

The participants showed a keen interest in the innovative architecture and asked various questions. James also gave all the participants his newly published design book for sharing.



Our Vice-chairman Mr. Baldwin Ko (right), Chairman of Publication Committee Ms. Wendy Cheng, and Chairman of Training Committee Mr. Louis Lee presented a souvenir to Mr. James Law (2nd right).

Welfare : Lymphatic Massage Therapy Workshop

23 Jan 2015

Massage therapy is widely used for well-being and stress management. In the evening of 23 Jan, our Welfare Committee joined hands with Annabelle Holding to hold a workshop on lymphatic massage therapy. During the workshop, the participants learned the benefits of lymphatic facial massage and the lymph nodes locations. They also had the chance to practise lymph massage on their own. According to the tutor, self-massage and appropriate skincare products can help to leave our skin healthy. The breakout session is a relaxing retreat to participants and everyone did learn handful lymphatic massage for their well-being, setting off a healthy life in the new year of 2015.



Participants were told that lymphatic massage can help leave skin healthy.

International Conference : CASC Annual Conference in Jakarta

4-6 Dec 2014

Our Chairman Ms. Maureen Fung had delivered a presentation on "Luxury Mall and Landscape in Hong Kong and China" at the CASC Annual Conference in Jakarta. ISCM is one of the three founding members of CASC in 2004.



Ms. Maureen Fung attended the CASC Conference on behalf of ISCM.



Industry Networking : Green Building Product Labelling Scheme Launching Ceremony

6 Jan 2015

Creating a platform for exchange of best practices in the art and science of shopping centre management within the Asia Pacific region has always been our mission. To achieve this, ISCM is supportive to relevant industry initiatives. On 6 Jan, our Vice Chairman, Mr. Baldwin Ko attended the launching ceremony of "Hong Kong Green Building Product Labelling Scheme" organised by Hong Kong Green Building Council (HKGBC).



Mr. Baldwin Ko, our Vice Chairman, attended the launching ceremony of "Hong Kong Green Building Product Labelling Scheme".



The Next Generation Shopping Space

In recent years, shopping centres with an emphasis on advocating art have become a popular trend in Hong Kong. In this issue, we are honoured to invite Professor Sin Yat-Ming, Department of Marketing, Faculty of Business Administration, the Chinese University of Hong Kong who is also our Honorable Member, to share with us his views on this new interpretation of shopping space.



Prof. Sin affirms that PMQ is now a new culture icon of Hong Kong.

Professor Sin remarks that instilling art and culture into retail projects can elevate the shopping experience to the intellectual level. "Visiting a shopping centre is no longer only materialist consumption, as it also enhances the shopper's personal taste and image." He highlights that it is due to this reason that PMQ is now a new culture icon of Hong Kong.

Converted from the Former Hollywood Police Married Quarters in Central, PMQ blends arts and shopping in an advanced way. It functions both as a creative and art hub and a shopping venue for the showcasing and selling original designs. Combining art with shopping, the establishment nurtures talented designers, grooms the creative industry and ensures the operation capability.

PMQ has launched the pop-up stores for presenting a variety of distinctive brands and surprises for shoppers. The ongoing activities at PMQ are definitely its selling point. There are also a number of art spaces with eclectic exhibits spanning drawing, household items, fashion and accessories. They also work with creative organizations to conduct workshops on a regular basis. As a Chinese New Year's Eve special, PMQ joins hands with HULU Culture to present the "We'll See You Through" handicraft workshop. The master craftsmen will teach participants how to make such festive niceties as tiger hats, Chinese New Year couplets in wood engraving, flat shoes for men and women, which will appease the consumers' desire to create and to shop at the same time.



Times Square in Causeway Bay have collaborated with various artists to host art exhibitions regularly.



K11 in Tsim Sha Tsui is branded as the first "art mall" in Hong Kong.

Commercial and Art are two domains operating in disparity in the past Hong Kong. With the evolvement of shopping behavior in our city, the marriage of them in some retail establishments ignite interactions of these two domains and a platform has been established under their affinities of enjoyment and art appreciation.

Aside from the large-scale shopping centres' collaboration with local and creative artists on hosting inspiring art exhibitions and other related activities in shopping malls, like Times Square, Harbour City, Olympian City, Elements and Pacific Place, recently there are new retail developments drawing up this redefinition of space of art and retail. Opened in 2009, K11 in Tsim Sha Tsui stands out for its branding as the city's first "art mall". This private project locating in the centre of the city hub transforms the obsolete urban area into a new face. PMQ, which opened in 2014 and the coming up Central Police Station are also leading players in this field.

In Hong Kong there are an array of non-profit creative hubs, with the Jockey Club Creative Arts Centre and PMQ being two notable examples. The former is an artists' centre housed in a converted factory estate in Shek Kip Mei, and it is dedicated to nurturing new talents. Some sections of the centre are open to

the public which you can look and feel the fancy of creativity in the revitalized factory. It organises exhibitions, handicraft fair and other activities on a regular basis, providing a platform for exchanges and sales of creative products from artists. Together with PMQ, these creative art hubs with some commercial initiatives are supported by Government as a social responsibility and ensuring its financial sustainability.



Jockey Club Creative Arts Centre is dedicated to nurturing new talents.



The one-month long "1600 Pandas World Tour in Hong Kong" organised by PMQ in June 2014 has once been the talk of the town.

It is obvious that PMQ has successfully enterprised the creative industry, assists local creative practitioners to be sustainable and as well as instills new thinking into the retail industry.

Professor Sin notes that it helps enhance their branding as shopping centres and taking up the responsibility of fostering societal culture. However, many local shopping centres hold only one or two art exhibitions each year and the events are mere publicity. He pinpoints that Hong Kong falls short of alternative shopping centres that are art and culture related, and the industry will trail its Mainland counterpart if it does not gather momentum in this regard.

He adds that art and culture have an extensive scope that covers such facets as popular culture, and shopping centres may choose to spotlight different facets depending on their target customer groups.

"For instance, with the recent passing of the voice-over artist of Doraemon, the shopping centres may organise a Dorameon retrospective, which should draw a considerable number of

visitors," he points out. "The shopping centres may also set a monthly art theme to bring out different experiences. Furthermore, they may consider designating part of the floor space as art space and introduces culture-themed stores to the trade mix," Professor Sin closes.



An exhibition organised by Harbour City for the "100 Years Before the Birth of Doraemon".

Cautious Optimism for 2015 Retail Performance Positive Outlook for Popular Consumer Goods

The retail sector turns a new page in the year of 2015. In recent months, the number of visitors to Hong Kong has recorded a significant rebound, while local consumption demand shows signs of stabilising that lend further support to the city's retail. In general, the sector and local academics forecast a cautiously optimistic outlook for the retail sector.



The local retail performance is expected to have a positive outlook in 2015.

Strong Local Spending Power

Dr. Kwong Tsz-man, Head of College of Humanities and Law, The HKU School of Professional and Continuing Education, believes that while the slowing of Chinese economy has undercut spending by Mainland customers, the local spending power remains strong and is set to become the momentum for the city's retail. "The Hong Kong Brands and Products Expo recorded excellent sales this year, which heralds a cautiously optimistic outlook for retail in 2015," he says.

He adds that most local shopping centres focused on marketing that catered to individual travellers in the past. With the changing retail environment, however, shopping centres may consider investing more resources into marketing that encourages local consumption.

Professor Sin Yat-ming, Department of Marketing, Faculty of Business Administration, the Chinese University of Hong Kong, notes that with the ban on public spending on gifts in the Mainland and the shift of high-spending Chinese consumers to other Mainland cities for their shopping trips, the value of retail sales of high-end goods as jewellery, watch and luxury goods

in Hong Kong is expected to hit further decline. However, there is increasing number of individual travellers visiting Hong Kong to shop for daily goods, and the sales of daily goods is set to remain strong. With these changes, he predicts that the value of total retail sales will record a lower than 10 per cent year-on-year increase in 2015.



Retail sales of high-end goods in Hong Kong may decline further this year.

Early Sales in the Wake of Spring Festival Peak Season

Professor Eddie Hui, Department of Building and Real Estate, the Hong Kong Polytechnic University, notes that the Occupy Central movement has impacted Hong Kong's economy. Retail sales growth is expected to be relatively slow in the first quarter, and it will only rebound gradually in the second quarter. "It will take time for the street stores in Mong Kok to achieve business recovery, though shopping centres in the area have remained largely unaffected." He predicts a 5 to 10 per cent increase in the overall retail sales of shopping centres this year.

He pinpoints that property purchase rate in Hong Kong is close to 50 per cent. The continued increase in property prices propels spending among local citizens, which helps alleviate the negative impact on Hong Kong's retail from the anti-corruption crackdown in the Mainland. He also states that retailers like gold shops have launched promotions and discounts in January to boost sales

in the wake of the coming peak season. The value of total retail sales is poised to rise by 10 per cent during this Spring Festival. To brace forthcoming challenges, Professor Hui says that shopping centres should expand their trade mix and strengthen their cross-border transport services to attract visitors.

ISCM Vice Chairman Mr. Baldwin Ko, also the Founder and Managing Director of MR B Concepts Limited running an Italian dessert bar 2/3 Dolci in Hong Kong, is cautiously optimistic about the city's retail this year. As he remarks, the comparatively low interest rates in Hong Kong have not stimulated spending, while the anti-corruption crackdown in the Mainland has certain impact on Hong Kong's retail. While the sales of luxury goods is on decline and there is strong demand for mid-priced and low-priced products, which points to changes in the overall supply chain.

Wealth Effect a Stimulus to Individual Travellers' Spending

Mr. Victor Wong, General Manager - Asset Management of Sunlight REIT, foresees positive prospect for the retail sector, as low unemployment rate in Hong Kong and the forecasted wage increase propel local consumption. He adds that soaring A-shares and steady economic growth in the Mainland have caused the wealth effect. It is expected to drive more individual travellers to visit Hong Kong, which will benefit retailers of casual wear, dried seafood and tonic food, and electronic products.

As he remarks, business expansion of popular consumer goods has led to a comparatively large increase in certain shop rents in Yuen Long, Tuen Mun, Tin Shui Wai, Sheung Shui and Shatin. Business has been declining for some retailers in core districts like Tsim Sha Tsui, which puts greater rent pressure on tenants. There has been an increase in the vacancy rates of certain street stores, resulting in downward pressure on rents.

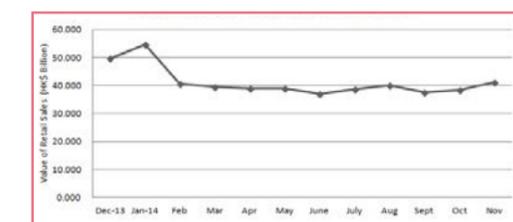


Average wage increase is expected to be 4 per cent this year which supports the local consumption.

Innovative Thinking to Enhance Uniqueness of Shopping Centre

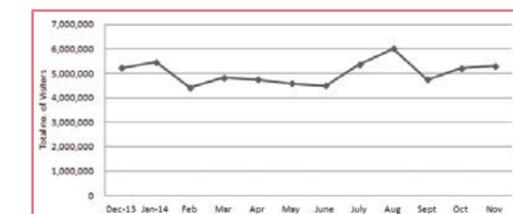
With the upswing in local consumption and number of visitors to Hong Kong, our Vice-Chairman Victor Ng foresees a positive outlook for the city's retail this year. As he remarks, the shopping centre industry is stepping up its upgrading on both hardware through renovation and software with more e-marketing to attract visitors. "The developers are looking to transform shopping centres into a shopping and dining destination for families and public, which include recruiting more international brands new to Hong Kong and introducing more popular Japanese and Korean delicacies in the venues. These strategies boost the number of visitors and the appeal of the venue, and add to the uniqueness of the shopping centre."

As Chief Economist at the Bank of East Asia Paul Tang pinpoints, there may not be significant improvement in Hong Kong's retail sales this year, in view of the slowing of China's economic growth and continued impact from the anti-corruption crackdown in the Mainland. However, the U.S. is expected to enter a rate hike cycle, which will create positive factors for Hong Kong's property market. The value of total retail sales in Hong Kong is expected to hit a lower than five per cent year-on-year growth in 2015.



Trends of Local Retail Sales in the past 12 Months

Source: Census and Statistics Department



Trends of Inbound Tourism in the past 12 Months

Source: Hong Kong Tourism Board