

## Membership Info

### New Members

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 and Dr. T.M. Kwong welcome the following new members :

### Full Members

Chan Kam Hung  
Chan Vincent  
Chan Wing Ki

## Membership Application

Our Membership is open to any individual person who is a practitioner in shopping centre industry. Students who have enrolled in the course of shopping centre management at HKU School of Professional and Continuing Education (HKU Space) will also be considered.

Grade of Membership	Annual Fee
Fellow Member	HK \$ 1,650
Full Member	HK \$ 1,100
Associate Member	HK \$ 720
Student Member	HK \$ 280

Online application can be completed at the following link:

[www.iscm.org.hk](http://www.iscm.org.hk)



## Give us Feedback

Email : [secretariat@iscm.org.hk](mailto:secretariat@iscm.org.hk)

Website : [www.iscm.org.hk](http://www.iscm.org.hk)

Facebook : [www.facebook.com/ISCMhk/](https://www.facebook.com/ISCMhk/)



## Upcoming

### Webinar

HSmart EV charging solution for Shopping Centre Management

Speaker : Mr. Ron Chung, Director of Engineering and Technical Services Smart Charge (HK) Limited

Date : 29 July 2020 (Wednesday)

Time : 7-9 pm

ISCM is proudly to invite Mr Ron Chung, Director of Engineering and Technical Services of Smart Charge (HK) Ltd, to present Smart EV charging solution for Shopping Centre Management. The rapidly improving technology and performance of electric vehicles (EV), coupled with falling prices, have now positioned them to play a major role in Hong Kong's efforts to improve road-side air quality, reduce carbon emissions and to make the city smarter and more connected. Below are some key topics to be discussed.



### Highlights:

- General reviews of the EV market
- Needs of EV drivers
- EV Charging Standards and Technology
- Common Considerations for EV Charging in Shopping Malls
- Car Park Infrastructure Issue

Registration 

Deadline: 27 July 2020

### The Board (2020-2022)

Chairman	Baldwin Ko
Vice Chairman	Chris Keung
Vice Chairman	Michelle Lee
Vice Chairman	Vivian Leung
Treasurer	Katherine Ho
Honorary Secretary	Bella Chhoa
Director of Training	William Chan
Director of Membership	Margaret Lau
Director of Marketing & Promotions	Angie Chung
Director of Study Tour	Wilson Lam

## Editorial

The first half of 2020 has been hectic to say the least: a worldwide pandemic, economic downturn and political unrest. If little of that was predictable, imagine how volatile the next six months might be.

To cope with the shrinking retail and catering market, the HKSAR government launched their HKD10,000 cash handouts. Our feature story on market updates will walk you through the promotion strategies of malls and industry players.

Despite all the unknowns ahead, Hong Kong people have come up with innovative ideas as usual, and technology has played a crucial role during the citywide spread of COVID-19. Webinars are on offer to replace seminars, and live-streaming by KOLs has been introduced for mall promotions. There are many issues for you to learn about.

Last but not least, our newly appointed Honorary Secretary, Ms. Bella Chhoa, is both a veteran in the mall management industry and our new senior member. She wrote a message expressing what she has gained since joining our institute, as well as her roles and expectations upon being elected on the board.

Do enjoy reading it.  
Thank you

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## Message from the Institute



The year 2020 is an extremely challenging year for everyone. While the full impact of coronavirus is yet to be assessed, we have already detected behavioural changes in the property and retail sector. We may have to live in the "new normal" for quite some time to go about our lives, work and interactions with other people.

Looking at the positive side, ISCM as an organisation having certain standing in the local shopping centre management, has embraced these challenges, and I am glad to be invited as one of its board members. We have launched our debut webinar to keep our community informed about the latest hot topics including the Public Health series discussing about ways to improve cleanliness of shopping malls and to offer a clean environment by adopting the latest available technology. I am amazed by how fast our Institute has responded and arranged the webinar for free during such challenging times, and when our peers are all searching for new ways to reassure our customers that our places are safe for visits. I also took the opportunity of inviting my friend from Huawei, Joe So, CTO of Huawei Enterprise Industry Solutions to share his expertise on 5G development and its applications in shopping malls. Each webinar was well received by those who joined us. This is a time when sharing of knowledge is crucial and we have built an effective platform for such sharing over a short period of time.

Although social distancing has now become the norm, ISCM has not lost its focus and is thinking of how well to identify prospective channels to link up with professional bodies, industry leaders to exchange best practices in shopping centre management. We believe in interaction among people and the industry will come back after the coronavirus is subdued. If situation allows, we will proceed with our study trip to learn from our peers. We are also in constant liaison with other professional organisations to explore possibility of cross-over collaborations.

In the meantime, ISCM has arranged several CSR programmes since the outbreak and our members including Tai Hing and Fairwood have been generous to donate meals to help the less fortunate ones via the Boys' & Girls' Clubs Association of Hong Kong. Corporate social responsibility remains dear to our heart and ISCM always has the strong support of its members to pursue such cause.

I am honoured to be invited by the ISCM Board to join the big family. Personally, I benefitted from sharing experiences with the veterans in the industry especially during the big times. I hope I could contribute more to ISCM in the future and continue to help spread the positive notes of ISCM.

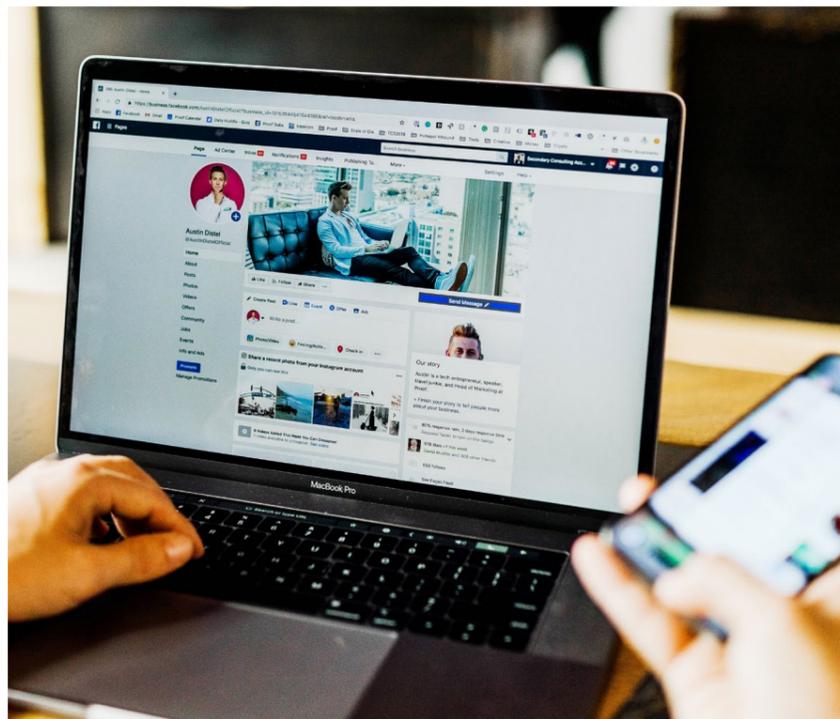
Bella Chhoa  
Honorary Secretary

## Training Committee Launches Webinars to Extend Reach Across Industries

In an attempt to combat COVID-19, the government first introduced the restriction in late March that gatherings of more than four people (indoors or outdoors), were prohibited. The limit was later upped to eight people in early May. Our Director of Training, Mr. William Chan, mentioned that the training committee began to discuss in early April if webinars should be organised instead, especially since the spread of COVID-19 seemed to be a story with no clear end in sight.

Mr. Chan noted that the first webinar was launched in early May while the response was overwhelming. "It was rather because of our expectation that over 100 participants would be joining us," he said, adding that saving time by not having to travel to the seminar venue could be one of the key reasons so many participants wanted to join. "Lack of face-to-face interactions and network opportunities are definitely in a relationship of trade-off at the moment; that is, as the former decreases, the latter increases."

Compared to Microsoft Teams, which limits the number of participants to 100, Mr. Chan said the institute has recently switched to Zoom, which allows up to 500 participants. "Our training committee has agreed to continue with webinars, and may continue even when COVID-19 comes to an end. By that time, we could be organising both seminars and webinars, depending on



Webinars will be a new channel for the Training Committee to appeal to new members. Photo credit: Unsplash

the topics and our purpose," he said.

The webinars are free of charge and have drawn a large number of non-members. Mr. Chan stressed that the webinars help to increase awareness of the institute and hopefully expand the membership base subsequently. "We plan to organise one webinar a

month. Topics including the application of technology such as 5G and IoT to improve the efficiency of daily operation are popular across industries. We will be inviting relevant speakers to present these webinars in the coming quarter," he revealed.

## Webinar : IoT Solutions to Manage Property Efficiently



Ms. Heidi Ho, Principle Consultant of GS1 Hong Kong, walked the participants through the application of IoT Solution to property management via Zoom Meeting.

According to Gartner, there will be 20.4 billion connected devices in 2020, which will be a significant growth when compared to the 6.4 billion connected devices the global research firm reported in 2016. As such, the potential for the IoT to change the way the world works is limitless, and connected devices are becoming an asset to helping organisations come up with smarter and more efficient business decisions.

On 14 July 2020, Ms. Heidi Ho, Principle Consultant of GS1 Hong Kong, was invited to share with nearly 500 participants the ways IoT solutions help to facilitate speedy and accurate evaluation on workspace occupancy and needs, and on operation and surveillance efficiency as well as on property safety and maintain standards.

## CSR Initiative: Vouchers Donation to Underprivileged Families Through BGCA

Since the outbreak of the new coronavirus pneumonia (Covid-19), ISCM has been taking various measures to prevent and combat the epidemic. In addressing the needs of vulnerable groups in the society, we are delighted to

have the support from Fairwood Fast Food Limited and Tai Hing Group Holdings Limited to donate their vouchers to underprivileged families via the help of The Boys' & Girls' Clubs Association of Hong Kong (BGCA) today.



Our Chairman Mr. Baldwin Ko (middle) joined the presentation event. (From the left) Ms. Anne Mak from BGCA, Ms. Connie Lei from ISCM, Our Vice Chairman Mr. Chris Keung, Ms. Jojo Chan from Tai Hing, Ms. Ida Tsang and Ms. Queenie Tong from Fairwood and Ms. Cecily Ma from BGCA.

## Webinar : Anti-epidemic Solution for Mall Operators

ISCM first-ever online webinar was successfully held on 5 May 2020, gathered more than 100 participants joining online. Since the SARS outbreak in 2003, HKUST research team has developed a series of Smart Long-term disinfectant coating to combat various epidemic outbreak. The recent launch of MAP-1 (Multi-layer Antimicrobial Polymer, a.k.a Germagic) will revolutionise the way of disinfecting and provide Mall operators a series of powerful anti-epidemic solution.

Mr. Hamilton Hung, Chief Anti-Epidemic Officer of Germagic Biochemical Technology (HK) Co., Ltd, shared his experience of innovating a new solution - the Smart Long-term Disinfectant Coating, which is to exterminate viruses from hard surfaces. During the webinar, Mr. Hung explained how MAP and all possible applications work, the advantage of MAP over other technologies in the market and lastly the ways to turn shopping mall into smart disinfection zone.



Ms. Angie Chung (left), Director of Marketing and Promotions and Mr. William Chan (right), Director of Training hosted the webinar with Mr. Hamilton Hung (middle), Chief Anti-Epidemic Officer of Germagic Biochemical Technology (HK) Co., Ltd.



Mr. Scotty Kwok (left), CTO of Sebit Company Limited, shared the latest AI Technology to apply in shopping malls. Mr. William Chan (right) presented him the souvenir as a token of appreciation.

## Webinar : AI Applications to Mall Management

ISCM second online webinar was successfully held on 19 May 2020, gathered more than 140 participants joining online. Mr. Scotty Kwok, CTO of Sebit Company Limited, shared the latest AI Technology to apply in shopping malls, including Qlicky, which is a touchless lift button system and by presenting QR codes of Qlicky, users can trigger the floor button without touching it. He also touched on Edge AI, which referred to smaller AI devices that can be installed on-premises and in a wireless way.

Crowd Management and Video Redaction and Privacy are two key areas that AI could be applied. Mr. Kwok told the participants on how AI can help redact the video footage before disclosure which is essential for shopping mall operators who are the data owner of CCTV footage, taking the responsibility to disclose CCTV records and to avoid involving in any PR crisis.

# Merchants Offer Incentives to Boost Consumption after HKD10,000 Cash Handout

Hong Kong is not only affected by the recent COVID-19 outbreaks but also the months of political unrest, particularly for the recent imposition of national security legislation. Amid the subdued economic outlook, the HKSAR Government has announced a range of relief measures including the HKD10,000 cash handout for all permanent residents with an aim to boost local consumption. Shopping malls, retailers and even the catering sector have launched a myriad of incentives to attract customers.

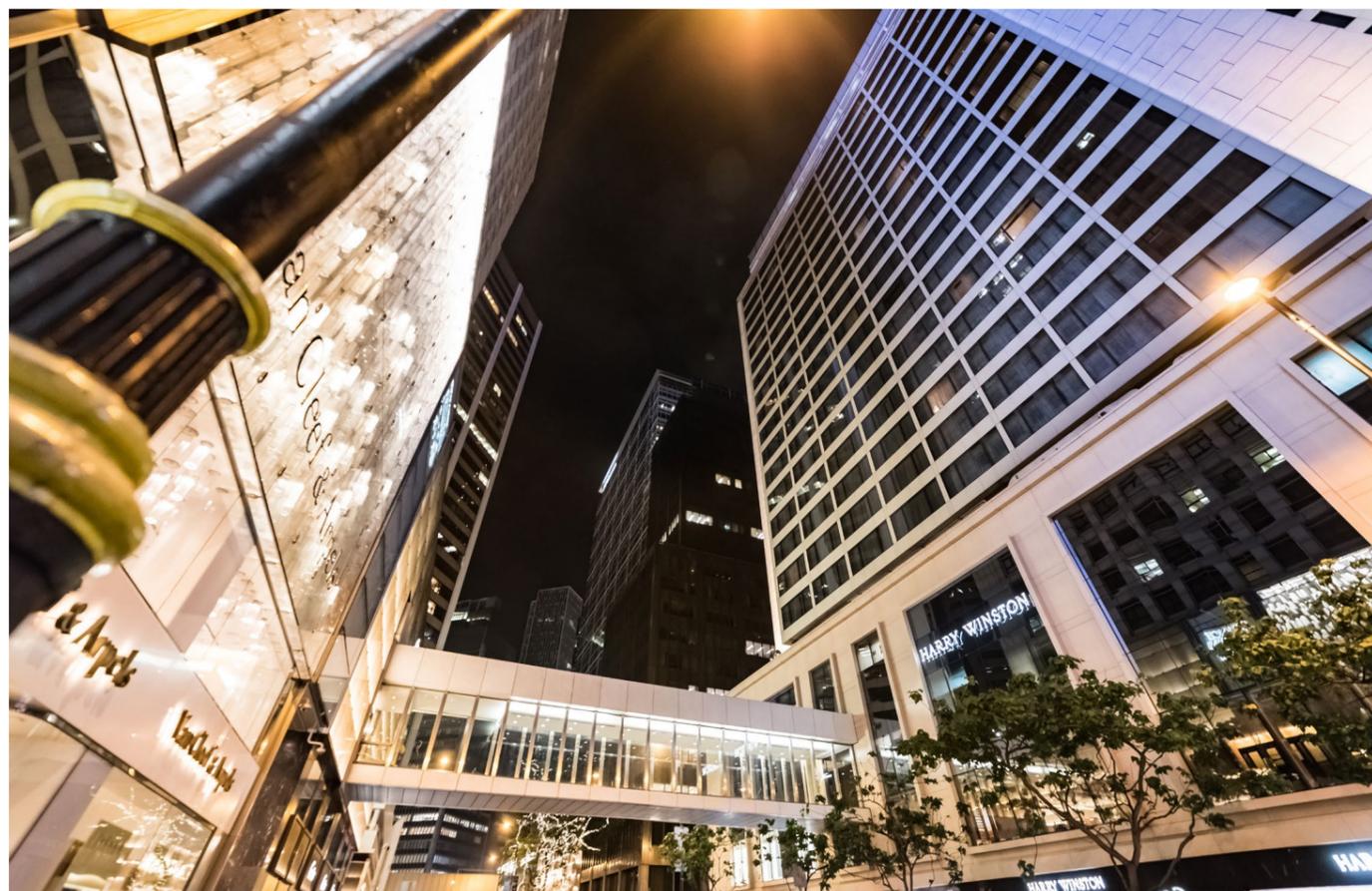
## Hong Kong Economic Outlook Remains Uncertain

Retail sales, tourist arrivals, hotel occupancy and business sentiment have fallen drastically in the past full year in Hong Kong, as social and political unrest continue to affect the consumer spending sentiment. As a result of these subdued business conditions, unemployment is forecast to increase slightly.

According to Mr. Michael Cheng, Asia Pacific, Mainland China and Hong Kong Consumer Markets Leader for PwC, Hong Kong's retail sales in 2020 are expected to fall by approximately 2.5% to HKD420 billion, which are subject to downside risks such as China's economic slowdown and volatility in global markets against the backdrop of the upcoming US election.

Total retail sales for the first 5 months of 2020 registered a decline of nearly 35%. The number of tourists coming to Hong Kong keeps dropping as both the COVID-19 and the social unrest deter visitors, with hotels starting to close floors with occupancy rate below 30%. While it has been a general trend across retail, watches and jewellery as well as luxury goods are some of the most affected sectors.

A government spokesman said earlier that retail sales continued to fall sharply in May compared to same month last year, as inbound tourism remained at a standstill whereas job and income conditions were weak. Nonetheless, the decline narrowed



Retail sales in Hong Kong recorded a decline of over 30% in May, which has been dropping for 16 consecutive months. Photo by Jason Lam on Unsplash.

further from that in April thanks to the stabilised local epidemic situation and consequential easing of social distancing measures. The spokesman further pointed out that the business environment for retail trade remains difficult amid austere labour market conditions and the travel restrictions in place.

## HKRMA: The situation was slightly improved in June

Mrs. Annie Yau Tse, Chairman of Hong Kong Retail Management Association (HKRMA) was told by member companies that the foot traffic was improved in June and yet the sales performance remained unsatisfactory. Besides, member companies indicated that the decline in retail sales might be narrowing further due to the relatively low base comparing

to June 2019. Nevertheless, it does not imply that the market has rebounded or improved. Some member companies, however, found that more shoppers' traffic has been driven by business activities after the Government has loosened social distancing measures and offered cash handouts to the public, which has also boosted sales moderately.

When talking about some international brands, including lingerie brand Victoria's Secret and jewellery brand Folli Follie, having withdrawn from the Hong Kong market, Mrs. Tse quoted a survey conducted by the Italian Chamber of Commerce and the French Chamber of Commerce in late May. Among the 91 surveyed international brands, 80% of the respondents are currently in a loss position. Only 8% have made both ends

meet. 60% of the responding companies were going to close or have already closed around 15% of their retail stores in Hong Kong by late June. Recently, she had met with the senior executives of some international brands, they said that they did not want to give up the Hong Kong market, but resorted to withdrawal from the city due to rental issues.

Meanwhile, some foreign retailers and catering outlets have expanded their business amidst market adversities. For instance, MUJI has opened a new store in Kowloon Bay, Don Don Donki, having opened a new outlet in Causeway Bay, is planning to open another in Central and Five Guys has opened a new store in Fortress Hill. Such new business activities reflected that the overall retail and catering business performance will



Shopping malls across the city have launched a myriad of incentives to boost consumption after the announcement of HKD10,000 Cash Handout.



Tourist arrivals have fallen drastically in the past full year. Photo by Sankalp Sharma on Unsplash.

hopefully be improved in the second half of 2020.

## Special offers around the city

Since the novel coronavirus pandemic in Hong Kong showed signs of slowing down, various shopping arcades have launched incentive programmes in an attempt to stimulate consumption. Most of these programmes enable customers to redeem cash coupons in shopping malls upon a single purchase. For example, with any purchase at HK\$6,800 or above at ELEMENTS, Kowloon Station, customers are entitled to ELEMENTS cash coupons and merchant vouchers worth HKD1,200. Sun Hung Kei Properties' 24 shopping arcades also offer cash coupons worth HKD10,000 to the top customer with the highest accumulative electronic spending amount of the day.

In addition to this, Hang Lung Properties' Fashion Walk, Amoy Plaza and Hollywood Plaza have introduced the "Spend Together" cash coupons of merchants at customers' choices. Shoppers who have spent HKD800 or above in the above malls are entitled to cash coupons worth HKD100. What's more, D Park collaborates with a courier services company, Lalamove, to offer free assisted purchase services. Food and daily necessities can be delivered to the residents in Tsuen Wan who have made a purchase in the mall. Those who have placed orders via the service hotline will even receive a cash dining coupon worth HKD100.

Given the Government provides residents with cash handouts of HKD10,000, some retailers make use of this opportunity to launch special promotions. For example, Pricerite offers customers e-coupons worth as high as HKD100 million. Shoppers will receive e-coupons worth HKD10,000 after they have purchased furniture worth HKD10,000 in any Pricerite branches. Various restaurants will also offer customers 30% and 20% off dining discounts in July and August respectively. Thousands of catering outlets are expected to launch similar privileges in this period.

According to Focus Economics Consensus Forecast panelists, Hong Kong's retail sector is likely to deteriorate continually for the majority of this year due to tepid consumer confidence and low tourist arrivals. They also project a decline of 20.2% of retail sales this year, which is, however, up 0.8 percentage points from their last month's forecast. For 2021, the panel sees a growth of 5.8% in retail sales.

# Accelerating Digital Trends to Change Mall Marketing Strategies

The COVID-19 pandemic has expedited the pace of behavioural changes around the world in how people live their lives — how they work, eat, communicate, play and learn. And this extends to consumption patterns, too, in every category, including groceries, entertainment, healthcare and even data. The future of consumer market is arriving more quickly than anyone could imagine. Businesses catering end consumers have to understand how the accelerating digital trends affect all of their touch points with consumers.

## Changes are inevitable

During the novel coronavirus outbreak, the Government has prohibited group gathering since late March. Although such measures were loosened in early June, there has been another new wave of COVID-19 infections recently. Staying home more often and maintaining social distancing is expected to be the norm. The impact brought about by the community outbreak has continuously weakened retail markets. Ever since people began panic-buying antiseptic products, they have got used to online shopping gradually. Nevertheless, when all means are exhausted, changes are necessary; once changes are made, the situation will be improved.

Recently, an upmarket shopping mall has launched a new privilege service where the purchased items will be directly delivered to customers' homes after they have placed orders via the mall's app. Some mall marketers have invited KOLs (key opinion leaders) to their shopping malls to do live streaming with their tenants. Interestingly, this is a novel means for mall promotion while offering incentives to attract shoppers.

Ms. Ivy Wong, Founder and CEO, VS Media Ltd., said in an interview that festival decorations or spending privileges are common promotion approaches of shopping malls, more customers are attracted to the malls through various events. On the other hand, the public

gradually found that online shopping is not difficult to process and even brings more convenience to them during the COVID-19 pandemic. As such, shopping malls face more hardships in attracting customers. What's more, the number of visitors to Hong Kong has dropped drastically since the pandemic outbreak. Therefore, the shopping malls which particularly appeal to overseas visitors have been suffering great losses.

She strongly believed that online shopping will become a new trend. "In the past, it was very convenient to go shopping in malls, which seemed to be a daily routine. However, customers have recognised that online shopping is not as complicated as they thought and even brings more convenience to them. During this pandemic period, people also tend to stay home more often. But such tendency poses a great threat to shopping malls." She added that many retailers are aware of the rising popularity of online shopping, therefore, they have established online platforms which enable customers to place orders directly. Such transformation poses another challenge to shopping malls.

Though shopping can be processed via online channels, she said that people still enjoy dining out. In view of this, it is foreseen that shopping malls will increase the proportion and options of catering outlets so that the ratio of retailers to restaurants is 50:50, and the types and features of culinary choices have become more diversified and abundant.

## Live streaming at social media platforms

Meanwhile, shopping malls have to attract more customers to the retail stores of their tenants. The approaches appear to be more creative and innovative. Ms. Wong referred to K11 MUSEA at Tsim Sha Tsui that the marketing staff of K11 MUSEA visit different retail stores in the mall daily and invite store owners or shopkeepers to take part in live streaming to introduce feature products of their stores and provide

exclusive privileges to mall members. This innovative gimmick draws more shoppers to the mall and encourages them to be K11 MUSEA members, gaining two merits by just a single move.

Ms. Wong also took Hang Lung Properties as an example. The mall has invited KOLs to promote its retail stores and merchandise. For example, KOLs from

sharing useful knowledge and information, conducting word-of-mouth publicity and even disseminating product news through various social networks." She said with a smile that social networks which actively convey information to the public and word-of-mouth publicity have become the norm during the pandemic outbreak. Both have been proved to be highly effective. "KOLs play the role of

She also suggested shopping malls invite KOLs to host workshops regularly to share their tips on cosmetics, coffee or wine tasting. Such activities encourage participants to be loyal community members of the mall, which will gradually develop itself as a community. When customers visit shopping malls, they do not merely go shopping or dining, but also appreciate the mall's lifestyle, which

## Cross-border concierge service to capture tourist shoppers

Ms. Wong believed that shopping malls should leverage the geographical locations to attract people living in close proximity. As such, the malls will become community icons that shoppers commonly recognise. "Shopping malls should have a clear positioning to attract relevant community members," she said, adding that Landmark at Central was a case in point. The mall has recently launched a bespoke concierge service. Shoppers can simply place orders in different retail stores by using the mall's app and the goods will be delivered to their home directly.

"The cross-border concierge service is also available, especially during the pandemic outbreak. Retail stores can launch Hong Kong exclusive products to attract Mainland visitors, who are not allowed to travel to Hong Kong for the time being. Direct delivery is provided for shopping convenience." She stressed that it is a value-added service offered to shoppers and tenants by Landmark and can enhance the popularity of the mall. She believed that there will be more innovative retail solutions which integrate both above-the-line and below-the-line initiatives in the future.

As Michael Cheng, Asia Pacific, Mainland China and Hong Kong Consumer Markets Leader for PwC suggested, "With the increasing popularity and advancement of online retail in both Hong Kong and Mainland China, retailers can stay ahead by embracing the O2O model under the New Retail era, increasing their connectivity with customers, as well as expanding their sales channels across the region, in particular, Mainland China. Retailers should also refocus on enhancing operational efficiency, as well as continuing to drive digital transformation to stay resilient in the long run."



The future of consumer market is arriving more quickly than anyone could imagine. Photo credit: artificial photography on Unsplash

## Novel mall marketing strategies

### 1. Word-of-mouth publicity

To share useful knowledge and information and even disseminating product news through various social networks

### 2. Mall building as a community

To invite KOLs to host workshops regularly to share their tips on cosmetics, coffee or wine tasting. Such activities encourage participants to be loyal community members of the mall, which will gradually develop itself as a community

### 3. Bespoke customer service

To offer exclusive customer services not only for local customers, but also for overseas tourists

the fashion or cosmetics sectors share the trend of the upcoming season and visit relevant retail stores to demonstrate different fashion and cosmetic styles in live streaming events.

"Nowadays, hard-sell approaches are less often employed, retailers have changed their promotional tactics by

disseminating the latest information. They have a strong appeal and convincing power to consumers as they have already had a group of fans. More importantly, they hold a neutral view and do not take hard-selling approaches as shopping malls normally do." She stressed that educational and inspiring information is particularly popular.

is also the differentiation featured by the mall positioning. She took K11 MUSEA as an example, it is positioned as an art and culture shopping mall, a lot of events and workshops are organised from time to time to attract shoppers who are interested in this area. In the end, they will form a community and visit the mall more regularly.