

**The Successful Factors
for Shopping Malls
in Hong Kong**

PolyU Technology and Consultancy

Company Limited (PTeC)

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Executive Summary

The retail property sector is an important sector in Hong Kong. It is universally accepted that managing a shopping mall is no easy task. Nor would one disagree that many factors are at work and they play an important role in the success of a retail facility. However, a core question remains: how to manage a shopping mall successfully?

This Project Report is to investigate the factors that affect the success of managing a shopping mall in Hong Kong, having regard to today's market trend and situation.

The detailed objectives to be achieved and the layout of this study are as follows. Section One reviews the current state of the retail market in Hong Kong. Section Two examines the existing retail property stock and its future supply in Hong Kong. Section Three carries out a global literature survey (Section 3) on the success factors. Section Four identifies and analyzes the specific critical success factors. Finally, Section Five provides concluding remarks, with overall perception of the future shopping malls.

This study has been carried out by various methods. International literature review has been conducted to understand the success factors. Relevant Hong Kong (and overseas) data were collected. Detailed analysis has been done on critical success factors with detailed case studies presented.

The findings have provided important implications and suggestions. To summarize, both globally and locally, the success of a shopping mall depends on how well the mall is managed, befitting itself for the ever changing business environment. The property and facility professionals should understand the success factors (including recent technology innovations as said) at work now and comprehend the possible changes they should prepare themselves for in future. The major **broad success factors** for a successful mall are as follows:

- Shopping mall attributes (Factor 1)
- Product attributes (Factor 2)
- Transport mode attributes (Factor 3)

- Consumer attributes (Factor 4)

These broad factors must go with specific factors, namely, positioning strategies, customer satisfaction vs. service quality and leasing policy.

Positioning strategies are dynamic measures to make a shopping mall successful. The study particularly identified 5 macroscopic positioning metrics, namely:

- Population Growth (PG)
- Consumption Power (CP)
- Retailing Area per Person (AP)
- Supply of Retailing Area (SU)
- Vacancy of Shops (VA).

Also, the 5-microscopic positioning metrics are, namely:

- Accessibility (A)
- Catchments (C)
- Mall Size (S)
- Tenant Mix (T)
- Capital Investment (I).

At the same time, such macro- and microscopic strategies must accompany effective **leasing policies** for shopping malls, if they are to be successful—along with respective effective measures and tactics. Formulating a leasing policy for a mall must take account of the following important planned concepts such as:

- The market positioning strategy
- The proposed tenant mix

All in all, this study has provided valuable implications, particularly many merits for the property and facility management industry generally and the HKIS PFM division in particular. It has clearly identified and elaborated the success factors at work for shopping malls in Hong Kong.

With such valuable knowledge, property and facility managers can better manage their retail properties, globally and locally. Its findings

offer the advantages of examining various perspectives of a shopping mall.

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The successful factors for shopping malls in Hong Kong

Background

The retail property sector is an important sector in Hong Kong. According to the Rating and Valuation Department (RVD), this sector includes retail premises and other premises designed or adapted for commercial use, with the exception of purpose-built offices (Rating and Valuation Department, 2017).

Shopping perhaps is one of the most exciting activities in life. As the taste and the preference of shoppers change constantly, retail facilities have evolved in response (Hui et al, 2006). It is universally accepted that managing a shopping mall is no easy task. Nor would one disagree that many factors are at work and they play an important role in the success of a retail facility. However, core questions remain: Is the shopping mall under your management: good or bad? How to plan for a new shopping mall? What makes a shopping mall successful? What attributes are involved in good shopping mall management?

The Project

Objectives

This study is to investigate the factors that affect the success of managing a shopping mall in Hong Kong, having regard to today's market trend and situation.

The detailed objectives to be achieved and the layout of this study are as follows:

- To review the current state of the retail market in Hong Kong (**Section 1**)
- To examine the existing retail property stock and its future supply in Hong Kong (**Section 2**)
- To carry out a global literature survey (**Section 3**) on the success factors
- To identify and analyze the critical success factors (**Section 4**) in the local context
- To provide concluding remarks, with overall perception of the future shopping malls (**Section 5**)

Methodology

This study has been carried out by the methods:

- International literature review will be conducted to understand the success factors.
- Relevant Hong Kong (and overseas) data will be collected.
- Detailed analysis will be done on critical success factors.

Unlike other studies which focus on customers' perception on the positioning of shopping centers in rather philosophical, yet hardly quantified, manners, this proposed study looks at brand/market positioning from another perspective, in the form of major reflection of the performance of a shopping mall, and possible factors ultimately affecting its rental income. The study provides a macroscopic analysis of the bundle of retail facilities and the factors at work affecting the performance of a shopping mall.

Significance of the Project

This study provides many merits for the property and facility management industry generally and the HKIS PFM division in particular (also see the concluding remarks). It essentially entails a better understanding of how property and facility managers can best manage their retail properties, globally and locally. Its findings offer the advantages of examining various perspectives of a shopping mall, in the light of its strengths, weaknesses, opportunities, and threats.

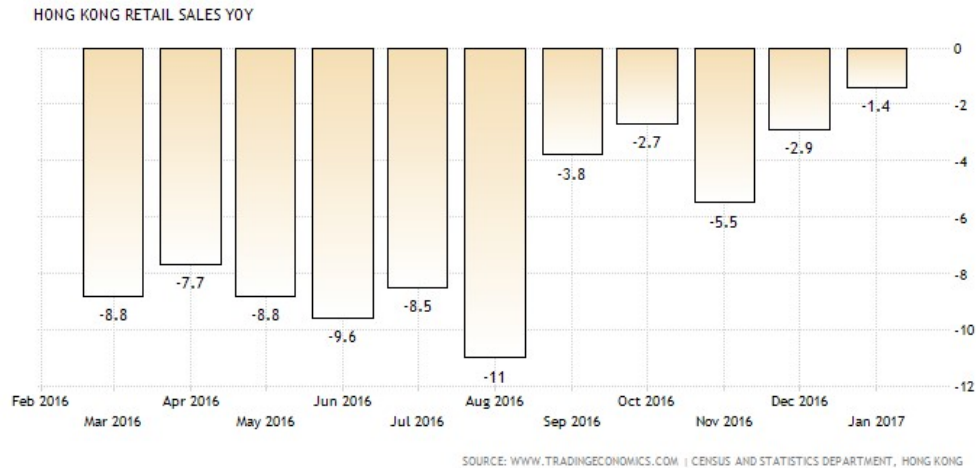
What is more to offer, the findings can shed light on the future needs of the potential retailers and shoppers with reference to the best trade-mix, unit size, combination in terms of anchor tenant which include but not limited to department stores, banks, restaurant, ice skating rinks, cinemas, etc. and other tenants including but not limited to fashion, accessories, electrical appliances, chain stores, etc. All this helps appreciate the future retail market trend and make broad suggestions to the market positioning of retail spaces, with a view to achieving customer satisfaction. Particularly, this project paves ways for detailed studies on other aspects of shopping malls in future, if any. (Note that the Concluding Section will provide more details)

Section 1

This section briefly looks at (1) the retail market and (2) shopping malls in Hong Kong. Its purpose is to provide a glimpse of the latest situation of the retail market, etc. in the territory.

The Retail Market

This section reviews the current state of the retail market in Hong Kong. Shopping malls provide physical spaces where consumers do their shopping and related retail activities. The performance of the retail market can be represented by its sales value and volume, or their change(s).



In January 2017, the total retail sales value in Hong Kong was HK\$43,143Mn, compared to HK\$43,538Mn in January 2016. On the other hand, the retail sales volume indexed at 109.80, a 1.4 % drop year-on-year (sources: Trading Economics and Census and Statistics Department). It was yet another year of the index falling, but sales fell at slower pace for consumer durable goods.

Yet remarkably, sales went up for some goods, for example, supermarkets (+3.1% from -2.3%) and department stores (+2.4% from -3%) and continued to rise for food, alcoholic drinks and tobacco. By contrast, sales declined even further for other trades, e.g. jewelry,

watches and clocks, and valuable gifts (-7% from -1.3%) and clothing and footwear (-1.2% from -0.5%).

Over a longer period, say between 2005 and 2017, retail sales YoY in Hong Kong averaged 7.21%. The figure reaches an all-time high of 35.80% in February 2010 and a record low of -19.50% in February 2016.

More recently, there seemed signs abound that the worst may be over for Hong Kong retailers, according to SCMP on 19 April 2017.

Hong Kong's retailers and mall operators were crossing their fingers in the hope that the signs of recovery in tourist arrivals and the return of spending were not flashes in the pan.

The SCMP wrote in April 2017 that jewellers like Chow Tai Fook and retailers were reporting that the pace of their sales declines had slowed. This indicates that the struggling industry might have finally found a bottom.

Hong Kong used to be the favourite shopping destination for mainland Chinese tourists, lured to the city by its wide selection of tax-free brands and cheaper currency.

Mainland visitor numbers grew 6.1 per cent in December and 7.7 per cent in January, compared with a 6.7 per cent drop in the entire year of 2016. The city's retailers can also benefit from a wealth effect caused by rising property price in the mainland – meaning consumers spend more because of a strong sense of financial security, analysts said.

Shopping Malls in Hong Kong

According to the Hong Kong tourism board, Hong Kong's [shopping] malls are "just plentiful and varied... Glitzy and glassy, we have them. Funky and themed...Cluttered and eclectic.... These shopping havens are Hong Kong's modern answer to its marketplace heritage" (HK Tourism Board's website. 2017).

Hong Kong has more than 120 shopping malls, however big or small. Across the territory, many malls are owned and run by real estate companies, and some by real estate investment trusts (REITs). Yet, some malls belong to the Hong Kong Housing Authority, a government body.

The following quotes only two shopping malls for each of the areas across Hong Kong (source: HK Tourism Broad website). It is obviously by no means exhaustive but only for illustration purpose (just pick the first two by area). For more examples, please visit the HKTB website or other websites (including individual shopping mall's websites direct).

Hong Kong Island (22 malls on HKTB website)

Cityplaza: "The largest shopping hub on Hong Kong Island, Cityplaza is a family-oriented mall with 170 shops that offer everything from basic daily necessities to grand concert pianos. The mall also has Hong Kong Island's only ice rink and is home to the city's one of Japan's most popular department store chains".

Design Gallery: "Established by the Hong Kong Trade Development Council (HKTDC) in 1991, the HKTDC Design Gallery is a retail venue dedicated solely to the promotion of creativity, innovation and product excellence of local designs. It is a one-stop specialty shop for travellers looking for something 100 per cent Hong Kong-inspired."

Kowloon (24 malls shown on HKTB website)

1881 Heritage: “From the 1880s to 1996, this was the headquarters of the Hong Kong Marine Police. Several buildings and artefacts of historical interest have been preserved and restored, and the site now features a shopping mall, a heritage hotel, and an exhibition hall.”

APM: This after-dark shopping hub houses 170 retail outlets which close at midnight, while restaurants stay open until 2am and entertainment spots carry on until dawn. Fans of Japanese lifestyle store LOG-ON will be pleased to find a branch here. Food includes a cooked DELI by city’s super”.

New Territories, etc. (10 malls on HKTB website)

Citygate Outlets: “[It] is the largest outlet mall in Hong Kong. It features more than 80 international brand names that offer year-round discounts of 30 to 70 per cent. Shop categories include designer fashion, accessories, sports, children's wear, beauty and home accessories.”

Landmark North: “Just a five-minute train ride from the Lo Wu boundary checkpoint with Mainland China, Landmark North is a big hit with day trippers from Shenzhen who come to peruse its nearly 100 specialty shops selling jewellery, fashion, skincare and audio-visual products.”

Source: Hong Kong Tourism Board Website:

<http://www.discoverhongkong.com/eng/shop/where-to-shop/malls-and-department-stores/index.jsp>

Section 2

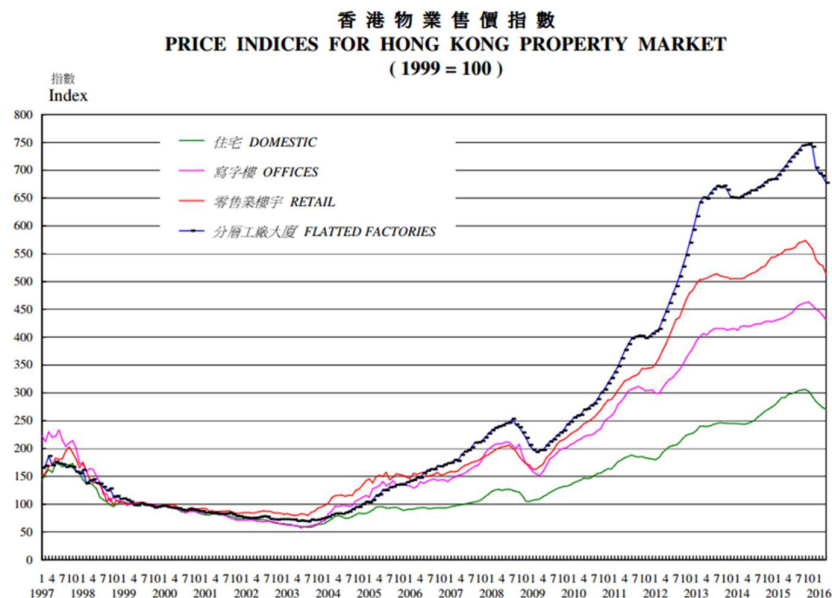
This section first discusses the retail property market and the retail sector stock in Hong Kong. It is followed by the shopping mall management industry, highlighting two important issues:

- (1) changes in shopping mall management over time and
- (2) how to enhance Hong Kong mall's competitiveness?

The Retail Property Market

This section examines (A) the existing retail property market (in terms of property price) and (B) the stock of the retail sector in Hong Kong.

Retail Property Market



Source: Rating and Valuation Department (latest)

Along with retail property prices (rents) increasing since 2003 (see Figure above), Hong Kong's shopping mall industry has been thriving at equally unexpected pace.

The Rating and Valuation Department notes in its 2016 (latest) property review that, for retail property, “the price performance of the sales market resembled the leasing market during [2015]. Both prices and rents marked an upward movement in the beginning but fell in the last quarter of [the year].” This somehow manifests a change in the retail property market. By Jan 2017, the price and rent levels overall were both lower than those of the end of 2015, according to the Property Review Monthly. This might be somewhat attributed to the weak retail market performance over the period (see last section—Retail Market).

Retail Sector Stock

“The sector comprises retail premises and other premises designed or adapted for commercial use, with the exception of purpose-built offices”, according to the Rating and Valuation Department.

By the end of 2015, the stock of this sector was 10,992,400m²: 29% was on Hong Kong, 41% in Kowloon, and the rest in the New Territories.

Completions, Take-up and Vacancy

	2011	2012	2013	2014	2015	樓面面積(千平方米) Floor Area ('000m ²)	
						2016	2017
落成量 Completions	42	90	38	57	68	126 [#]	93 [#]
使用量 Take-up	-7	165	-14	16	10		
空置量 Vacancy	859	752	782	795	847		
% ⁺	8.0	6.9	7.2	7.3	7.7		

+ 年底空置量佔總存量的百分率。
Vacancy at the end of the year as a percentage of stock.

預測數字
Forecast figures

Source: Rating and Valuation Department (latest)

In 2015, retail space completions were 68,000m² (see Table above). The take-up was at 10,000m², a drop on 16,000m² a year earlier. The

vacancy rate was at 7.7% of the total stock. The Rating and Valuation Department predicted in its latest review that completions would rise to 126,900m² in 2016, and 93,000m² in 2017. The figures are noticeably higher than the previous five years. Overall, the size of the retail property stock is on the increase in Hong Kong.

The Shopping Mall Management Industry

Despite that, there are two major issues worth-noting in the territory: (1) changes in shopping mall management over time and (2) how to enhance Hong Kong's mall's competitiveness, according to the Institute of Shopping Centre Management (2014). This study will discuss the two issues as follows.

Changes in Shopping Mall Management over time

“The shifting sources of customers, increasing competitiveness and globalization had been the key factors behind the changing ecology of shopping malls of this city”, said Prof. Eddie Hui (ISCM, 2014).

According to the statistics of the Hong Kong Tourism Board, the number of visitors to Hong Kong rose drastically, from 21.18 million in 2004 to 59.31 million in 2015 (the latest figure available at the time of writing). More strikingly, some 70% of them are mainland Chinese visitors. Accordingly, for tourist shopping, the main sources of customers have noticeably shifted from Japanese and Korean tourists to Mainland Chinese visitors over the same period.

Local shopping malls have since adapted and enhanced their business strategies. For example, they introduced famous brands that cater well for the needs of mainland Chinese shoppers. This represents both a challenge and a business opportunity for the operators of the mall industry.

The sector launches various new initiatives to attract their target customers, such as mainland travelers' shopping tours, and chauffeur-drive between cruise terminals and shopping malls (for details, please see ISCM article Spring 2014).

Prof. Eddie Hui, Department of Building and Real Estate, the Hong Kong Polytechnic University, offers his expert tips on how shopping malls can face the changes:

1. Introduce innovative strategic to draw visitors;
2. Improve both the hardware and software of the mall;
3. Increase knowledge and experience exchange with industry players; and
4. Upgrade the staff's competencies and skills.

How to enhance Hong Kong Mall's competitiveness?

The industry has faced fierce competition these days. Hong Kong's shopping mall operators are exploiting all sorts of ways to appeal to customers. Yet, what is the key to standing out of the crowd? Prof. Leo Sin Yat-ming thinks that "creativity" is of utmost significance (for details, please see ISCM article Spring 2014).

He notes, "shopping malls in Hong Kong can be categorized into 4 groups: cross-district, district and neighborhood malls and niche ones." In any of the malls, it is important to augment the affective and emotional experiences among customers. Prof. Sin hence adds, "transforming from sensory and emotional experiences to psychological ones should be in future development"

He shares his expert tips on how to make malls stand out and draw customers as follows:

1. Creativity is the key;
2. Shopping experience should be unique and individual;
3. A diverse mix of tenants can bring more choices to shoppers; and
4. Give shoppers reasons to visit the mall.

Section 3

Shopping Mall Success Factors, Generally

This section explores the various success factors that have impact on the patronage of shopping malls by assessing relevant studies both locally and overseas. It is done by means of a global survey of relevant literature in different perspectives. The purpose is to provide holistically an accurate base for forming crucial factors and evaluating shopping malls.

Since there is an overwhelmingly abundant list of factors that have impact on shopping malls, this review will focus on the areas as defined below (Hui et al., 2005):

1. How do the design and functions of a mall affect patronage?
2. How do individual stores affect the shopping mall as a whole?
3. How does travel or method of transport affect consumers' decisions?
4. What are the inherent characteristics that influence consumer behavior?

This section is followed by studies conducted on various shopping malls, locally and overseas.

Definition of a shopping mall

A shopping mall can be simply defined as a mercantile establishment consisting of a complex of shops representing merchandisers, usually includes restaurants and a convenient parking area.

Brief history of the shopping mall

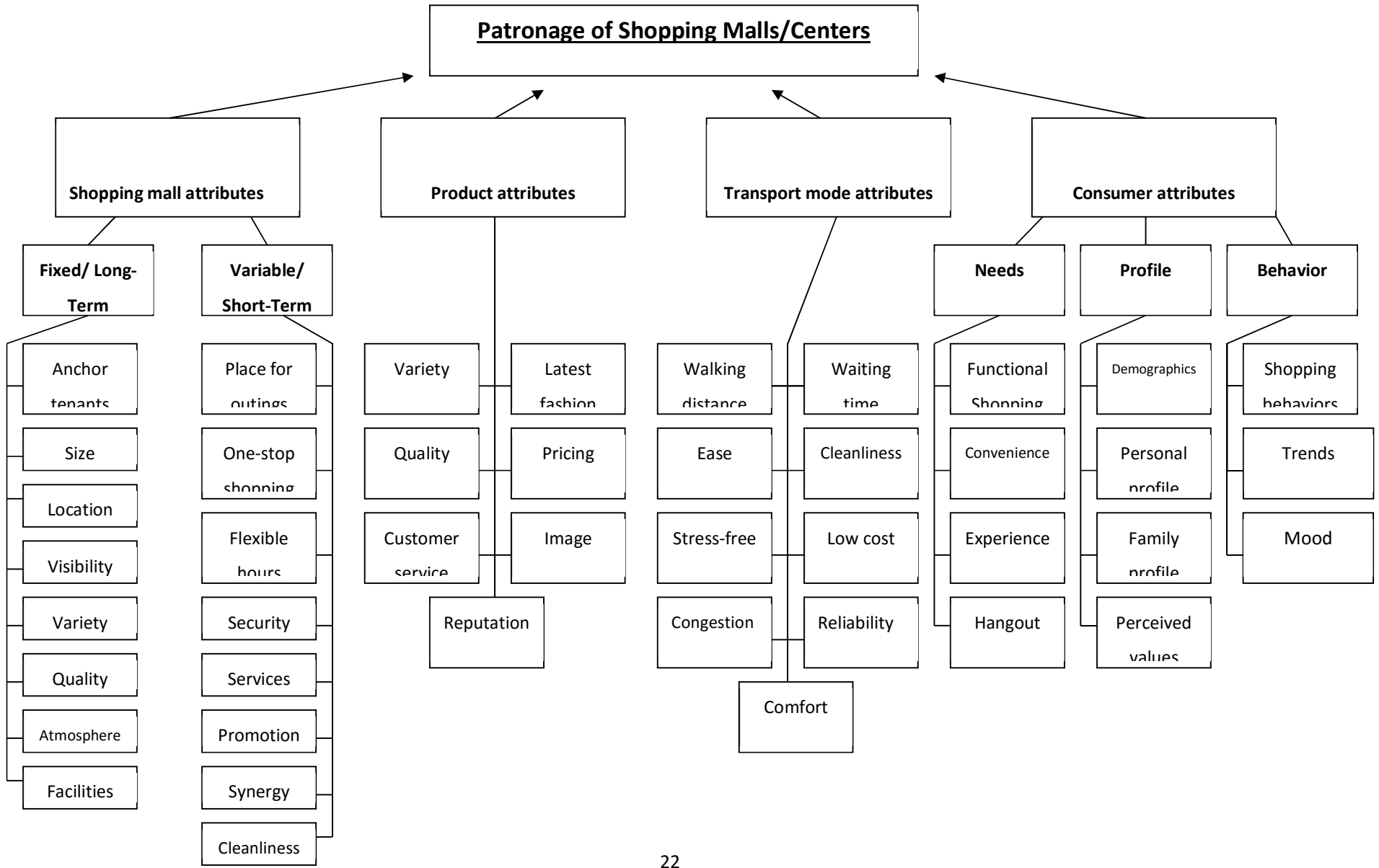
Shopping malls are a modern version of the traditional marketplace. A thousand years' ago, shopping malls existed in the form of ancient market squares, bazaars and seaport commercial districts. The modern shopping mall was not born until the 1920s. The first shopping mall is

generally attributed to J.C. Nichols, who opened the first shopping district away from a downtown. It was called the Country Club Plaza (U.S.). With the emergence of industrialization and the invention of automobiles, shopping malls became more accessible, and their popularity grew (ICSC, 2000).

In the 1970s and 1980s, shophouses were replaced by modern shopping centers in Singapore. Most of these shopping malls developed in the central area, causing overcrowding and traffic congestion. To resolve this, the Urban Redevelopment Authority (URA) of Singapore suggested decentralizing the shopping malls into regional and suburban centers (Sim and Goh, 1998). However, in order to gain more market share, both parties needed to consider the performance of the shopping malls and their retail images, since those are the major factors that affect a shopper's perception of shopping malls.

Factors impacting shopping malls: The Four Attributes

In response to the above problems, four attributes, as well as their underlying factors, that could possibly improve a shopper's perception of shopping malls will be introduced. The attributes are shopping mall attributes, product attributes, transport-mode attributes, and consumer attributes. It is also important that we understand the underlying attributes and traits of consumers; by doing so, we can gain a clearer view of how shoppers are affected by the attributes. Provided in the next page is a summary of our findings (see Diagram below):



Shopping mall attributes (Factor 1)

Shopping mall attributes are the characteristics and dynamics of the mall that may affect a consumer's perception of it, and can generally be divided into two groups: fixed/long-term and variable/short-Term (LeHew and Fairhurst, 2000).

Fixed/long-term shopping mall attributes usually refer to objects that do not change over time, or require prolonged periods of time to change; such as mall renovations. These include factors such as convenient location, the size of a shopping mall, adequacy of car park lots, provision of facilities (escalators, elevators, washrooms, drinking fountains), the quality of mall (design, shape, layout, age), conducive shopping atmosphere (lighting, spacious and air-conditioning), presence of anchor tenants, availability of other amenities (cinema, food court and restaurants), agglomeration, and visibility.

Contrarily, short-term attributes refer to those that can be easily shifted or changed in a short period of time (e.g. 1 year or less) These include a good place for family and friends' outings, flexible store hours, one-stop shopping, competition and synergy with other facilities and shopping malls in the vicinity, catchments of local, district, citywide or international patronages, cleanliness, security, activities, events and promotions, and services (staffed information booth, stroller and wheelchair rental, gift certificate sales, senior citizen programs, frequent shopper programs, holiday programs, community services, and free on-site parking) (Ibrahim, et al. 2003).

Product attributes (Factor 2)

Product attributes relate to the interior divisions within a shopping mall, in other words, the individual stores situated in a shopping mall. They refer to a wide variety of merchandise, the availability of latest fashion and major large clothing stores, high quality merchandise store, a reasonable price level, retail image, store/franchise reputation, and good customer services (Ibrahim, et al. 2003). Retail image, however, is a concept that shares reciprocity with consumer perception; thus,

information on both variables should be attained during measurement to ensure a more accurate result (Leo and Philippe, 2002).

Transport mode attributes (Factor 3)

Transport mode attributes are a set of attributes concerning the means of transport to the shopping mall, and is an attribute that shopping mall managers possess little control over. It includes factors such as a short waiting time (waiting time for public transport or to leave/enter parking area), short walking distance (amount of walking involved in using public transport or from the parking area to the store), ease of travel (number of transfers required), low cost of travel (includes parking cost where applicable), cleanliness of transportation mode, absence of traffic congestion, absence of stress, reliability of the transport mode and the comfort of transport mode (Ibrahim, 2002).

Consumer attributes (Factor 4)

To contribute towards a better understanding of the effect of these attributes, consumer attributes are also to be looked at. Consumer attributes are factors which describe the consumer themselves. For the purpose of clarity, it will be segregated into three components: needs, behaviors and profile.

Needs

Needs are the demands of consumers, and consist of functional shopping, experience and lifestyles, convenience, and socializing and hanging out. These factors are usually influenced by effective promotion and a country's economic stability.

Behaviours

Behaviors are the shopping patterns and trends in shoppers' consumption, generally affected by latest fashion and social trends. Behavior also includes mood, where consumers in a good mood are more likely to be motivated to go shopping (Swinyard, 1993).

Profiles

Profile refers to more personal information about the consumer; these include their demographics (age, education, occupation, income and social class), personal profile, family profile, and perceived values (Poon, 2001). Perceived value is an especially delicate yet important aspect of this attribute as it is able to vary the way shopping mall attributes and product attributes are measured (Kupe, 2004). For example, the design of the shopping mall or metro area it is located in, depending on personal preference, can cause a consumer to perceive it differently.

Alternatively, the above factors can also be re-arranged and categorized in a little different way as the following items:

- Convenient location / easy accessibility
- Wide variety of merchandise
- Conducive shopping atmosphere (lighting, spacious and air conditioning)
- Presence of anchor tenant
- Availability of other amenities such as cinema, food court, restaurants
- Size of shopping center
- Good place for family and friends' outings
- Adequacy of car park lots
- Offer one-stop shopping
- Good customer services
- Reasonable price level

Section 4

Further Thoughts for Successful Malls and Case Studies

This section examines specific factors for a successful mall, to supplement the general one presented in the last section. They are, namely: (1) mall positioning strategies, (2) the relationship between service quality and consumer satisfaction and (3) leasing policy. These specific factors are very important to practicing property and facility professionals in managing a successful mall. They are uniquely more dynamics in nature and represents the functioning of a mall at different stages. The section also provides detailed case studies whereby methodologies, relevant findings and practical suggestions will be presented.

Mall Positioning Strategies

Like the factors above, positioning strategies for shopping malls are of paramount importance in the success of a mall. A mall strategy helps put together the FOUR factors and is the driver of success for shopping malls.

A study of Yiu and Yau (2006), likewise, examines an ecological framework for the strategic positioning of a shopping mall, whose ideas are in line with the earlier consultancy report (Hui et al, 2005 in Appendix 5.7, incl. Yiu). Both studies emphasis that a new mall strategic positioning approach is needed within an ecological framework.

With that in mind, they have identified four mall positioning strategies, namely: (1) magnetic mall strategy; (2) co-opetitive mall strategy; (3) specialistic mall strategy and (4) parasitic mall strategy. On the other hand, the positioning strategy can be determined by 5 macro- and 5 micro-scopic positioning analyses.

The 5-**macroscopic** positioning metrics are:

- Population Growth (PG)
- Consumption Power (CP)
- Retailing Area per Person (AP)
- Supply of Retailing Area (SU)
- Vacancy of Shops (VA).

The 5-**microscopic** positioning metrics are

- Accessibility (A)

- Catchments (C)
- Mall Size (S)
- Tenant Mix (T)
- Capital Investment (I).

Their study further highlight that the success of a mall rests on its structure, functions, and transformations. It depends on the spatial distribution and its ability to accommodate changes over time. Thus, they argue, the success of a mall is a very dynamic adaptation process. The fittest living organisms today may go extinction all of a sudden. That is why the chaos and the complexity theories are now well established in ecology research, while it can also be applied to mall positioning here.

In a slightly different format, the authors have identified similar determinants to a successful shopping (in the 6 x 3 matrix) to Hui et al. (2005). Of those determinants, “location can be represented by the competition and demand of the predators and preys, the accessibility of the location, and the demographics of the district. Architectural design is divided into the provision of facilities, the atmosphere, and the size and spatiality. Leasing strategy facilitates the development of the required catchments, tenant mix and anchorage. Promotional activity refers to exhibitions, fun fair and discount coupons.

Property management addresses the cleanliness, security and maintenance. Expense refers to the rental level, turnover rent provision, and vacancy rate. They are the earnings of the leasing agent/developer. Such expenses may apply to shoppers because they have costs of shopping as well. They are the costs of shopping, risk of overpay, and vacancy rate.”

More recently, there are many specific studies on what attributes to the success of a shopping mall (for example, Hui and Zheng, 2010; Lo and Hui, 2013, Hui et al 2006). In Hong Kong, relevant studies are woefully few, in regard to the success factors affecting shopping malls. The following section further reviews the relevant work specific to the local context and facilities management service quality.

The first and foremost category of shopping mall research is about satisfaction. The success factors for shopping malls are ultimately associated to satisfaction among consumers. If consumers are not happy about a mall, they will not visit it any more. Such a mall will hardly be successful in any respect. Therefore, satisfaction is something on top priority and overall the most important perspective.

Scholars have recently paid much attention to it. Particularly, Hui et al. (2013) has made an attempt to identify and analyze crucial property and facility management (PFM) service dimensions that affect customer satisfaction in relation to the shopping mall sector. Its findings provide useful profound implications for PFM companies who are willing to provide higher service quality and improve customer satisfaction—i.e. service quality vs. customer satisfaction. The following highlights the crucial points in Hui et al. (2013):

Service quality

According to Hui et al. (2013), service quality can be regarded as customers' overall appraisal of service. That is customers' subjective judgment on the excellence or superiority of service. It is considered to be similar to attitude (Parasuraman et al., 1988; Sureshchandar et al., 2002; Zeithaml, 1988). Service quality theory suggests that two main different approaches are employed by researchers to operationalize service quality: (i) disconfirmation model and (ii) perception model (Rosa Bastos and Mu oz Gallego, 2008).

Customer Satisfaction

Customer satisfaction, on the other hand, is a multidimensional concept. It is defined as post-choice cognitive judgment associated with a specific purchase decision (Selnes, 1993). Researchers claim that service quality

and customer satisfaction are related but two conceptually distinct constructs (Anderson and Sullivan, 1993; Becker, 1990; Sureshchandar et al., 2002).

Methodology

There are many scientific/analytic methods that can be used for analyzing the successful factors of shopping malls. It depends on particularly what sort of data have been collected in the research process and what sort of issues and/or factors are being investigated. Two of the most popular methods that scholars often use is multiple linear regressions (stepwise or otherwise) and factor analysis. This section will briefly introduce the two most common methods because acquiring knowledge of them helps have a better understanding of not only the context of this particular study, but also the factors at work for shopping malls (Hui et al. 2013 and 2014).

Regression

Stepwise multiple linear regression is typically used to identify which dimensions/factors critically affect property management services, and in turn have an impact on customer satisfaction or more importantly the success of a shopping mall. It is these success factors that this study looks at (Hui et al. 2013).

In general, stepwise regression screens out variables that have less or no significant independent variables on the dependent variable. Mathematically, the regression identifies variables (X_i ...) that exert significant influence on the dependent variable (Y) (see below). Technically, stepwise regression begins with selecting the variable(s) that is strongly correlated with the dependent variable.

Dependable Variable = f (Independent Variable 1, Independent Variable 2....)

$$Y = aX_1 + bX_2 + \dots + \text{constant term}$$

In statistical terms, variables are only fitted into the regression equation if they can achieve a higher R^2 at a suitable significant level (normally lower than 0.05). Otherwise, variables that cannot make contribution will be dropped. Typically, for analysis of longitudinal survey data,

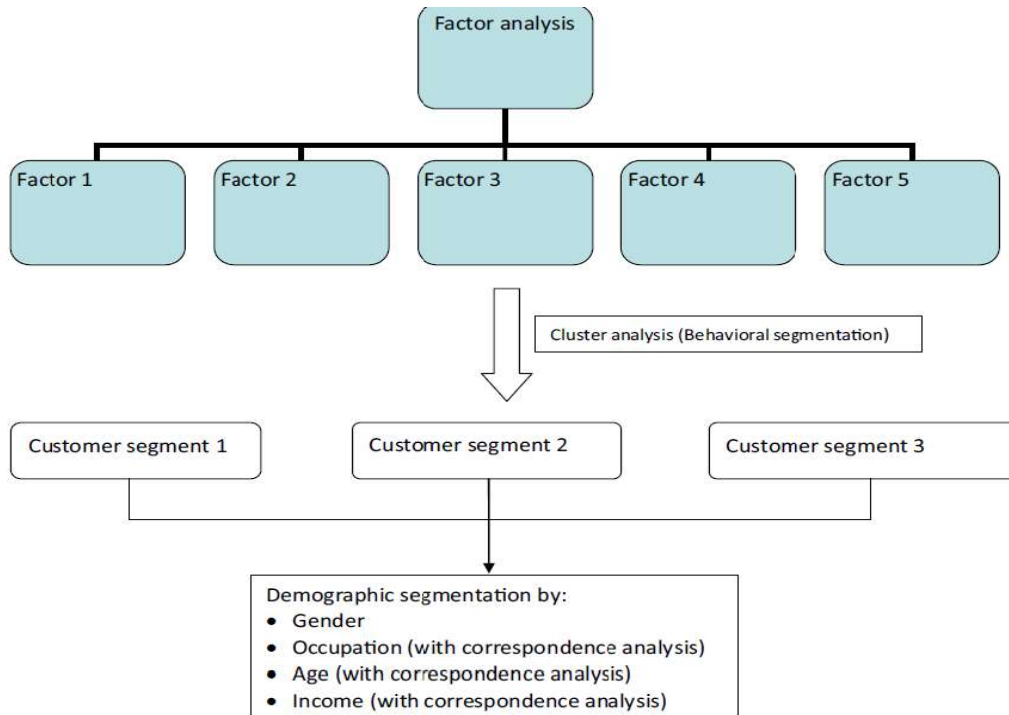
many rounds of step regression are separately conducted. The following studies we introduce follow such analytical mechanism.

Factor Analysis

Another most commonly used method is Factor Analysis. Previous studies using this method on shopping malls focused mainly on Western countries (e.g. Anselmsson, 2006 [Sweden]; Cardoso and Pinto 2010 [Portugal]). Few were done in China. Factor analysis can help determine critical factors of shopping malls, to strengthen competitiveness (Hui et al. 2014). In addition to factor analysis, some studies even adopt some related method(s) to carry out more in-depth analysis. For example, cluster analysis is one of those frequently used methods. It classifies the whole sample of customers into different segments using the factors obtained.

The framework below exemplifies how Factor Analysis can be used to deal with the data collected.

Figure 1: The Framework for Factor Analysis (Source: Hui et al. 2014)



The logic of the framework laid down in the Figure 1 is simple but can be very useful for similar studies that gauge critical successful factors. Because of that, we give an account of the major procedures involved.

Table 1 Result of Ranking Analysis (Source: Hui et al. 2014)

Order	Attribute	Total score	Mean
1	Public transport	620	4.11
2	Location	614	4.07
3	Scale	605	4.01
4	Brand	602	3.99
5	Name	601	3.98
6	Signage	599	3.97
7	Road	594	3.93
8	Advertising	591	3.91
9	Display	589	3.9
10	Indoor decoration	586	3.88
11	Catering	585	3.87
12	Parking	581	3.85
12	Entertainment	582	3.85
14	Commodity quality	579	3.83
14	Employee attitude	579	3.83
16	Walking distance	576	3.81
17	Humanized service	570	3.77
18	Anchor store	568	3.76
19	Employee posture	560	3.71
20	Space layout	559	3.7
21	Auxiliary store	555	3.68
21	Promotion	555	3.68
23	Specialization	552	3.66
23	Architectural style	552	3.66
25	Diversification	551	3.65
26	Commodity price	549	3.64

First, ranking analysis is performed on a number of chosen attributes. A sample ranking analysis is shown in Table 1 above. This is to get an idea of the most important attributes of the shopping mall. As many attributes are inherently interrelated, factor analysis is further conducted, whereby similar attributes are grouped together into a single factor. Generally, the resulting factors can reflect the critical factors of the shopping mall more accurately and effectively. Second, using those factors from factor analysis, researchers can further run a cluster analysis, that is behavioral segmentation. Third, the whole sample of respondents can be divided into customer segments, to gauge the relative importance of each factor to different customer segments. Finally, the whole sample is further segmented by demographic characteristics. Examples are gender, occupation, age and income. If needed, correspondence analysis can be conducted on such

characteristics. In doing so, the relationship can be ascertained between customer characteristics and customer segment. Overall, Hui et al. (2014)'s framework is very logical and comprehensive. Their framework can effectively identify which factors critically affect the success of a shopping mall. Also, it can distinctively demonstrate how customer characteristics affect the critical factors of the mall.

The Findings

Case Study No. 1

One study is based on a five-year longitudinal customer satisfaction survey conducted in five selected shopping malls in Hong Kong (see Hui et al. 2013). With such data, the authors use stepwise multiple regression method to estimate the relationship between overall customer satisfaction level and nine specific dimensions of facilities management service over time. They then compare the regression results for the five years to identify crucial dimensions.

The quality of PFM service plays an important role in the overall service performance of shopping mall. This study empirically investigates the relationships between overall perceived customer satisfaction and satisfaction concerning nine PFM service dimensions with the five-year longitudinal survey. It particularly reveals how the variations of the overall satisfaction can be attributed to different variations in the satisfaction of each specific dimension.

The study has identified several critical dimensions to which the overall customer satisfaction of PFM service is sensitive. They are, namely, Property Management Officer; Management and Maintenance of Communal Facilities; Cleaning Staff and Cleanliness; Wash Room; Promotion; Property Management Services; Security Guard; Security Services; and Management of Common Areas.

Their results imply that PFM providers could effectively improve customer overall satisfaction by enhancing the satisfaction level of those critical dimensions. In addition, that longitudinal study offers valuable FM findings for shopping malls, and complements other previous studies on PFM services (e.g. Hui and Zheng, 2010). The research offers implications for research and practice in many ways. First, it can identify the strengths and weaknesses of the customer services of the shopping mall sector in general in Hong Kong.

Second, it also helps formulate strategic plans and tactics to improve customer services in particular, and similar/relevant organisational practices in a wider context. For example, PFM firms could achieve a higher level of customer satisfaction if their PFM services can be enhanced in the following aspects.

Practical Suggestions:

1. Ensure that communal facilities (e.g. elevators, escalators, central air-conditioning system, supply of electricity) are well managed and maintained to avoid any inconvenience caused to customers.
2. Pay high attention to the cleanliness of washrooms and find ways to improve it to the satisfaction of customers. There is clear evidence that, in many cases, mall customers tend not to be happy with the management of washrooms, in terms of cleanliness, security level, usability of washroom facilities, let alone the sufficient number of toilets available.
3. Provide adequate communication channels to customers so that they can easily and comfortably express their views and opinions.
4. Maintain good serving manner among staff in dealing with customers' requirements. "Courteous" is important.
5. Keep a clean and comfortable environment within shopping malls. For example, the floor must be regularly waxed. Pest control is performed in the common areas.
6. Marketing and promotion, such as festival decoration, promotion events, are of utmost importance. Quality of promotion is even more important, because it play an essential role in attracting consumers, who are in turn vital to tenants' business.

Case Study No.2

There are a number of studies on crucial factors affecting behavior/satisfaction of customers visiting shopping malls. Hui et al. (2014) have however filled the knowledge gap of the critical factors of shopping malls. Their study presents a very comprehensive review of literature, which extends the knowledge on shopping malls. That particularly shed light on the importance of customer satisfaction.

Their major findings are as follows. Generally, the critical factors of a shopping mall are determined by customer characteristics (such as gender, occupation, age, income). Particularly, first, the factor analysis shows that the importance of the five factors are: design-image, transport-marketing, commodity, service-tenant and relaxation. Second, the cluster analysis offers evidence that slightly over 50% of respondents are sensual enjoyable shoppers, not pragmatic ones. Third, those sensual shoppers tend to be administrative/technical personnel and students.

Such results give rise to the following implications for developers and mall operators alike.

Practical Suggestions:

1. Pay attention to the characteristics of customers when designing shopping mall at the very beginning.
2. If the majority of the residents living around the mall are administrative/technical personnel, that means that they tend to be sensual enjoyable shoppers. In this case, developers should concentrate on the “soft” factors of the mall. That is the attributes under design-image factors comprising indoor decoration, signage and space layout.
3. On the contrary, if most of the residents are service/production personnel, then they would tend to be pragmatic shoppers. Then, developers should put more emphasis on the “hard” factors, including transportation, commodity price and quality, service quality and the like.

All in all, the research findings in the 2 case studies shed light on benchmarking customer services in various groupings not only in Hong Kong locally, but also internationally.

Leasing Policy

This sub-section discusses the leasing policies for the new shopping malls, followed by the respective strategies and tactics.

Shopping malls are most usually built for lease. Sometimes, they are built to be sold. Large developers that build shopping malls usually look for a steady rental income. A well-managed and well-designed shopping mall is likely to provide a higher return than a poorly managed one. This is true on the grounds that leasing must be done properly. Leasing is a means to fulfill the client's ends and is absolutely important. Leasing is in general about getting hold of your target tenants and also getting them to rent the retail area in your shopping mall at the most desirable rentals. All mall clients have to get it right at the very beginning. This is because

- The rental income of a mall may be charged on so called "turnover rent". In addition to a fixed rent, the Client may collect a fixed percentage on the sale revenue from its tenants, which in turn affects the income of the mall.
- Over 30 per cent of shops in malls are chain stores, for example McDonald's and H&M. And their goods and prices are almost identical. Hence, the leasing exercise may necessarily target a wider variety of tenants that customers may be more attractive to. This helps boost the patronage and hence the income of a mall.

Leasing policy is thus very critical for the success of a shopping mall. Leasing policy needs to be formulated at the planning stage of a shopping mall by the client himself or his designated leasing team (LT).

Sometimes, the Property Manager (PM) may be required to conduct not only property managing operations but also leasing, promotional and marketing activities. It is particularly the case for a smaller property management company/agent that has little or no division of work within it. A larger PM company/agent, by contrast, has its own LT to implement the leasing policy. If the LT takes charge of leasing, the PM may concentrate on the management and maintenance of the common area of the shopping malls.

In cases where a property manager is required to act as the landlords' agent to lease shop space, a PM will be appointed at an earlier stage. Owing to the fact that it takes a long time for the PM/LT to acquire quality tenants, and that some of these tenants may need time to plan and design their shops, marketing and leasing activities must be started

as early as two or three years before the opening of the mall. It normally takes quite a long time for such leasing arrangements. The larger the mall it is, the longer.

Alternatively, when shopping malls are built to be sold, a PM will usually be brought in at the handover stage. In either case, the PM/LM should give advice as to the design of the shopping mall and the individual shops' fitting out where appropriate. Conceivably, that will affect the attractiveness of the mall, hence its patronage, rental revenue, etc.

Formulating a leasing policy for a mall must take account of the following important planned concepts such as:

- The market positioning strategy
- The proposed tenant mix

The leasing policy may be as simple as fulfilling and giving effects to these two concepts and achieving the client's goals and objectives through various leasing activities. The client may consider set up its leasing offices to manage the leasing activities of their shopping malls.

The leasing policy and practice may be different among new shopping malls. This must in effect be done according to their proposed market positioning and tenant mix. The LT may adopt a particular marketing/positioning strategy for a particular mall as recommended.

At the same time, the LT should pay attention on the success factors of a shopping mall as discussed before. They are, namely, shopping mall attributes and product attributes when performing the leasing exercise and approaching the prospective tenants (see Literature Review).

- Anchor tenants
- Size and type of tenants
- Variety of shops and products
- Quality of products
- Atmosphere and facilities
- Image of tenants
- Pricing of products
- Shop reputation
- Shop image
- Latest fashion and trends
- New market players/brands/companies
- Overseas brands

The leasing team (LT) conducts leasing activities including:

- Taking viewers to the showroom, demonstration suites, mock-ups (e.g. APM)
- Negotiating with potential tenants on the leasing terms
- Selecting appropriate tenants, batch by batch if appropriate
- Formulation of the lease details, e.g. target (minimum) rents, overage, lease terms, standard landlord provisions, user clauses
- Determination of rent-free periods (may be standard)
- Determination of turnover rent (based on monthly gross sale)
- Determination of lease terms, etc.
- Preparing offer letters

The LT must be well-experienced using most attractive marketing aids. The media/activities may include (pick the most effective, top of mind memorability):

- Demonstration suites, etc
- Information and marketing packages
- TV commercials, others
- Tailor made proposals
- Overseas tours, if necessary

Please note that the checklist above is by no means exhaustive. Leasing involves detailed planning and operations. It must be pro-active and well thought-out in well advance. It is a highly professional activity requiring profound expertise and experience.

Nonetheless, the section hereinabove is meant to highlight the leasing policy and practice for the shopping malls. All in all, the LT should remember that LEASING is to give effect to the market position concepts (an end) of the mall and is a means to fulfill the desirable tenant mix.

The LT is to use effective marketing aids, formulate realistic deals with the tenants with a view to achieving the best possible rentals for the Client.

Section 5

Concluding Remarks

Shopping Malls and Retailing: The Future

Shopping malls comprise retailers. They have both embraced a variety of technologies to engage their customers. The future of the shopping malls not only rests on the retailing activities in them, but also the technology that goes hand in hand with retailing and shopping malls.

Many studies examine shopping malls and retailing. Yet, few had given much weight to the future of retailing and shopping malls and their relationship. One most recent study by Grewal et al. (2017) offer futuristic view on retailing and strategies for it. That work is equally relevant to the future of shopping malls. The scholars highlight five key areas that are moving the retailing field forward: (1) technology and tools to facilitate decision making, (2) visual display and merchandise offer decisions, (3) consumption and engagement, (4) big data collection and usage, and (5) analytics and profitability. They suggest a number of issues that are deserving of additional inquiry, as well as introduce important areas of emerging applicability: the internet of things, virtual reality, augmented reality, artificial intelligence, robots, drones, and driverless vehicles.

In Hong Kong, there are some important issues for companies that run and manage shopping malls in a broader perspective, such as:

- Corporate sustainability issues
- Productive and balanced portfolio
- Building a strong management team
- Achieving competitiveness and profitability
- Assisting tenants and communities to growth

Local shopping mall companies are keen on striving for the better with the issues above, with view to achieving their targets and goals. In helping tenants and communities, for example, The LINK, one of the biggest local mall companies, spearheads many technology initiatives. One of those remarkable is their “Park & Dine Apps”. Its current key feature services cover extensively the following:

- Find my car—mark the car parking location with blue tooth technology covering 30 carparks in 16 malls
- Link wifi—additional 30 minutes in 69 malls
- E-queuing-remote to get restaurants’ queening tickets, covering 7 tenants in 16 malls.

- Fresh market features—over 20,000 recipes and food delivery service
- E-coupon- tenants’ promotion offers to app users; 200 e-coupons in 62 malls in one single month
- E-directory app version—mall map with path suggestion and indoor navigation function, pilot launch in one of its malls.

To summarize, both globally and locally, the success of a shopping mall depends on how well the mall is managed, befitting itself for the ever changing business environment. The property and facility professionals should understand the success factors (including recent technology innovations as said) at work now and comprehend the possible changes they should prepare themselves for in future. The major broad **success factors** are as follows:

- Shopping mall attributes (Factor 1)
- Product attributes (Factor 2)
- Transport mode attributes (Factor 3)
- Consumer attributes (Factor 4)

Specifically, these factors must go with effective **positioning strategies** to make a shopping mall successful. The study particularly identified 5 macroscopic positioning metrics, namely:

- Population Growth (PG)
- Consumption Power (CP)
- Retailing Area per Person (AP)
- Supply of Retailing Area (SU)
- Vacancy of Shops (VA).

Also, the 5-microscopic positioning metrics are, namely:

- Accessibility (A)
- Catchments (C)
- Mall Size (S)
- Tenant Mix (T)
- Capital Investment (I).

To property and facility professionals, the study has underlined two specific attributes after occupation. They are, namely, (1) customer satisfaction and (2) service quality, and also the relationship between them. The authors had done research on these two attributes. The analysis discussions were exemplified by relevant case studies, which highlighted the key factors at work. That is followed by SIX practical suggestions, including:

- Ensure that communal facilities are well managed and maintained to avoid any inconvenience caused to customers.
- Pay high attention to the cleanliness of washrooms and find ways to improve it to the satisfaction of customers.
- Provide adequate communication channels to customers so that they can easily and comfortably express their views and opinions.
- Pay attention to the characteristics of customers when designing shopping mall at the very beginning.
- If the majority of the residents living around the mall are administrative/technical personnel, that means that they tend to be sensual enjoyable shoppers. In this case, developers should concentrate on the “soft” factors of the mall. That is the attributes under design-image factors comprising indoor decoration, signage and space layout.

At the same time, such positioning strategies must accompany effective **leasing policies** for old and new shopping malls, followed by the respective effective measures and tactics. Formulating a leasing policy for a mall must take account of the following important planned concepts (somehow refers back to the strategy identified) such as:

- The market positioning strategy
- The proposed tenant mix

All in all, this study has provided valuable implications, particularly many merits for the property and facility management industry generally and the HKIS PFM division in particular. It has clearly identified and elaborated the success factors for shopping malls in Hong Kong.

With such valuable knowledge, property and facility managers can better manage their retail properties, globally and locally. Its findings offer the advantages of examining various perspectives of a shopping mall.

In addition, the findings can shed light on the future needs of the potential retailers and shoppers with reference to the best trade-mix, unit size, combination in terms of anchor tenant which include but not limited to department stores, banks, restaurant, ice skating rinks, cinemas, etc. and other tenants including but not limited to fashion, accessories, electrical appliances, chain stores, etc.

The findings have highlighted the future retail market trend. The factors underlined are essentially the broad suggestions for practitioners. This helps, for example, the market positioning of retail spaces and achieving a better level of customer satisfaction. Last but not least, this study has paved ways for detailed studies on other aspects of shopping malls in future.

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APPENDIX: Response to Enquiries (as at 17 May 2017)

Response to Point 1 and Elaborations on Case Studies

In Section 4

CASE ONE

Mechanism: Stepwise multiple linear regression (adding as Footnote on page 29)

The following will be added to the document as a footnote on the appropriate page.

“Stepwise multiple linear regression method is employed to identify which dimensions of FM service have the most significant impact on overall customer satisfaction. Stepwise regression excludes variables that have insignificant impact on the dependent variable as well as identifies variables that exert significant influence on the dependent variable. Technically, stepwise regression starts with selecting the variable that has highest correlation with the dependent variable. Then it follows the principle that variables producing the greatest R² change with suitable significance level (generally lower than 0.05) are added to the regression equation, and variables producing smallest R² change are removed if the significance level is higher than 0.10 (Stern, 2010). In this study, five rounds of stepwise regression are separately conducted to analyse the longitudinal survey data.”

Particular suggestions

In addition to the existing suggestions (on p.33), we will add the following to elaborate:

“Case Study One offers valuable FM findings for shopping malls, and complements other previous studies on the residential sector in Hong Kong (e.g. Hui and Zheng, 2010). The study offers implications for research and practice in many ways. First, it can identify the successful factors at work by way of strengths and weaknesses of the Property and Facilities Management Department. Second, it also helps formulate strategic plans and tactics to improve customer services of the Department in particular, and similar/relevant organisational practices in a wider context, according to the results rendered by the study.”

CASE TWO

Mechanism: Factor Analysis

The following will be added as Footnote on page 30:

“Factor analysis is conducted to explore the critical factors of the successful shopping mall under investigation. This technique was applied in a number of previous studies. Exploratory factor analysis is conducted by SPSS 18.0 because there are no “a priori” assumptions about relationships among factors. The factor analysis generates a total of five factors, namely, “design-image”, “transport-marketing”, “commodity”, “service-tenant” and “relaxation”. The factors “transport-marketing”, “commodity” and “service-tenant” can be regarded as “hard factors” because they concern about practical issues, such as transportation, commodity and services, which are directly related to customers’ shopping activities.”

Particular suggestions

In addition to the existing suggestions (on p.34), we will add the following to elaborate:

Case Study Two has the implications that the critical factors of a shopping mall are determined by customer characteristics (gender, occupation, age, income). It is therefore suggested that developers should pay attention to the characteristics of customers when designing shopping malls. Customers can be categorized by, for example, service and production personnel and pragmatic shoppers. At the same time, both soft and hard factors are important for a successful shopping mall. Soft factors are related to attributes such as indoor decoration, signage and space layout. By contrast, hard factors emphasis on transportation, commodity price and quality, service quality, etc. It is also crucial that the property and facility manager should have a thorough knowledge of the characteristics of the customers living nearby the shopping mall. This can act as a reference for developers, operators, marketers and a series of related personnel in planning and designing shopping malls to attract more customers.

Response to Point 2 and Elaborations on Creativity and IT

In Conclusion

The following will be added to the Conclusion about Creativity and IT:

Shopping malls are essentially the marketplace for retailing. They provide the physical space for retail businesses to take place. The success of a shopping mall goes hand in hand with the running of retail businesses. This study has discussed the most important factors for the success of shopping malls where retailing lies. In the rapidly evolving retailing landscape, some other factors have increasingly become important in shopping mall management, particularly for retailers. They are such as creativity and information technology (IT).

Creativity

By definition, “Creativity is a phenomenon whereby something new and somehow valuable is formed. The created item may be intangible (such as an idea, a scientific theory, a musical composition, or a joke) or a physical object (such as an invention, a literary work, or a painting)” (see Wikipedia for this definition).

Nowadays, creativity is the key to and buzzword in shopping mall management. Those who are creative are likely to manage shopping malls more successfully than others adopting routine decisions. This is because the retail environment is always changing. The PFM personnel should have the out-of-the box thinking of how to deal with ever-changing business effectively, with an attempt to achieve company’s targets, whatever they are. In actual fact, customers psychologically never come to terms with routine and boredom. They want “innovative ideas” and “new shopping experience”. To this end, creativity is the cornerstone for managing a successful shopping mall. Creativity can be regarded as a way of doing things innovatively. It can be perceived in many different aspects, ranging from promoting and marketing, to leasing and property management. The following provides an excellent example of how Hong Kong shopping malls get creative to attract more customers.

The SCMP reported on 2 Aug 2016 that “activities linked to Pokemon Go prove especially popular, as do more tenants selling family goods”. This is a very creative idea in attracting more customers and more business. During the year, Hong Kong tourist numbers continued to fall, particularly from the mainland. Therefore, shopping malls were shifting

their attention to younger consumers to maintain rental levels. Landlords including Sino Land, Wharf (Holdings), Swire Properties and Sun Hung Kai Properties had reportedly tapped into the popular mobile game to bring back local customers to boost businesses people in shopping malls.

Information technology (IT)

The introduction of smartphones has revolutionized shopping. Nowadays, information technology is developing fast and wide ranging: such as from mobile apps to constant access to the online environment. Shopping mall management cannot go without the use of IT. Not only have such advances in IT led to changing consumers' shopping experience and their expectations towards shopping malls, but also they augment retailers' ability to connect with consumers. For example, scan-and-go technologies comfortably allow customers to use their smartphones to scan items as they shop, then use the retailer's app to pay. Amazon is a good example where innovation for shopping goes even further. A Beta program has been developed, currently open to Amazon employees. According to the Amazon, "Amazon Go is a new kind of store with no checkout required. We created the world's most advanced shopping technology so you never have to wait in line. With Just Walk Out Shopping experience, simply use the Amazon Go app to enter the store, take the products you want, and go! No lines, no checkout. (No, seriously.)" (see Amazon website for details). Amazon Go uses a Just Walk Out Technology that automatically detects when products are taken from or returned to the shelves and keeps track of the items in a virtual cart. Such new information technologies help with shopping and offer a brand new experience for shoppers. At the same time, it further challenges the way of how business can be done and sets a new pace for expectations for shopping mall management.

As part of IT, mobile technology also helps retailers in many ways. Particularly, shopping malls can help retailers with marketing and promotion. They can offer useful and timely information and even relevant offers that reflect locational information (e.g., time of day, weather, location), using location-based applications, say, for parking (e.g., Google maps) (Grewal et al. 2016). Some weather sensitive products, for example, can be promoted effectively when the weather changes (Rosman 2013). Likewise, shopping malls may use mobile apps taking advantage of positioning to offer relevant promotions where the

consumers are located. The use of IT is multi-facet. A study by Grewal et al. (2017) offers futuristic view on retailing using technologies. They highlight two key areas that are moving the way of retailing forward that is relevant to shopping management: namely (1) technology and tools for decision making and also (2) big data collection and usage. Such areas could help analytics and finally profitability. The application of IT for future retailing in shopping malls will become even more important. Important areas of emerging applicability are, for example, the internet of things, virtual reality, augmented reality, artificial intelligence, robotics. Another local example is as follows from the LINK:

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