

PPK Malaysia

Malaysia Shopping Malls Association

News network

ISSUE

36

PP12389/04/2013 (031984)
Untuk Ahli Sahaja

And The
TOUGH *Gets*
Going

PRESIDENT'S MESSAGE

Dear members,

It was certainly a challenging year for the shopping mall industry in 2016. The year seems to have gone by in a flash and we are, now already finishing the 1st quarter of 2017. As we look ahead to even more headwind on the horizon, malls in Malaysia according to our recent survey, are still driving RM818.4 million a year in the marketing industry and RM752.9 million a year worth of engineering, contracting works in building maintenance related activities.

These figures serve to affirm the significant role shopping malls play in our national economy and the importance of marketing in a mall's performance. Malaysian malls have long been well-known for creating experiential ambience to attract shoppers and PPKM is pleased to congratulate all the winners in the inaugural PPKM Awards 2016 for Best Experiential Marketing. Everyone in the industry, both retailers and mall management as well as shoppers, undoubtedly look forward to even more exhilarating experiences in shopping. We encourage and certainly continue to support any effort in enhancing these experiences.

The perception of too many malls still persist but I must emphasise that this is only relative in terms of the type of malls and their specific locations. Developers will continue to build malls in mixed developments as some of their projects expand and population grows. Most suburban mall are built when the same become matured. This is usually towards the end of large housing estate development. However, irrespective of such opportunities arising, PPKM would continue to urge caution among potential mall developers. In this particularly challenging time, it is imperative that they embark on a more thorough research for their mall to succeed. They must also be cognitive of the new and threatening trend in the market place as shopping habits change and as online and E-commerce further entrench their presence. This is not likely to abate but grow. As in all over the world, malls will have to innovate, and fast, to stay relevant.

While giving due recognition to all these challenges, PPKM is confident that malls in Malaysia have the capacity and capability to change and thrive among these challenges. Again, on behalf of the PPKM committee I wish all a successful 2017 and may the Golden Rooster brings us greater prosperity and wealth that we all work so hard to achieve.

Warmest regards,



TAN SRI DATUK EDDY CHEN
President



PPK MALAYSIA OFFICE BEARERS 2016 - 2018

Honourable Members Of Advisory Board

YBhg Tan Sri Dato Teo Chiang Kok
YBhg Dato' Ngeow Voon Yean
Mr Kumar Tharmalingam
Mr Richard Chan
YBhg Dato Joyce Yap
Mr HC Chan

Executive Council Members

President
Tan Sri Datuk Eddy Chen

Vice President I
Ms Kung Suan Ai

Vice President II
Ir YL Lum

Honorary Secretary
Mr Tan Joon Kai

Assistant Secretary
Ms Phang Sau Lian

Treasurer
Mr MK Foong

Assistant Treasurer
Mr Vincent Chong

Committee Members

PR & Publicity
Mr Patrick So

Social
Mr KK Lim

Research
Ms Jenny Chan

Sports
Mr Kenny Tan

Special Project
Mr William Tang

Training/Seminar
Ms Eunice Lim

Technical
Mr Goh Chong Wooi

Dato Sri Dr Vincent Tiew
Mr Darren Hee

Northern Region Representative
Mr Peter Chan

Southern Region Representative
Ms Zahayu Shima Ayub

Sarawak Region Representative
Mr Ronald Ling

Sabah Region Representative
Mr Tan King Way

Internal Auditors
Ms Wivien San / Mr Stewart Lee

Publisher

PPK MALAYSIA (Malaysia Shopping Malls Association)
A608, 6th Floor, (Lobby 2), Block A, No. 1, Jalan SS 20/27,
Damansara Intan, 47400 Petaling Jaya.
Tel: 03-7727 6202/6232 Fax: 03-7727 6203
Email: secretariat@ppkm.org.my Website: ppkm.org.my

Printer

Chameleon Creative Print Sdn Bhd (1124452-V)
No 17, Jalan Gangsa SD5/2D,
Bandar Sri Damansara,
52200 Kuala Lumpur.



PPK Malaysia
Malaysia Shopping Malls Association

And The Tough Gets Going

Circumstances in 2016 have posed a challenge to retail sales in Malaysia but yet the future is optimistic as we see more shopping malls opening their doors in the months to come.

The country's current GDP growth forecast of 4.5 to 5% for 2017 is still a decent figure and with fiscal policies coupled with the ongoing measures undertaken to boost tourism undertaken by the relevant authorities, there is certainly room for optimism. Tourism arrivals in 2016 have shown signs of recovery with a 4% growth over 2015. In tandem, tourist receipts increased by 18.8% in 2016 over 2015 and there has been an increase of more than 20% on tourists' spending on shopping compared to the previous year, indicating that tourists are now shopping more in Malaysia.

In fact, some of the food and beverage (F & B) retail outlets housed in malls have been enjoying a roaring business. There are actual examples like a particular crab restaurant doing well despite the price of crabs doubling last year. Another example is a sportswear store in Mitsui Outlet Park KLIA in Sepang, Selangor which fared well last year despite a cut in its profit margins. It was also understood that some fashion retailers performed well and even outpaced a major department store, with most of their customers being males.



For malls to remain relevant under the current demanding environment, mall management should embrace the changes within challenges ie CHALLENGES. It is this very challenge and competition which are crucial to mall marketing, and become a stimulus to develop unique selling points (USPs) for individual mall. For malls which are successful and remain successful, they must always stay relevant to shopping trends and target markets, and to re-wind and re-boot with the times.

As observed recently at the 10th Malaysian Property Summit in Kuala Lumpur on Retail Market Performance and Outlook, developers should try new and different formats of retail and entertainment outlets. This applies to those running F & B businesses in malls, which have been impacted when the disposable income of its consumers were reduced as a result of the weakening Ringgit and rising cost of living. Nevertheless, the popular coffee culture has been adopted by many retail outlets in malls and is gaining traction amidst the more well-established ones.

According to PPK Malaysia's 2014 survey on shopping mall retail space, Malaysia has reached 13.3 sq ft per capita nationally, with several megamalls which have a net lettable area (NLA) of 1 million sq ft and above. It is noted that these megamalls have not only performed well but also outgrew the rest of the pack. They also tend to attract most of the consumers and both local and foreign tourists to shop here.

Of the prominent malls, Suria KLCC is the launch venue for the National Sales Campaign Grand Launch for the 1Malaysia Super Sale 2017 and as announced during the launch, Malaysia's Shopping branding is based on 'Experiential Shopping', complemented by entertainment and recreation as well as adventures in food and beverage. This is the norm amongst most shopping malls in the Bukit Bintang shopping hub in the Golden Triangle, including Pavilion Kuala Lumpur which works with strategic partners to offer shopping ambience with a distinctive edge.



The performance of Mid Valley Megamall in Kuala Lumpur and 1 Utama Shopping Centre has also been very consistent. Likewise, Sunway Pyramid in Petaling Jaya is very solid while the relatively new IOI City Mall is doing well, embarking on its Phase 2 extension plan and it has even managed to attract the crowd from the southern part of Greater Kuala Lumpur to shop there in Putrajaya.

Sunway Velocity has recently opened its doors to the Cheras community and beyond, with MyTOWN due to open very soon. Both with 1 million sq ft of NLA and located close to one another, it only serves to show that differentiation is crucial for the developers of new malls if they want to attract more new, branded and major retailers to join them as well to attract and retain loyal patrons

With the advent of so many new malls in the Klang Valley where the big challenge is, including KL Gateway which opened just this month, competition has been upped several notches and it is up to the malls to be creative and offer a diversified merchandise mix to attract their own loyal clientele. The forthcoming developer of the 17-acre Tun Razak Exchange (TRX) Lifestyle Quarter, Lend Lease, is fast in signing up new tenants such as the Seibu department store. It recognized that there may not be many distinctive good tenants in the market so it up to the owners and management to work very hard to get singular merchandise offerings in their malls.

Although tough times have been predicted ahead for retail players and the new malls may be commanding lower rents as a result of the crowded market, changes in the average occupancy rate have not been drastic across the board.

Malls in the city centre stood at 89.1% last year, down from 89.9% in 2015 while malls in the city suburbs dropped from 90.3% in 2015 to 90.2%. In Greater Kuala Lumpur, the drop was also minimal, from 89.5% in 2015 to 89.2% last year.

To those who question why more malls are still being approved by the authorities in the country, it is essentially up to the developers to be more perceptive and to look more in-depth in their market research as "too many malls" is relative. It is imperative that the potential developers do their strategic planning as malls need several years in the planning and building stages and are now mostly an integral component of mixed developments.

Given the country's growing population and increasing affluence, and despite the current setbacks, we are optimistic that the shopping malls industry will not only thrive but it will revolve and evolve yet again and will perform well. Given the current challenging times and uncertainties in global market creative and innovative malls will continue to yield good returns to their owners. Here lies the challenges for all mall owners to rise above these difficulties and not only stay relevant but to prosper.

Sources:

- 10th Malaysian Property Summit in Kuala Lumpur on *Retail Market Performance and Outlook*
- Speech by Minister of Tourism, Arts & Culture at launch of 1Malaysia Super Sale 2017 on 1 March 2017

What's New

Sunway Velocity Mall

Soft opened on 8 December 2016 with 90% occupancy. Sunway Velocity Mall is sited at the intersection of Jalan Cheras, Jalan Peel and Jalan Shelley in Kuala Lumpur. The seven-storey mall's neo-futuristic façade exemplifies its tagline, "Elevate Every Moment".

With 1 million sq ft of retail space, it has four precincts: Vanity Hall, Marketplace, Food Street Food and Commune. Among its anchor tenants are Malaysia's first AEON MaxValu Prime, Parkson and TGV Cinemas, which has the largest IMAX screen in the country. Other key tenants include Uniqlo, Toys "R" Us, Spao, Padini Concept Store, Popular, Home' Harmony, Harvey Norman, Grand Imperial and Chi-X, the latest fitness club concept.

The mall offers three levels of integrated basement parking with about 6,500 car park bays. A joint venture between Sunway City Sdn Bhd and Fawanis Sdn Bhd, it is part of the RM4.5 billion integrated Sunway Velocity development dubbed the City of Endless Possibilities, which spans 23 acres of land.



3

KL Gateway Mall

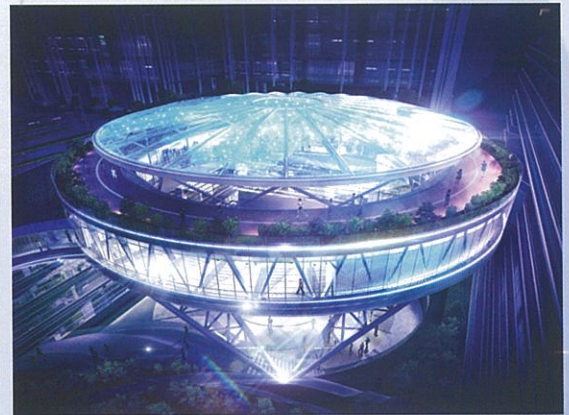
The seven-storey KL Gateway Mall at Jalan Kerinchi, Kuala Lumpur opens its doors for business on 2 March 2017. With a net lettable area (NLA) of 300,000 sq ft, it can accommodate more than 200 outlets. Its retail space has been 80% taken up.

The mall's retail mix will be led by fashion stores and dining outlets, each taking up 29.7%. This will be followed by edutainment facilities (13.3%), homes (11%) and services related stores (8.8%) while electronics (3.5%), office equipment (3%) and others (1%) will occupy the rest of the space.

The new brands in the mall include The Twee, which will be the South Korean fashion retailer's first flagship store in South East Asia (SEA).

With a gross built-up area of 500,000 sq ft, the mall is inspired by elements from a different continent on each floor. Its other features include an outdoor garden and the iconic Central Piazza which serves as an ideal space for events.

Developed by Suez Domain Sdn Bhd, a member of Suez Capital Sdn Bhd, the mall offers more than 2,000 bays and boasts the biggest automated car park in SEA with state-of-the-art technologies. It is connected by a 100m covered link bridge to the KL Gateway-Universiti Station on the Kelana Jaya LRT line.



MyTOWN Shopping Centre

MyTOWN Shopping Centre at Jalan Cochrane, Kuala Lumpur hopes to achieve 85% occupancy upon its opening on 16 March 2017, with 460 stores within its 1.1 million sq ft NLA, it is equipped with soundscapes compositions to create a more welcoming and relaxing ambience, which has not been done by other shopping centres in Kuala Lumpur.

Certified by the US Green Building Council's LEED and the Malaysian Green Building Index as a green building, Malaysia's biggest IKEA store is housed inside as its anchor tenant. Other major tenants include Parkson, Village Grocer, Golden Screen Cinemas, Uniqlo, H&M, Celebrity Fitness, Zara and Mango.

A 50:50 joint-venture between Boustead Holdings Bhd and Ikano Ptd Ltd, the five-storey mall is targeting two million footfalls in its first month and 28 million footfalls in its first year of operation given its potential to reach over five million shoppers within a 30-minute drive. It has over 6,500 parking bays and is linked to Maju Expressway and the soon-to-be-completed Cochrane Underground MRT station.



4

Genting Highlands Premium Outlets

Targeted to open by the second quarter of 2017, Genting Highlands Premium Outlets is Southeast Asia's first hilltop Premium Outlet Center and will also feature more brands than Johor Premium Outlets, which opened in 2011. The upcoming Center will carry 150 designer and brand name stores offering impressive savings of 25% to 65% daily.

With a gross built-up of about 353,000 sq ft and NLA of 275,000 sq ft, the Center is a 50:50 joint venture between Genting Plantations Bhd and Premium Outlets®, the outlet division of Simon Property Group.

As a key component of the Genting Integrated Tourism Plan, Genting Highlands Premium Outlets will not only complement Resort World Genting's offerings but is also expected to draw more local and international shoppers to Genting Highlands, which welcomes about 20 million visitors annually.



PPK Malaysia Awards 2016

PPKM embarked on the inaugural Awards 2016 for Best Experiential Marketing and was greatly encouraged by the enthusiastic response with a total of 37 entries from 21 member shopping malls. These were based on the malls' marketing programmes held from 1 July 2015 to 30 June 2016 and comprised experiential festival celebrations, themed events, sales promotions, public relations, advertising, new and social media, community projects etc.

Entries categorised by net lettable area (NLA) were shortlisted to 14 finalists, with 2 winners in each category, for Gold and Silver awards.

Category A

Malls with NLA of 500,000 sq ft and below

Gold Award



The Spring Shopping Mall, Kuching The Spring's Nutcracker, 27 Nov - 27 Dec 2015

The Spring's Nutcracker was inspired by E.T.A. Hoffman's *The Nutcracker* and the *Mouse King*, the famous Christmas tale loved by both the young and old. Christmas was made special for everyone by bringing the story to life in the mall through its one-of-a-kind festive decorations, events and activities. The Spring successfully brought the community together by creating a seamless retail customer experience across all platforms.

Silver Award

Atria Shopping Gallery

Thomas & Friends Carnival, 16 Sep - 11 Oct 2015

Thomas and Friends Carnival 2015 was the second school holiday campaign held after the mall's opening on 28 May 2015. Leveraging on the popularity of Thomas and Friends and on Thomas's 70th Birthday bash, Atria attracted many young families in line with its positioning as a neighborhood family mall. The birthday bash was accompanied by Thomas inflatable fun, TV area, coloring area, Thomas and Friends mini track, game booths and many others activities forming unforgettable moments for many children.



Category B Malls with NLA of 500,000 sq ft to 999,999 sq ft

Gold Award

Sunway Putra Mall
March School Holiday - Kung Fu Panda
'Pawsome March', 4 - 20 March 2016

With the growing trend of watching movies in Malaysia, Sunway Putra Mall collaborated with 20th Century Fox for their latest movie in March, Kung Fu Panda 3. This opportunity provided the mall leverage on the movie's popularity to drive in more traffic, especially young families. The out come was overwhelming as there was an increase of traffic and sales conversion and more shoppers flocked to the mall.



Silver Award

Gurney Paragon
Pink October, 6 - 31 October 2015

Pink October is an annual awareness campaign carried out to spread awareness among the public on the importance of the prevention of breast cancer. A huge handmade teddy bear donning a pink ribbon was placed at the mall's entrance in October 2015 and successfully captured the hearts of everyone young and old. The huge teddy has not only earned a status in the Malaysia Book of Records, but it also reminded all of us to keep the spirit of life going.



Category C Malls with NLA of 1,000,000 sq ft and above

Gold Award

Sunway Pyramid Shopping Mall
Captain America - Civil War, 15 Apr - 8 May 2016

Under the umbrella of Sunway Malls, Sunway Pyramid and Sunway Putra Mall took on a collaboration with movie partner Disney Marvel for their latest Captain America instalment, Using the popular movie to drive more shoppers to the mall. It was a first attempt to run a campaign with third party collaboration in two Sunway malls at the same time - Sunway Pyramid and Sunway Putra Mall. The Captain America and Ironman campaign drove in an upsurge of traffic, sales and online media buzz for both malls.



Silver Award

Pavilion Kuala Lumpur
Christmas Sparkles, 17 Nov 2015 - 3 Jan 2016

Every year, Pavilion KL strives to create highly experiential events for shoppers. Competition is intense but Pavilion KL has always been a favourite for Christmas celebrations. Christmas Sparkles was conceptualised with Swarovski as a strategic partner to bring back the excitement and a record-breaking 23-metre (75-foot) Tallest Tree in Asia was created. The publicity received was RM4 million in value - about 260% higher than the average publicity value of a Christmas campaign in the mall.





Honoured Panel of Judges

L to R: Tan Sri Datuk Eddy Chen, PPK President with our honoured Panel of Judges: Ar (Dr) Mohd Zulhemlee An, President, Pertubuhan Arkitek Malaysia (PAM); Cindy Lim, former Industry Development Director, Tourism Malaysia and Joseph Wong, Associate Editor, Focus Malaysia. Absent with apologies: Ms Meredith Wallace, Former Head of Social Media, Lion & Lion and Datuk Eric Chong, President, Branding Association of Malaysia.

Thank you to all participants for enhancing the shopping experience for patrons to your malls and we look forward to your participation again this year.

PPKM Carnivale Gala Dinner

25 November 2016 at Connexion @ Nexus, Bangsar South City, Kuala Lumpur

More than 700 participants enjoyed PPKM's carnival-themed dinner which was organised to celebrate shopping malls and also to recognise our inaugural award winners. Yang Berhormat Datuk Halimah binti Mohd Sadique, Deputy Minister of Urban Wellbeing, Housing and Local Government representing the Minister was present to grace the

occasion and to give away the awards to the proud winners.

Our colourfully decorated venue wowed everyone who were also thrilled by the exciting programme which included our very own dancers from member malls, Team PPK Dancers!

7



Well done to Team PPK dancers from gateway@klia2, Pavilion KL, Selayang Star City, Sungei Wang Plaza and Sunway Putra Mall



Members in close networking



PPKM committee in high spirits



Fellow NGO representatives flanked by MK Foong, Treasurer (extreme left) and YL Lum, Vice President 1 (extreme right)



Yes, to the Carnivale mood! L to R: Dato Joyce Yap, PPKM Advisor; YB Datuk Halimah binti Mohd Sadique; Puan Sri Jessica Chen and Tan Sri Datuk Eddy Chen.



PPKM committee with our VIP guests L to R: William Tang, Organising Chairman; Kung Suan Ai, Vice President 1; Richard Chan, PPKM Advisor; Tan Sri CK Teo, PPKM Advisor; YB Datuk Halimah binti Mohd Sadique; Tan Sri Datuk Eddy Chen; Dato Joyce Yap; YM Tengku Dato Ab. Aziz Tengku Mahmud, President, FIABCI Malaysia and Tan Sri Dato CH Teo, President, MAHO

sports



Tan Sri Eddy Chen (in middle) accompanying winners of PPKM's Sports Challenge trophies for 2016 which were awarded to the following L to R:

- Badminton - Subang Parade received by B Murali on their behalf
- Pool - 1 Utama Shopping Centre represented by Anna Wong
- Futsal - Mid Valley Megamall represented by Zamri Zabidi
- Bowling - Plaza Pelangi represented by Rizahuddin b Sohari

Certification Course

in Shopping Mall Management
3-12 April 2017 at
JW Marriott Kuala Lumpur

PPKM has started our education calendar with the first of two sessions of the year as above in the following modules:

- **Marketing and Leasing**
- **Operations and Maintenance**
- **Administration**

These courses are endorsed by fellow industry practitioners and are conducted by seasoned hands - on practitioners who are big - hearted enough to share their precious time and invaluable experience with participants. Registrations are currently underway and interested participants are required to register with PPKM secretariat before 17 March 2017.

For further information, please email:
secretariat@ppkm.org.my

happenings

Study Trip to Bangkok, 8-11 March 2017

Our study group of 40 participants will be heading to Bangkok soon to view the vibrant shopping mall scene there. Malls to be visited include Central World, Central Festival Eastville, Central Embassy, Emporium, Emquartier, Siam Paragon, Siam Centre/Discovery, Terminal 21 and Asiatique. These malls have been selected for their unique features in design, layout, marketing and merchandise and will be more than an eye-opener for all.

Sounds hectic? Not really if there are new things to see, feel and buy! We will share more pictures in the next issue.

32nd Annual General Meeting

Just a gentle reminder that PPKM's next AGM will be held on Saturday, 25 March 2017 at VE Hotel, Bangsar South City, Kuala Lumpur. Do join us to share your ideas, get updates on PPKM's activities and to network with fellow mall practitioners. See you soon !

Over A Cuppa Teh Tarik

The last Teh Tarik Talk (TTT) for 2016 held on 1 November at the new Ve Hotel Tower in Bangsar South, Kuala Lumpur attracted a good number of PPK members who were eager to learn from the presenters on **Japan's successful retail development - A Case Study**.

Garde Co Ltd Vice President or Design Director for Asia Pacific Kenji Muro and Hankyu Corporation's Urban Planning and Development Department Deputy General Manager Chikara Takagishi provided interesting insights into the trends on how new merchandise and retail concepts can help maintain sustainable business growth of the retail centres.



The Japanese team, including the presenters.



PPK members at the last TTT for 2016 on 1 November

KUALA LUMPUR
MAYOR'S TOURISM AWARDS
2017

Calling all malls in KUALA LUMPUR to join the 3rd edition of KLMTA !

There are 14 categories with 2 awards to be presented in each category/sub-category and members are encouraged to register for the Shopping Mall Category. Closing date is 31 March 2017 and further details are available at <http://2017.klmayortourismawards.com>



This exclusive retail event brings together shopping center owners, developers and agents with retailers who are looking for new opportunities in one place and on one day-saving time, money and maximising deal making potential.

Shopping centre owners, developers, retailers and agents come together at China Retail Summit to explore what the future has in store for our industry. We will bring together the biggest names in the shopping centre industry to discuss the latest challenges and trends in retail real estate, and explore transformation from the perspectives of consumers, retailers and developers. We want to empower you to implement effective strategies to deliver returns and results in your assets.

On behalf of the International Council of Shopping Centers (ICSC), we are pleased to inform members that the ICSC Retail Connections and China Retail Summit will be held in InterContinental Shanghai Puxi Hotel, Shanghai, China from 6-7 April 2017.

Global John T. Riordan School for Retail Real Estate Professionals - Advanced Asia Pacific Institute will also be held at the Mandarin Orchard Hotel in Singapore April 5-7, 2017.

For more information please follow:
www.icsc.org/2017iss

Council of Asian Shopping Centers (CASC) Conference 2016

7-9 December 2016, Kaohsiung, Taiwan

CASC 2016 had a successful event recently with more than 200 participants including from member countries like Malaysia, Indonesia, Hong Kong, China and Taiwan.

Well-experienced speakers shared data and information regarding omni-channels, challenges from online shopping and the need to incorporate these new avenues for shopping into existing brick-and-mortar malls. Beside this, participants were updated with details of various prominent retailers and malls in Taiwan and new technology in retailing.

Tan Sri Datuk Eddy Chen presented a paper on Malaysia Shopping Malls-The New Dimensions in Transformation and Evolution.

The programme included visits to shopping malls like Han Shin Arena Shopping Mall, E-Da Outlet Mall, Taroko Park, FE 21 Mall and Dream Mall, the largest in Taiwan. Other interesting locations included Pier 2 Art Center and Brogent Technologies which developed virtual sky-rides inside shopping malls.

The annual CASC council meeting was convened with participating shopping mall associations from Malaysia, Indonesia, China, Hong Kong and Taiwan as well as a representative from Singapore.



Seated front row L to R: Victor Guo, Mall China; Tan Sri Datuk Eddy Chen; Jeffrey Tsai, Taiwan Council of Shopping Centers (TCSC); Stephanus Ridzwan, Asosiasi Pengelola Pusat Belanja Indonesia; Maureen Fung, Institute of Shopping Center Management Hong Kong; Victor Liu, TCSC and Kevin Ng, Singapore.



PPKM's representatives L to R: William Tang, Evelyn Lo, Kung Suan Ai, Tan Sri Datuk Eddy Chen, Dato Joyce Yap and Tan Joon Kai



Conference in session



Participants' visit to Dream Mall, Kaohsiung

INDUSTRY NEWS

Music Royalty Copyright Fees - Updates

Due to unresolved matters since 2015 regarding two collecting agencies for the category of 'performers' for music royalty copyright fees, PPKM has participated with fellow stakeholders in a joint representation to the Ministry of Domestic Trade, Cooperatives and Consumerism (MDTCC or Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepergunaan (KPDNKK) in 2016.

To resolve this issue, MDTCC announced in December 2016 that the existing copyright bodies, "MACP/PPM/RPM/PRISM" will be merged into a new body called Music Rights Malaysia Bhd (MRM) effective 2017 and all future payments will be made to this body.

However, via news reports, it has since emerged in January 2017 that MRM encountered problems obtaining their license to collect the copyright fees so the situation is still pending.

Together with fellow stakeholders, PPKM is currently seeking a meeting with the authorities for further clarification and updates.

*** Note:**

- Music Authors' Copyright Protection (MACP) represents composers and lyricists
- Public Performance Malaysia (PPM) represents recording companies
- Recording Performers Malaysia Bhd (RPM) represents performing artistes
- Performers Rights and Interest Society of Malaysia Bhd (PRISM) also represents performing artistes.

ASSETS

Malls in constant flux

In face of fierce competition, they must stay relevant to ever-changing shopping trends and target markets



Guest
writer

BY EDDY
CHEN

THE domestic and global economic environment has led to an overall slow-down in demand. This adversely impacted retail sales, not only in shopping malls but also the retail industry in general.

In the larger economic context, household debts are 89% of gross domestic product, impacting discretionary spending ability, and thus weakening buying power.

Compounded with this, the shrinking ringgit has led to higher costs of imported merchandise, resulting in challenges in sales of fashion, luxury and big-ticket items.

Rising operational costs and greater regulatory compliance, in addition to strong pressure on rental rates, have also affected malls' bottom line and yield to property owners.

In view of this, several medium-sized and large malls which were due to open this year have been put off to next year. Among them are Mammoth Empire Group's Empire City and MyTown Mall, which is jointly developed and owned by Boustead Holdings Bhd and Ikano Pte Ltd.

Nevertheless, several suburban malls have opened or will open in the Klang Valley by year-end, which include Sunway Bhd's Velocity Mall in Cheras, Kuala Lumpur and See Hoy Chan Sdn Bhd's Starling Mall in Damansara Uptown, Petaling Jaya.

The scenario for malls remains very challenging and competitive, to say the least. Nevertheless, successful malls must stay relevant to shopping trends and target markets to remain competitive.

Transformation and evolution

The key words for malls are transformation and evolution, which have given rise to new dimensions such as experiential shopping, malls in mixed developments, shopping hubs, outlet malls and a new breed of shoppers and retailers.

Malls are capitalising on grand decorations and creative marketing campaigns to enhance shopping experience. This is stimulated by our multi-cultural heritage with its numerous and diverse elements which make shopping an exciting experience and bring it to a new dimension.

Popular malls create ambience with their merchandise mix and marketing programmes to gratify shoppers' senses so that, in addition to "retail therapy", shopping becomes a satisfying experience.

Shoppers are engaged, excited and entertained at the same time in all their five senses. They tend to flock to malls where they feel good, even for window shopping initially which can be converted into sales.

To stay above the fray, malls must create the impactful wow factor.

Unlike older malls, new ones are generally no longer standalone. Most, if not



An artist's impression of the Starling Mall which will be opening soon in Damansara Uptown, Petaling Jaya

all, new mixed developments comprising hotels, offices, residences, transportation hubs and educational institutions, invariably have a mall or allocated floor space for retail offerings, which are now a critical component.

The synergy from these components in a mixed development is important, and it is up to the mall management to harness it. Merchandise mix has become more innovative and eclectic to cater to heterogeneous shoppers.

Shoppers are attracted to hubs or locations with numerous malls in the vicinity as they provide options for shoppers to go mall-hopping.

Malls in such locations must offer varied merchandise mix to cater to different types of consumers, particularly to attract their target crowds.

This is where experiential shopping comes strongly into play as a mall's

ambience and ongoing activities will appeal to discerning shoppers. Tourism-related authorities and travel agents play key roles to promote these shopping hubs to tourists.

“The scenario for malls remains very challenging and competitive, to say the least. Nevertheless, successful malls must stay relevant to shopping trends and target markets to remain competitive.”

Suburban outlet malls

In recent years, there has been a swing towards suburban outlet malls. These new-dimension malls sell past season merchandise, including luxury items, which are sourced directly from manufacturers, often cheaper by at least 25-30%.

The first outlet mall opened in Johor five years ago and has since added new outlets in Sepang, Melaka and Penang. Another is due to open in Genting Highlands in Q1, with at least two more in the planning stage.

One key principle of outlet malls is to market to the masses branded goods which are usually priced much higher at traditional malls and affordable only to the well-heeled.

There is a growing trend among shoppers, particularly Gen-Yers, to shop online. Although online shopping has yet to contribute significantly to overall sales, successful retailers must harness this new trend to remain relevant. This is due to pressure from online platforms and also to attract this new generation of shoppers which will be the next boom.

Future retail trends in malls will reflect the growing affluence of the younger generation, and if we get out of the middle-income trap, we are likely to see growth prospects in the longer term.

Notwithstanding this trend, nothing compares to retail therapy. For example, shopping at brick-and-mortar malls provides instant gratification as shoppers receive their purchased merchandise on the spot instead of waiting for it to be delivered to them.

Besides, looking at and getting a feel of the merchandise to be purchased is very different from browsing online images, which may well fall below your expectations when you receive it.

Our malls have come a long way, evolving and revolving the past 40 years.

They will continue to strive and prosper as they forge forward with creativity, ingenuity and resourcefulness. They must transform and evolve to keep up with the times.

In the final analysis, in a dynamic world where change is the only constant, malls are here to stay. **FOCUSM**

Tan Sri Eddy Chen is president of the Malaysia Shopping Malls Association and group managing director of MKH Bhd



Malls like 1Utama in Petaling Jaya are capitalising on grand decorations and creative marketing campaigns to enhance shopping experience



Corporate Members

1 Borneo Hypermall
1 Segamat Shopping Complex
1 Utama Shopping Centre
1MK Mall
1Shamelin Shopping Mall
1st Avenue Mall
Atria Sentral Plaza
Alor Star Mall
Aman Central
Amcorp Mall
Ampang Park
Atria Shopping Gallery
avenue K
Bangsar Shopping Centre
Batu Pahat Mall
BB Plaza
Bentong Vega Mall
Berjaya Megamall
Berjaya Times Square Kuala Lumpur
Berjaya Waterfront Complex
Central Market
Central Square Sungai Petani
Centre Point Sabah
Centro
Cheras Leisure Mall
Citta Mall
City Mall
Cytone Megamall
Damen Mall
Dataran Pahlawan Melaka Megamall
Dayabumi
D'Castella
DC Mall
Design Village
Digital Mall
Duplez Shopping Centre
e@ Curve
East Coast Mall
Eastern Mall
Empire Shopping Gallery
Ercorp Strand Mall
Endah Parade
Evolve Concept Mall
Fahrenheit 88
First World Plaza
Gamuda Walk
gateway@klia2
Giant Hypermarket Jalan Kebun
Giant Hypermarket Bandar Kinrara
Giant Hypermarket Banting
Giant Hypermarket Batu Caves
Giant Hypermarket Bayan Baru
Giant Hypermarket Bercham
Giant Hypermarket Cheras
Giant Hypermarket Kelombong
Giant Hypermarket Kemuning Utama
Giant Hypermarket Klang
Giant Hypermarket Klang Sentral
Giant Hypermarket Kota Damansara
Giant Hypermarket Kota Padawan
Giant Hypermarket Kuala Terengganu
Giant Hypermarket Kuantan
Giant Hypermarket Mal Sibu
Giant Hypermarket Melaka
Giant Hypermarket Muar
Giant Hypermarket Nusa Bestari
Giant Hypermarket Petra Jaya
Giant Hypermarket Seri Manjung
Giant Hypermarket Prima Prai
Giant Hypermarket Putra Heights
Giant Hypermarket Senawang
Giant Hypermarket Seri Kembangan
Giant Hypermarket Shah Alam
Giant Hypermarket Subang Jaya
Giant Hypermarket Sungai Petani
Giant Hypermarket Tabuan Jaya
Giant Hypermarket Taiping
Giant Hypermarket Tampoi
Giant Hypermarket Tawau
Giant Hypermarket Ulu Klang
Giant Mall Kelana Jaya
Giant Setapak
Giant Superstore Bandar Puteri
Giant Superstore Gong Badak
Giant Superstore Seri Manjung
Giant Superstore Kampar
Giant Superstore Kangar
Giant Superstore Keningau
Giant Superstore Kuala Pilah
Giant Superstore Kuala Selangor
Giant Superstore Lukut
Grand Superstore Nilai
Great Superstore Prima Saujana (Kajang)
Giant Superstore Sandakan
Giant Superstore Sunway City
Glo Damansara
GM Klang
Grand Merdeka
Great Eastern Mall
Green Heights Mall
Gurney Paragon
Gurney Plaza
Harbour Mall Sandakan
Imtajo, KK Times Square
IOI City Mall
IOI Mall Bandar Putra Kulai
IOI Mall Puchong
IPC Shopping Centre
Ipoh Parade

Island Plaza
ITCC Mall
Intermark Mall
Jaya Shopping Centre
Jelty Point Duty Free Complex
Johor Bahru City Square
Johor Bahru City Square Office Tower
Johor Premium Outlets
KB Mall
Kipmart Tampoi
KL Gateway
Klang Parade
Kluang Mall
Kompleks Bukit Jambul
Kompleks Metro Point
Kompleks Mutiara
Kompleks Star Parade
Kompleks Tun Abdul Razak (KOMTAR)
Kota Raya Complex
Kuantan Parade
KWG Fashion Mall
KSL City Mall JB
KSL City Mall, Klang
Landmark Central Shopping Centre
Langkawi Fair Shopping Mall
Lot 10
M3 Residency, Mall
Mahkota Parade, Melaka
Maju Junction Mall
Medan MARA
Melawati Mall
Merdeka Mall
Mesamall
Mid Point Shopping Complex
Mid Valley Megamall
Mitsui Outlet Park KLIA
MyTown Shopping Centre
New World Park
Nexus Bangsar South
Nu Sentral
Oceanus Waterfront Mall
One City
PacificCity
Pandan Kapital
Paradigm Mall
Paragon Point Shopping Centre
Pavilion Kuala Lumpur
Paya Bunga Square (PB Square)
Pearl Point Shopping Mall
Pelangi Leisure Mall
Penang Plaza
Penang Times Square
Perling Mall
Pernama Kompleks Mutiara Armada
Pertama Complex
Plaza Angsana
Plaza Low Yat
Plaza Merdeka
Plaza Metro Kajang
Plaza Pelangi
Plaza Salak Park 'SPARK'
Plaza Shah Alam
Plaza Tasek
Prangin Mall
Publika Shopping Gallery
Queensbay Mall
Quill City Mall
RCMC
Sarawak Plaza
SB Mall
Sejati Walk
Selayang Star City
Semua House
Setapak Central
Setia City Mall
Seremban Prima
Shaw Parade KL
Skuad Parade
South City Plaza
Star Avenue Lifestyle Mall
Starhill Gallery
Straits Quay
Subang Parade
Sungei Wang Plaza
Sunshine Tower
Sunway Carnival Mall
Sunway Giza Mall
Sunway Putra Mall
Sunway Pyramid
Sunway Velocity Mall
Suria KLCC
Suria Sabah Shopping Mall
Sutera Mall
Taiping Mall
Terminal One Shopping Centre
The Curve
The Gardens
The Main Place
The Mines
The Starling
The Spring
The Summit Subang USJ
The Waterfront @ Parkcity
The Weid
Tropicana City Mall
Tropicana Gardens Shopping Mall
Tun Razak Exchange
U Mall Pulau Utama
Utropolis
Vivacity Megamall, Kuching
Viva Home Shopping Mall
Wangsa Walk Mall
Wetex Parade Shopping Centre
Zeva Boulevard

Individual Members

Agnes Tan Mee Yoke
Abdul Razak Tuah b Othman, CMOM
Abukhori b Kasim CMOM
Aida Azimah Mohamed Abas, CMMLM
Aileen Goh Seok Khim
Aishah Kon bt Abdullah
Albert Cheok Kok Wei
Ally Choo Kwee Yeng, CMMLM
Amirudin b Mohd Noah, CMOM
Andrew Ashwin, CMM
Ang Khooon Looi, Carol
Ang Kung San
Anthony Dylan anak Frankie Jurem
Aw Ik Gian, CMMLM
Beh So Ming
Capt (R) Kon Si Chong, CMOM
Carmen Lee Suet Hoong, CMOM
Carrek Chong Ka Loong, CMOM
Chan Chin Meim
Chan Hong Kong, Peter
Chan Jen Nee, Jenny, CMM
Chan Pui Li
Chan Wai Lip, CMOM
Chan Wei Lun, CMMLM
Chang Farn Siang, Andrew
Chang Yar Leng, CMMLM
Chee Ken Fah, Danial, CMM
Chee Kok Leong, Danny
Cheng Yew On
Cherri Chan Huey Chyn, CMMLM
Cheong Chui Cheh, Eileen, CMMLM
Chew Fai Sean, CMMLM
Chew Siew King, Candy
Chew Yien Yien, Doreena, CMMLM
Chia Nyuk Yin
Chia Wen Jun, CMMLM
Chin Wah Sheng, CMOM
Chin Yoke Peng
Chiu Jui Chun, Selwyn, CMOM
Chong Min Fui, Vincent, CMM
Chow-Heng Wah, CMM
Chua E Fun, CMMLM
Chuah Chong Koh, CMMLM
Chuah Ching Huey
Chuang Chew Loon, Alvin, CMOM
Chu Chia Siang, CMOM
Cynthia Tang Hwee Jing, CMMLM
David Lau Hing Luong, CMM
Elizabeth Chan Choo Im
Enmyrza bt Mohamed
Eric Lee Lai Keong
Eva Hew, CMMLM
Evelyn Lo, CMM
Fazrul Isham b Mohd, CMMLM
Fern Tan Feng Ching
Foong Meng Khum, CMM
Gan Hong Sheng
Ghaffizah Hanim Amir
Goh Chong Wai, CMM
Hamish Chatterres
Hee Yaw Hoong, Darren, CMMLM
Herbie Tan Kim Whatt
Hiew Boon Kee, CMMLM
Hirdawati Mohd Nasir, CMAM
Ho Ka Khong
Ho Wai Hoong, CMMLM
Hok Wai Khui, CMMLM
Ishraqi Shah b Abu Bakar CMMLM, CMOM
Jason Chin Teck Seng
Javed Irshad Sani
Jeannie Ng
Jeffrey Sian
Jeffrey Soon Jun Yann, CMAM
Joseph Teo Fang Yih, CMMLM
Josephine Lim Kwee Yuen, CMAM
Josephine Wong Chai Yien, CMMLM
Junairah bt Afandi, CMAM
Kaeyi Lim
Kamarul Ariffin b Abdul Latiff, CMOM
Katherine Tan
Kenny Chin Chong Huat, CMM
Ken Wong Kat Ming
Kho Chung Hong, Charlie, CMM
Khoo Yi Ping
Khor Siak Seng, Vincent
Koay Poay Shin, CMMLM
Kooing Choy Yoke
Kok Hui Yuen
Kong Suan Ai, CMMLM
L. Izwan bin Abdullah, CMMLM
Lai Yung Ming, Marco
Larry Tan Teck Lai
Lau Choro Yee, John
Lawrence Teh Cheng Poh
Lee Beng Beng, CMM
Lee Chee Hoe
Lee Mun Keong
Leong Pik Yi
Lew Wen Feng, CMMLM
Lim Boon Yew @ Alvin Lim
Lim Fai Yoon
Lim Hooi Fung, CMOM
Lim Kee Han
Lim Kok Kheng
Lim Koon Hooi, Cynthia, CMMLM
Lim Rong Jiang, CMMLM
Lim Su Yi
Lim Wen Li
Lim Ying Ning

Lisbet Ling Kiang Hfoong, CMMLM
Loh Kok Chai, CMM
Loo Ai Lean
Loo Hoey Theen
Loong Jee Yung
Lum Youk Lee
Ma'amur Gadafy b Abdul Rashid
Mabel Tan Mui Pow, CMMLM
Mah Liyun
Marilyn Chuah Siu Ching, CMMLM
Michael Poh On Hwe
Michelle Chin Mee Ching
Mohamad Nazri b Mohd Mokhtar, CMOM
Mohd Hanafiah b. Mohd Shah
Mohd Izaham Syah b Hamdan
Mohd Nizam b Abdul Rahman
Mohd Saikat All bin Mohd Ghazaly
Mohd Taufiq bin Shamsuddin
Mok Choo Yum
Muhammad Rafiqy b. Azan, CMAM
Nadmie b Jamsari
Nazri b Ahmad, CMOM
Ng Bee Fong, Samantha, CMOM, CMMLM
Ng Kuan Yee, Selina
Nik Azlan Nik Aman
Noor Salehah bt Wahid, CMMLM
Norbaiah bt Mohd Yusof
Nor Hayati bt Nawawi Suri
Ong Eng Hin, CMM
Ong Hui Ling
Ooi Boon Shya, Jean
Ooi Kee Chuan
Padma Priani @ Padman s/o Maniam
Pang Seong Wah
Patrick So Kee Whuay
Pearly Hue Pei Ni
Pearly Lim Meng Li, CMMLM
Phang Sau Lian
Phoon Kin Kheong, CMM
Ramesh a/ Arumugam
Rashidan b Ismail, CMOM
Richard Chan Chee Keong, CMM
Ronald Ling Ing Han, CMMLM
Royston Ling Ing Ding
Samantha Ooi Sui Lin
San Wei Hwa, Wivien
Saw Lee Chuan
Shahrol Azman b Abd Kahar, CMOM
Shaifuddin A. Majid, CMM
Sharon Lee Sui Fong, CMMLM
Siegfried Shaun Dela Pena Tan
Sin Tiew Cheo, CMM
Sit Chee Koon, CMMLM, CMAM
Stanley Kok Yin Cheong, CMMLM
Steve Lim Boon Hoe
Stewart Lee Siew Kit
Subramaniam Apparow, CMOM
Suhadi b Mohd Sukor, CMOM
Tan Boon Chuan, CMMLM
Tan Cheng Guan
Tan Choon Kiat, CMMLM
Tan Chuan Kang
Tan Gar Peng, Kevin
Tan Hui Swan, Farrer, CMMLM
Tan Joon Kai
Tan King Way
Tan Sri Datuk Eddy Chen Lok Loi
Tan Ting Sin, CMOM
Tang Chee Weng
Tang You Qing, Eugenie
Teh Joe Ann
Teoh Ee Ling, CMMLM
Teoh Eng Chiat, Andrew
Teoh Song Loon
Dato' Sri Tiew Soon Thung, Vincent
Tian Keng Swee, CMOM
V. Mayantharan a/ Vayalutham
Winnie Sam Min Wah, CMMLM
Wong Chun Khean, Kent
Wong Jia Jin
Wong Sook Sun
Wong Sook Yoon, CMMLM
Wong Woei Ming, Michael, CMOM
Wong Yik Kae
Yap Weei Kee
Yeap Chin Chong, CMOM, CMMLM, CMAM
Yeo Yee Yean
Yong Lee Yung, CMAM
Yong Yuet Lan, CMMLM
Yuen Chew Yung
Yun Wen Lai
Zahayra Shima bt Ayub, CMMLM
Zulkahar b Khamis, CMOM

Honorary Members

Dato' Ngeow Voon Yean
Tan Sri Dato' Teo Chiang Kok
Dato Joyce Yap, CMM
HC Chan, CMM

Affiliate Members - Individual

Azmel Reza Abu Mansor
Chai Yit Nyeong
Gan Siew Chain
Hoi Kong Fai
Kevin Chiu Zhenwei, CMMLM, CMAM
Lee Chee Thian
Lee Pei Ling
Ramin Ahmadi
Ong Shi Yee
Phang May Ling
Sharon Tan Pet Szu
Sze Jun King
Tan Chwan Tee, Robin
Tay Seong Liang Victor, CMMLM
Tee Kok Guan
Timothy Sangawa
Voon Yen Lee
Wong Pak Tho
Woo May Foong
Yasmin Mokhtar
Yew Poh Ling

Affiliate Members - Corporate

BBCC Development Sdn Bhd
Code Entertainment Sdn Bhd
Fair Star Shopping Sdn Bhd
Festival City Sdn Bhd
IFCA MSC Bhd
Matrix Research Sdn Bhd
Nearby South East Asia Sdn Bhd
R & F Development Sdn Bhd
Selangor Dredging Sdn Bhd
Stratos Consulting Group Sdn Bhd
The Hot Shoe Show & Company Sdn Bhd
TheLOT Associates Sdn Bhd
Visata Creative Sdn Bhd

Associate Members

Ng Hean Yin

Networking Partners

Asosiasi Pengelola Pusat Belanja Indonesia (APPBI)
Association of Consulting Engineers Malaysia (ACEM)
BBKLC Tourism Association, Kuala Lumpur
British Council of Shopping Centres (BCSC)
Building Management Association of Malaysia (BMAM)
Council of Asian Shopping Centres (CASC)
Dewan Bandaraya Kuala Lumpur (DBKL)
Eastern Regional Organisation for Planning and Housing (EAROPH)
Fiabci Malaysia Chapter
Fire Prevention Council Malaysia (FIPCOM)
Hong Kong Trade Development Council
Institute of Shopping Centre Management Ltd (ISCM), Hong Kong
International Council of Shopping Centers, Inc. (ICSC)
Jabatan Bomba & Penyelamat Malaysia
Korea Building Owners and Managers Association (KBOMA)
Japan Council of Shopping Centers (JCSC)
Malaysia Crime Prevention Foundation (MCPF)
Malaysia Retail Chain Association (MRCA)
Malaysia Retailers Association (MRA)
Malaysia Green Building Confederation (MGBC)

Persatuan Pengurusan Kompleks Malaysia (PPK) Malaysia Shopping Malls Association

A608, 6th Floor, (Lobby 2), Block A, No.1, Jalan SS 20/27, Damansara Intan, 47400 Petaling Jaya, Selangor D. E., Malaysia

T +603 7727 6202 | 6232 F +603 7727 6203 E secretariat@ppkm.org.my W ppkm.org.my

Malaysian Association of Convention and Exhibition Organisers (MACEOS)
Malaysian Association of Hotel Owners (MAHO)
Malaysian Association of Hotels (MAH)
Malaysian Association of Tour and Travel Agents (MATTAA)
Malaysian Franchise Association (MFA)
Malaysia Tourism Federation (MTF)
Mall China
Middle East Council of Shopping Centres (MECSC)
Nordic Council of Shopping Centres (NCSC)
Pertubuhan Akitik Malaysia (PAM)
Property Council of Australia (PCA)
Quality Restroom Association of Malaysia (QRAM)
Real Estate and Housing Developers' Association Malaysia (REHDA)
Real Estate Developers' Association Singapore (REDAS)
Shopping Centre Council of Australia (SCCA)
Taiwan Council of Shopping Centres (TCSC)
The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCIM)
The Institution of Engineers Malaysia (IEM)
Tourism Malaysia