

# Video

## Fireside Chat with Adrian Cheng

Date: September 02, 2020

00:00:05 --> 00:00:07: Hi Adrian, welcome to the ULI.

00:00:07 --> 00:00:11: Thank you for doing this for us.

00:00:11 --> 00:00:14: You have a lot of fans in the ULI,

00:00:14 --> 00:00:17: and so I think there's a lot of people who

00:00:17 --> 00:00:21: are very interested in hearing about your vision and your

00:00:21 --> 00:00:22: ideas going forward.

00:00:22 --> 00:00:26: Let's start with something that's working.

00:00:26 --> 00:00:27: We're both in Hong Kong.

00:00:27 --> 00:00:30: Let's start with something about Hong Kong,

00:00:30 --> 00:00:32: I mean.

00:00:32 --> 00:00:36: With all of the different investments that you have out

00:00:36 --> 00:00:36: there,

00:00:36 --> 00:00:38: why Hong Kong in the GPA?

00:00:38 --> 00:00:39: First, I want to thank you.

00:00:39 --> 00:00:42: I and James for having me today just to discuss

00:00:42 --> 00:00:44: about the Urban Development.

00:00:44 --> 00:00:46: I think it's a very huge topic,

00:00:46 --> 00:00:49: in particular because we are all facing this new normal

00:00:49 --> 00:00:50: moving forward.

00:00:50 --> 00:00:52: Just talk about, you know,

00:00:52 --> 00:00:54: Urban Planet. You enter the new world.

00:00:54 --> 00:00:57: Focus has always been Hong Kong and also has been

00:00:57 --> 00:01:00: always in Greater Bay Area and our vision is to

00:01:00 --> 00:01:02: create a diversified customer centric.

00:01:02 --> 00:01:07: Ecosystem to basically enrich out consumer dating lives

00:01:07 --> 00:01:09: through the

00:01:09 --> 00:01:14: power of creativity,

00:01:14 --> 00:01:15: culture and also innovation and as well as a sustainability

00:01:14 --> 00:01:15: as well.

00:01:15 --> 00:01:17: I understand the rationale behind,  
00:01:17 --> 00:01:23: I think. First we need to understand that the Greater  
00:01:23 --> 00:01:28: Bay Area it's it's one of the highest growth engine.  
00:01:28 --> 00:01:30: I think in in in Asia,  
00:01:30 --> 00:01:35: OK, if you look at the demographics we have there  
00:01:35 --> 00:01:35: 5%  
00:01:35 --> 00:01:41: of the total China population you know contributed are  
probably  
00:01:41 --> 00:01:43: thirteen 1213%  
00:01:43 --> 00:01:45: of the GDP in China and 70%  
00:01:45 --> 00:01:50: of the populations are very young people.  
00:01:50 --> 00:01:54: They basically lack a lot of software as well as  
00:01:54 --> 00:01:55: also hardware,  
00:01:55 --> 00:02:00: but from the urbanization aspects you're seeing a two  
phenomenon.  
00:02:00 --> 00:02:06: One is that it's it's the first accelerated urbanization in  
00:02:06 --> 00:02:09: all these cities in Greater Bay.  
00:02:09 --> 00:02:12: The past few years and also the middle class population  
00:02:12 --> 00:02:14: has been also expanding rapidly,  
00:02:14 --> 00:02:17: so there's a lot of potential in in the Greater  
00:02:17 --> 00:02:18: Bay Area.  
00:02:18 --> 00:02:22: When I say Greater Bay Area include Hong Kong as  
00:02:22 --> 00:02:22: well.  
00:02:22 --> 00:02:25: What we need right now is for two transformation is  
00:02:25 --> 00:02:29: the one hour living circle where people are craving for  
00:02:29 --> 00:02:32: convenience and once we connect the entire Greater Bay by  
00:02:32 --> 00:02:35: this one hour living circle at city level an also  
00:02:35 --> 00:02:36: provincial level.  
00:02:36 --> 00:02:39: I think there's a lot of opportunities in in in  
00:02:39 --> 00:02:40: better job offer,  
00:02:40 --> 00:02:44: Social Security, lower living costs around the Greater Bay  
and  
00:02:44 --> 00:02:46: also people want opportunities.  
00:02:46 --> 00:02:51: So there's always these core competitive advantages of  
these cities  
00:02:51 --> 00:02:53: and we can explore more once we are.  
00:02:53 --> 00:02:56: In, in, in, in Greater Bay and also in in  
00:02:56 --> 00:03:00: Hong Kong as well so that eBay is younger than  
00:03:00 --> 00:03:04: the rest of China were more productive than the rest  
00:03:04 --> 00:03:06: of China. Growing faster. Yeah,  
00:03:06 --> 00:03:10: the growth is faster, the GDP growth is faster and  
00:03:10 --> 00:03:14: new wall has been focusing on a greater base since  
00:03:14 --> 00:03:14: 2016.

00:03:14 --> 00:03:18: We have been accumulating 1.5 million square meter of of  
00:03:18 --> 00:03:19: land bank.  
00:03:19 --> 00:03:21: We are expanding into for Sean,  
00:03:21 --> 00:03:26: Guangzhou and Shenzhen. All these kind of these cities and  
00:03:26 --> 00:03:29: jewel high and now we have around 2.9 million square  
00:03:29 --> 00:03:32: meter of land bank in the Greater Bay.  
00:03:32 --> 00:03:36: Approximately 50% of our total China Land Bank.  
00:03:36 --> 00:03:39: So we're very very heavily invested in the Greater Bay  
00:03:39 --> 00:03:40: Area.  
00:03:40 --> 00:03:42: And of course as as all of you know,  
00:03:42 --> 00:03:44: including my my two brands,  
00:03:44 --> 00:03:48: the Rosewood brand and also the Kalevan brand,  
00:03:48 --> 00:03:51: the K 11 brand we are opening 36 projects in  
00:03:51 --> 00:03:51: China,  
00:03:51 --> 00:03:54: mostly with a very heavily weighted.  
00:03:54 --> 00:03:57: In Greater Bay Area around China,  
00:03:57 --> 00:04:01: around 10 cities an around 2.5 million of Geo Square  
00:04:01 --> 00:04:03: meter of GFA by 2025.  
00:04:03 --> 00:04:06: And we also gonna invest a lot in Greater Bay  
00:04:06 --> 00:04:11: with involving in Old City redevelopment projects as you  
know  
00:04:11 --> 00:04:14: that's basically in in Hong Kong.  
00:04:14 --> 00:04:18: It's a it's Mike allow you know it's bending old  
00:04:18 --> 00:04:22: cities or city village projects in the middle of of  
00:04:22 --> 00:04:23: of Greater Bay Area.  
00:04:23 --> 00:04:27: So there's a lot of potential for that.  
00:04:27 --> 00:04:31: As well, and so that's why it's very important.  
00:04:31 --> 00:04:33: To create this ecosystem in Greater Bay.  
00:04:33 --> 00:04:35: OK, so can we. Can we visit this K 11  
00:04:35 --> 00:04:37: and so we've been friends for awhile.  
00:04:37 --> 00:04:39: I've never asked you this question.  
00:04:39 --> 00:04:41: What does K-11 stand for?  
00:04:41 --> 00:04:44: And you know, there's a whole philosophy behind this can  
00:04:44 --> 00:04:44: you?  
00:04:44 --> 00:04:47: Can you share with us a little bit with that  
00:04:47 --> 00:04:48: philosophy is?  
00:04:48 --> 00:04:51: Our key 11 doesn't stand for anything.  
00:04:51 --> 00:04:53: Ironically, it doesn't stand for anything,  
00:04:53 --> 00:04:56: but because it doesn't stand for anything,  
00:04:56 --> 00:04:59: it means something OK.  
00:04:59 --> 00:05:03: Minimalistic for you? OK, but that's OK,  
00:05:03 --> 00:05:08: yeah, so I I created kalevan since 2008.

00:05:08 --> 00:05:12: And I think 11 is more like a symbol.  
00:05:12 --> 00:05:15: As Monica Emblem is a symbol of.  
00:05:15 --> 00:05:20: The new generation, the symbol of something more disruptive of  
00:05:20 --> 00:05:21: the normal.  
00:05:23 --> 00:05:28: It's a symbol of offering something different to our consumer  
00:05:28 --> 00:05:29: through creativity,  
00:05:29 --> 00:05:33: culture, design and sustainability. So by doing to the,  
00:05:33 --> 00:05:36: you know, since 2008 we have been,  
00:05:36 --> 00:05:39: you know, creating this journey of imagination.  
00:05:39 --> 00:05:44: You know curating a certain journey for our consumers and  
00:05:44 --> 00:05:47: really enriching their consumer daily lives.  
00:05:47 --> 00:05:49: You know, we, we, we we're,  
00:05:49 --> 00:05:53: we're developers where we build things but.  
00:05:53 --> 00:05:55: Sure, Evan doesn't only build things,  
00:05:55 --> 00:05:59: it also builds software. It also builds services always also  
00:05:59 --> 00:06:02: built A at that time a customer experience.  
00:06:02 --> 00:06:06: And now it's more beyond customer experience,  
00:06:06 --> 00:06:08: but more on the idea of knowledge capital.  
00:06:08 --> 00:06:12: So we want customers we want to to grow with  
00:06:12 --> 00:06:13: our customers,  
00:06:13 --> 00:06:16: build a community as well as.  
00:06:16 --> 00:06:19: Letting our customers learn about something.  
00:06:19 --> 00:06:23: To acquire knowledge through the journey.  
00:06:23 --> 00:06:25: Immersively in in, in, Kalevan.  
00:06:25 --> 00:06:29: So you talk about investments in like software and the  
00:06:29 --> 00:06:34: and the and the the intellectual capital that you're building  
00:06:34 --> 00:06:36: in this at Caleb and malls.  
00:06:36 --> 00:06:40: I mean when I go into there always packed solid.  
00:06:40 --> 00:06:44: I mean what is your secret sauce in this K  
00:06:44 --> 00:06:45: level concept?  
00:06:45 --> 00:06:49: I don't think there's a secret sauce.  
00:06:49 --> 00:06:51: K 11 is also a brand,  
00:06:51 --> 00:06:55: so we have our new Office K 11 Italia brand  
00:06:55 --> 00:06:58: which we open Up Kings Rd project.  
00:06:58 --> 00:07:03: That is a very interesting project that promotes an propagate.  
00:07:03 --> 00:07:09: The awareness of sustainability where triple platinum  
certified.  
00:07:09 --> 00:07:13: So we have a well certificate.  
00:07:13 --> 00:07:18: Beam certificate and also the lead certificate for Kings Rd  
00:07:18 --> 00:07:19: Project.  
00:07:19 --> 00:07:23: It's a threat that kind of promotes the idea of

00:07:23 --> 00:07:24: art design culture.

00:07:24 --> 00:07:28: Also on on on people and also on sustainability.

00:07:28 --> 00:07:32: So these are all three core values that we we

00:07:32 --> 00:07:37: promote along the secret source is there's no secret sauce

00:07:37 --> 00:07:37: because.

00:07:37 --> 00:07:38: It's.

00:07:40 --> 00:07:44: It's something that. It's it's more about reading,

00:07:44 --> 00:07:48: narrating our vision, so we want our customers to feel

00:07:48 --> 00:07:52: that we have a social mission and we're growing with

00:07:52 --> 00:07:53: our customers.

00:07:53 --> 00:07:56: So that's why we create a lot of share value

00:07:56 --> 00:07:57: with our consumer.

00:07:57 --> 00:08:00: You know, people don't go into a more.

00:08:00 --> 00:08:02: We don't call our seven mall,

00:08:02 --> 00:08:06: for example. Victoria Dockside, which is a 2.6 billion US

00:08:06 --> 00:08:07: dollar project.

00:08:07 --> 00:08:11: 10 years of vision and we're here to propagate and

00:08:11 --> 00:08:13: to promote our design culture.

00:08:13 --> 00:08:17: Having Guild architecture and really become a melting pot

00:08:17 --> 00:08:21: where

00:08:17 --> 00:08:21: people can appreciate what the beauty of artisan objects and

00:08:21 --> 00:08:23: the beauty of daily lives,

00:08:23 --> 00:08:25: right and you immerse into it.

00:08:25 --> 00:08:28: Whether you go into my Rosewood hotel,

00:08:28 --> 00:08:31: you go to my artist Service apartments on my Italian

00:08:31 --> 00:08:32: officers.

00:08:32 --> 00:08:35: You feel the curated experience and our mission to

00:08:35 --> 00:08:39: showcase

00:08:35 --> 00:08:39: not only the most beautiful things but also a share

00:08:39 --> 00:08:42: value that we want to contribute something to society.

00:08:42 --> 00:08:44: And I think that's quite in.

00:08:44 --> 00:08:48: Intangible, but the secret sauce is to make sure that

00:08:48 --> 00:08:51: this journey is well curated for all our consumer and

00:08:51 --> 00:08:54: that you can actually immerse safely.

00:08:54 --> 00:08:57: Experience that and and it's very hard to say what

00:08:57 --> 00:09:01: what you put because a lot of people think oh,

00:09:01 --> 00:09:04: you know you're putting some are pieces here and there

00:09:04 --> 00:09:06: and that's our that's kalevan.

00:09:06 --> 00:09:09: But it's not true because if you look at Caleb

00:09:09 --> 00:09:11: it's very cohesive.

00:09:11 --> 00:09:14: Everything is In Sync and there's a lot of intangible

00:09:15 --> 00:09:15: secrets.

00:09:15 --> 00:09:18: Recipes that is very hard to explain,

00:09:18 --> 00:09:19: because once you. I mean,  
00:09:19 --> 00:09:22: I'm. I'm sure a lot of our audience today are  
00:09:22 --> 00:09:23: artists,  
00:09:23 --> 00:09:27: designers. They understand that it's not like you can have  
00:09:27 --> 00:09:29: a checklist and you go tick tick,  
00:09:29 --> 00:09:32: tick, tick tick and you create create this.  
00:09:32 --> 00:09:37: It's really. It's sometimes very spontaneous and it also  
sometimes  
00:09:37 --> 00:09:41: is also very on the ground to to feel this  
00:09:41 --> 00:09:43: this this consumer journey and.  
00:09:43 --> 00:09:45: You talk about, you know you.  
00:09:45 --> 00:09:48: You have this. You have this by line called the  
00:09:48 --> 00:09:48: Articul.  
00:09:48 --> 00:09:51: No movement can you. Can you maybe expand a little  
00:09:51 --> 00:09:54: bit on what the artistic movement means.  
00:09:54 --> 00:09:56: I mean is it? Is it is sort of the  
00:09:57 --> 00:09:58: constant renewing?  
00:09:58 --> 00:10:02: Is it sort of? You're looking at blending old with  
00:10:02 --> 00:10:02: new?  
00:10:02 --> 00:10:06: I mean what what? What in your in your vision?  
00:10:06 --> 00:10:10: What is the artist along with the additional movement is  
00:10:10 --> 00:10:14: a very important important movement for our staff and to  
00:10:14 --> 00:10:15: understand.  
00:10:15 --> 00:10:18: It's basically the DNA of oil staff.  
00:10:18 --> 00:10:22: So the artisan movement in short is means we create.  
00:10:22 --> 00:10:26: We are artisans. So the idea we means everyone,  
00:10:26 --> 00:10:30: everyone in New World, everyone in New World,  
00:10:30 --> 00:10:33: everyone in kalevan their artisans right?  
00:10:33 --> 00:10:35: But we create so we are all creators.  
00:10:35 --> 00:10:39: We're not artists, we are creators where curators.  
00:10:39 --> 00:10:43: But we're creating something, creating value,  
00:10:43 --> 00:10:47: creating experience with creating knowledge for the SoC and  
we  
00:10:47 --> 00:10:50: are disrupting a certain normal.  
00:10:50 --> 00:10:54: And this is something that is we're very adventurous,  
00:10:54 --> 00:10:57: were very curious. And we are all artists.  
00:10:57 --> 00:11:01: And when you imagine you close your eyes and imagine  
00:11:01 --> 00:11:05: what are artisans are people who put this the sweat.  
00:11:05 --> 00:11:09: Put their time in creating one thing that means something  
00:11:09 --> 00:11:10: to the customer,  
00:11:10 --> 00:11:14: right? And is so focused very aligned.  
00:11:14 --> 00:11:16: But at the same time ambitious.

00:11:16 --> 00:11:19: So we want all our staff to have an on  
00:11:19 --> 00:11:20: body.  
00:11:20 --> 00:11:24: This DNA and this vision of this artisanal movement.  
00:11:24 --> 00:11:29: So artistic movement is not just creating beautiful things  
right?  
00:11:29 --> 00:11:33: Everyone can create, create beautiful things.  
00:11:33 --> 00:11:37: But what we want is form for them to exhibit  
00:11:37 --> 00:11:40: and manifest this DNA.  
00:11:40 --> 00:11:43: OK, you also talked about some social movements.  
00:11:43 --> 00:11:44: I mean can you talk about?  
00:11:44 --> 00:11:47: I understand that last year you want a shared value  
00:11:48 --> 00:11:48: project award.  
00:11:48 --> 00:11:51: You have something called a CSV initiative.  
00:11:51 --> 00:11:54: Going right now is that is that part of the  
00:11:54 --> 00:11:57: social movement you're talking about that you know?  
00:11:57 --> 00:12:00: That's sort of part of the part of the artisan  
00:12:00 --> 00:12:03: and giving back and sort of the new vision that  
00:12:03 --> 00:12:04: you have?  
00:12:04 --> 00:12:08: Yes, yes, creating shared value instead of talking about  
corporate  
00:12:08 --> 00:12:09: social responsibility,  
00:12:09 --> 00:12:12: we really want to deploy our resources.  
00:12:12 --> 00:12:14: Increase share value with SoC.  
00:12:14 --> 00:12:19: So really connecting business our businesses with social  
progress.  
00:12:19 --> 00:12:23: So for example, we are the first corporate to establish  
00:12:23 --> 00:12:26: our Pandemic Fund and contributing to Hong Kong.  
00:12:26 --> 00:12:29: And of course all of you know that we were  
00:12:29 --> 00:12:32: also the first one to really create it.  
00:12:32 --> 00:12:34: Our local mask production line.  
00:12:34 --> 00:12:38: So yeah, you know the face masks are very well  
00:12:38 --> 00:12:38: known,  
00:12:38 --> 00:12:42: right? Yes, Anan and instead of just donating money.  
00:12:42 --> 00:12:45: And claiming ourselves to be just called corporate,  
00:12:45 --> 00:12:48: socially responsible. I mean, that's a word that I don't  
00:12:48 --> 00:12:51: understand what you mean by being responsible.  
00:12:51 --> 00:12:54: Just do it right. You just come into action plan  
00:12:54 --> 00:12:56: instead of being responsible.  
00:12:56 --> 00:12:59: So I don't. So I'm kind of disrupting the idea  
00:12:59 --> 00:13:01: of what do you mean responsible?  
00:13:01 --> 00:13:04: I mean that was. That was the question during our  
00:13:04 --> 00:13:07: meeting with my team and I was like why don't  
00:13:07 --> 00:13:07: we,

00:13:07 --> 00:13:11: just, you know, produce the mask and distribute safely through  
00:13:11 --> 00:13:12: a safe Channel 2.  
00:13:12 --> 00:13:16: Our NGO partners an also to our beneficiaries.  
00:13:16 --> 00:13:19: Who are some low income families.  
00:13:19 --> 00:13:23: We have 40,000 beneficiaries that benefits it from or our  
00:13:23 --> 00:13:25: our mass production.  
00:13:25 --> 00:13:29: So first we produce our own local mask in our  
00:13:29 --> 00:13:33: own factories in the Science park and also into moon.  
00:13:33 --> 00:13:37: There's all out we created on our own.  
00:13:37 --> 00:13:40: We produce 7 million of mass per per month.  
00:13:40 --> 00:13:43: We work with around 20 NGOs.  
00:13:43 --> 00:13:46: And we place 36 mask vending machines in all the  
00:13:46 --> 00:13:51: NGO Centers for all our low income families beneficiaries for  
00:13:51 --> 00:13:52: them to collect.  
00:13:52 --> 00:13:56: And so this is a way for not only producing  
00:13:56 --> 00:14:00: but also creating shared value by distributing safely for for  
00:14:00 --> 00:14:05: our our our beneficiary to collect them through our vending  
00:14:05 --> 00:14:09: machine. And now all my vending machines are also placed  
00:14:10 --> 00:14:13: not only in my NGO centers but also in all  
00:14:13 --> 00:14:13: my.  
00:14:13 --> 00:14:18: Outlets like office outlets or retail outlets and in the  
00:14:18 --> 00:14:22: future we all in our sales Gallery for residential units  
00:14:23 --> 00:14:23: as well.  
00:14:23 --> 00:14:27: Great I I love this sort of action over words,  
00:14:27 --> 00:14:31: sort of bias that you have switching subjects a little  
00:14:31 --> 00:14:34: bit because we talked a lot about.  
00:14:34 --> 00:14:37: That sort of consumer, I mean sorry,  
00:14:37 --> 00:14:39: going back to the issue of the consumer,  
00:14:39 --> 00:14:41: what given the impact of kovit?  
00:14:41 --> 00:14:43: I mean, what have you seen?  
00:14:43 --> 00:14:45: Sort of from your data?  
00:14:45 --> 00:14:48: From your experiences? What kind of changes have you  
seen?  
00:14:48 --> 00:14:51: Sort of in the consumer behavior?  
00:14:51 --> 00:14:54: And what is sort of the New World Group doing  
00:14:54 --> 00:14:56: to adapt to that change?  
00:14:56 --> 00:14:59: Well, I think with the impact of Cover 19 to  
00:14:59 --> 00:15:02: the world we see a very major paradigm shift on  
00:15:02 --> 00:15:03: consumption,  
00:15:03 --> 00:15:08: behavior and trends. 'cause customers consumers are more  
healthy help  
00:15:08 --> 00:15:09: their their healthier,



00:15:09 --> 00:15:13: and they're very environmentally conscious.

00:15:13 --> 00:15:16: Customers are placing more values on Wellness.

00:15:16 --> 00:15:20: I think that's a big trend and covert has become

00:15:20 --> 00:15:24: a catalyst for social innovation and also digitalization.

00:15:24 --> 00:15:27: I think these are three very big paradigm shift.

00:15:27 --> 00:15:30: And So what do we see in real customers?

00:15:30 --> 00:15:33: I think we're talking about.

00:15:33 --> 00:15:35: The millennials are the GNC is.

00:15:35 --> 00:15:37: I'll give you a little data,

00:15:37 --> 00:15:41: you know that the next generation made up made up

00:15:41 --> 00:15:46: of significant portion of the customer base in China.

00:15:46 --> 00:15:50: We have around 566 million of Millennials and Gen Z's

00:15:50 --> 00:15:51: in China,

00:15:51 --> 00:15:52: and that counts for 41%

00:15:52 --> 00:15:55: of its population.

00:15:55 --> 00:15:59: Anne. They're very purpose driven,

00:15:59 --> 00:16:00: very. They value high quality,

00:16:00 --> 00:16:04: be spoken Taylor products an also they're very into investing

00:16:04 --> 00:16:06: in themselves in knowledge.

00:16:06 --> 00:16:09: As I said, the word knowledge will be.

00:16:09 --> 00:16:13: A word that will be beyond experience.

00:16:13 --> 00:16:16: In in the past, people talk about experience,

00:16:16 --> 00:16:20: experience, experience, immersive experience, but I don't

00:16:20 --> 00:16:21: talk about experiences

00:16:21 --> 00:16:23: anymore.

00:16:23 --> 00:16:28: We talk about knowledge capital so.

00:16:28 --> 00:16:28: And new customers are focusing on what knowledge do I

00:16:28 --> 00:16:31: acquire?

00:16:31 --> 00:16:35: What do I learn? How do I better myself?

00:16:35 --> 00:16:38: However, their attention span is very short.

00:16:38 --> 00:16:41: So your video has to be very short and you,

00:16:41 --> 00:16:45: but you need to give them some takeaways and some

00:16:45 --> 00:16:47: knowledge capital to learn within probably 5 minutes or 10

00:16:47 --> 00:16:51: minutes so they they like bites.

00:16:51 --> 00:16:53: They don't little knowledge bites that you teach them,

00:16:53 --> 00:16:55: and once you can create something,

00:16:55 --> 00:16:58: of course a lot of content.

00:16:58 --> 00:17:01: I mean, the shift now is about upstream content,

00:17:01 --> 00:17:03: right? Digital content, of course,

00:17:03 --> 00:17:06: so we have our K level already set up.

00:17:06 --> 00:17:08: Our kalevan go, which is our new studio where we

00:17:08 --> 00:17:08: have virtual classes.

00:17:08 --> 00:17:13: Virtual content will work with partners like Sotheby's different types.

00:17:13 --> 00:17:17: Other other partners to produce cocoa presenting products and and

00:17:17 --> 00:17:18: and.

00:17:18 --> 00:17:21: Content and lately, as all of you know,

00:17:21 --> 00:17:26: we have collaborated with. Ken Kalin has collaborated makaila the

00:17:26 --> 00:17:30: museum to produce awesome mass right art maximize yeah Barbara

00:17:30 --> 00:17:34: Kruger by Catherine Opie by Alex Israel we have all

00:17:34 --> 00:17:40: these limited edition fun mass that we cover.

00:17:40 --> 00:17:43: OK, yeah, and and all the new next generation,

00:17:43 --> 00:17:46: the Millennials and Gen Z will love to know how

00:17:46 --> 00:17:47: to produce them.

00:17:47 --> 00:17:48: Ask why do produce to mask?

00:17:48 --> 00:17:51: What knowledge can I acquire from that,

00:17:51 --> 00:17:54: and how? And are they environmentally conscious?

00:17:54 --> 00:17:56: Are they recycle? Are they recyclable?

00:17:56 --> 00:17:58: So that's one big trend.

00:17:58 --> 00:18:00: Another trend that we're seeing.

00:18:00 --> 00:18:02: It's a human centric technology approach,

00:18:02 --> 00:18:05: meaning people talk about technology,

00:18:05 --> 00:18:08: technology, AI, algorithm, recommendation, machines,

00:18:08 --> 00:18:10: deep learning. At at the same time,

00:18:10 --> 00:18:14: there is also a polarizing effect where people are being

00:18:14 --> 00:18:15: very humanized.

00:18:15 --> 00:18:19: They want warmth. Sure it won't coziness,

00:18:19 --> 00:18:21: how do you actually use technology?

00:18:21 --> 00:18:24: Just supplement this human centric approach.

00:18:24 --> 00:18:28: How do you combine not just online offline people talk

00:18:28 --> 00:18:30: about O2 online offline,

00:18:30 --> 00:18:34: but we talk about virtual world in real world.

00:18:34 --> 00:18:38: Offline will be very, very important in the future.

00:18:38 --> 00:18:42: If my or for all the architects out there,

00:18:42 --> 00:18:45: the future about on on the ground.

00:18:47 --> 00:18:51: Offline project, it's about the human approach.

00:18:51 --> 00:18:55: The human centric approach with the help of technology.

00:18:55 --> 00:18:58: So for all my projects in Kalevan,

00:18:58 --> 00:19:01: which I just mentioned in in,

00:19:01 --> 00:19:06: I just announced that you know we bought a Shanghai

00:19:06 --> 00:19:08: project in Shanghai.

00:19:08 --> 00:19:12: We also last year we bought a Hangzhou project and

00:19:12 --> 00:19:16: I announced in my in my IG that we have  
00:19:16 --> 00:19:18: appointed a sugar,  
00:19:18 --> 00:19:21: sugar Obon and also Ole Sharin too.  
00:19:21 --> 00:19:26: To be architects for our projects and the my.  
00:19:26 --> 00:19:30: My vision and my guidance was to really have very  
00:19:30 --> 00:19:31: human.  
00:19:31 --> 00:19:35: Crafted approach to it. I think that's a key I  
00:19:35 --> 00:19:39: want our customers to feel the warmth in in inside  
00:19:39 --> 00:19:41: the entire architect.  
00:19:41 --> 00:19:46: I'm not looking for very futuristic architectures or interior  
design.  
00:19:46 --> 00:19:49: I'm focusing on on the idea of the idea of  
00:19:49 --> 00:19:53: human approach and that's something that we are.  
00:19:53 --> 00:19:56: We are focusing on one K 11 on our 36  
00:19:56 --> 00:19:56: projects.  
00:19:56 --> 00:19:59: Whether it's an office, whether it's a,  
00:19:59 --> 00:20:03: it's a service apartment, whether it is a,  
00:20:03 --> 00:20:07: it's a retail even for my rosewood hotels as well  
00:20:07 --> 00:20:07: as well.  
00:20:07 --> 00:20:12: Um, another paradigm shift that we're seeing is that  
everything  
00:20:12 --> 00:20:14: goes back into private.  
00:20:14 --> 00:20:18: The idea of privacy. So private traffic when we say  
00:20:18 --> 00:20:20: private traffic in China.  
00:20:20 --> 00:20:22: In the old days on online,  
00:20:22 --> 00:20:26: companies are talking about acquisition of public traffic,  
00:20:26 --> 00:20:30: right? Yes, you know the acquisition cost for one customers  
00:20:30 --> 00:20:31: online is.  
00:20:31 --> 00:20:35: It's getting more expensive. Now we're focusing back on  
customer  
00:20:35 --> 00:20:36: relationship.  
00:20:36 --> 00:20:39: Our CRM system, VIP systems really collecting,  
00:20:39 --> 00:20:43: creating an ecosystem within our new workgroup and arch  
out  
00:20:43 --> 00:20:47: of work group and really cross selling and focusing on  
00:20:47 --> 00:20:49: this private traffic ecosystem.  
00:20:49 --> 00:20:52: And also we check groups WhatsApp groups.  
00:20:52 --> 00:20:54: That is much more targeted,  
00:20:54 --> 00:21:00: much more segmented and also intertwining between virtual  
life and  
00:21:00 --> 00:21:02: also real life as well.  
00:21:02 --> 00:21:04: It's so.  
00:21:04 --> 00:21:07: That sounds really amazing. I mean,

00:21:07 --> 00:21:10: getting the more human part so some people are saying  
00:21:10 --> 00:21:13: that Covid has killed the sharing economy.  
00:21:13 --> 00:21:15: You know the Co living,  
00:21:15 --> 00:21:18: the coworking, that sort of.  
00:21:18 --> 00:21:21: The movement that happened last year is now over because  
00:21:21 --> 00:21:22: of covid.  
00:21:22 --> 00:21:24: I mean, do you share the same interviews or you  
00:21:24 --> 00:21:26: know do do disagree with that?  
00:21:26 --> 00:21:29: I mean when you try to make things more human,  
00:21:29 --> 00:21:31: it does involve sort of human contact in the post  
00:21:31 --> 00:21:32: covert world.  
00:21:32 --> 00:21:35: I mean how do you see that working?  
00:21:35 --> 00:21:40: I think the post Covid will be this.  
00:21:40 --> 00:21:44: I think the idea of social distancing's it's very it's  
00:21:44 --> 00:21:47: going to be very embedded in everyone's mind.  
00:21:47 --> 00:21:52: After the cover, people would be much more cautious about  
00:21:52 --> 00:21:54: sharing and Co living.  
00:21:54 --> 00:21:56: OK, I think that's the fact.  
00:21:56 --> 00:22:00: However, people do not mind to Co live or share  
00:22:00 --> 00:22:02: with people that you know.  
00:22:02 --> 00:22:05: OK, so if you build a community of this kind  
00:22:05 --> 00:22:05: of,  
00:22:05 --> 00:22:06: and when I'm talking about,  
00:22:06 --> 00:22:08: you know James, we do cigars all the time.  
00:22:08 --> 00:22:10: So we Oh yeah, yeah yeah we are,  
00:22:10 --> 00:22:12: we are. We are basically a cigar club for me  
00:22:12 --> 00:22:15: and you even though we are not relatives.  
00:22:15 --> 00:22:16: We are part of a circle right?  
00:22:16 --> 00:22:19: Sure, and I don't mind Co living and sharing with  
00:22:19 --> 00:22:20: you because I know you will.  
00:22:20 --> 00:22:22: OK I think that kind of Co living and sharing  
00:22:23 --> 00:22:25: will be a trend we were talking about it.  
00:22:25 --> 00:22:28: There's a buzzword around. There's something called like a  
bubble  
00:22:28 --> 00:22:29: you're talking about.  
00:22:29 --> 00:22:31: Sort of these bubbles that people.  
00:22:31 --> 00:22:32: Yeah there would be much more.  
00:22:32 --> 00:22:35: Bubbles and this of all the bigger bubbles,  
00:22:35 --> 00:22:37: but it's more like a private bubble.  
00:22:37 --> 00:22:40: OK, and and I think that will be a trend.  
00:22:40 --> 00:22:42: Instead of saying like, oh,  
00:22:42 --> 00:22:45: I don't know, I won't be cool living and sharing

00:22:45 --> 00:22:46: with a stranger.  
00:22:46 --> 00:22:48: From somewhere around the world,  
00:22:48 --> 00:22:51: which I don't know him or her well,  
00:22:51 --> 00:22:53: an and that I think will be.  
00:22:53 --> 00:22:58: Will be quite challenging because people.  
00:22:58 --> 00:23:00: Will be much more cautious on sure.  
00:23:00 --> 00:23:04: A lot of things even post covid there will be another  
00:23:04 --> 00:23:04: you know.  
00:23:04 --> 00:23:08: You know people are much more careful I think.  
00:23:08 --> 00:23:11: Yeah so OK I don't want to monopolize all your  
00:23:11 --> 00:23:12: time here we have.  
00:23:12 --> 00:23:16: We have various audience members who have some  
00:23:16 --> 00:23:19: questions.  
00:23:16 --> 00:23:19: So the first one is if you could.  
00:23:19 --> 00:23:21: So looking back at Caleb.  
00:23:21 --> 00:23:23: So you've done K Eleven since 2008.  
00:23:23 --> 00:23:27: If there was one thing that you keep monitoring at  
00:23:27 --> 00:23:28: the K-11 level,  
00:23:28 --> 00:23:31: or one thing that you would like to change at  
00:23:31 --> 00:23:31: the K-11,  
00:23:31 --> 00:23:34: what what are a? What are the things you used  
00:23:34 --> 00:23:35: to monitor?  
00:23:35 --> 00:23:37: Or 11 B? What is that one thing that you  
00:23:37 --> 00:23:38: would change?  
00:23:41 --> 00:23:47: You mean keep on tracking and making sure that yeah.  
00:23:47 --> 00:23:51: This tendency of you're talking about you look at football.  
00:23:51 --> 00:23:54: Do you look at sort of the popularity of part?  
00:23:54 --> 00:23:56: I'm just making this up right,  
00:23:56 --> 00:23:58: but you have football popularity,  
00:23:58 --> 00:24:00: you know rent rent per square foot.  
00:24:00 --> 00:24:02: I don't know. I don't look at we OK,  
00:24:02 --> 00:24:05: I touch we're Luckily we're doing very well.  
00:24:05 --> 00:24:07: You know, of course you know.  
00:24:07 --> 00:24:10: Even Kalevan Museum we're looking we're doing very,  
00:24:10 --> 00:24:12: very well with a very high traffic.  
00:24:12 --> 00:24:16: Sales are doing well. We actually beat our budget for  
00:24:16 --> 00:24:17: Caleb and Musea  
00:24:17 --> 00:24:20: because our fiscal year is as end of June and  
00:24:20 --> 00:24:22: we just we beat our budget,  
00:24:22 --> 00:24:24: which was set a year and two months ago.  
00:24:24 --> 00:24:26: So it was it was I was.  
00:24:26 --> 00:24:28: I was very lucky so I don't look at traffic

00:24:28 --> 00:24:29: that much.

00:24:29 --> 00:24:32: I don't look at that because we are product of

00:24:32 --> 00:24:35: very unique because we are more on creating the journey

00:24:35 --> 00:24:37: and a culture and the stickiness.

00:24:37 --> 00:24:40: So what we look at is the stickiness we look

00:24:40 --> 00:24:40: at.

00:24:40 --> 00:24:43: Yes, we look at the stickiness we look at how

00:24:43 --> 00:24:45: we built the communities.

00:24:45 --> 00:24:46: We are not looking at traffic.

00:24:46 --> 00:24:49: I don't care. Because we look at who are in

00:24:49 --> 00:24:50: my Myspace,

00:24:50 --> 00:24:53: whether it's an artist in Rosewood,

00:24:53 --> 00:24:56: in Italia, we care about the quality and I'm not

00:24:56 --> 00:25:00: into the quantity because we want to drive the value

00:25:00 --> 00:25:04: for per customer more than the number of customer.

00:25:04 --> 00:25:07: So we focus a lot of money on investing in

00:25:07 --> 00:25:10: the CRM system on creating that journey,

00:25:10 --> 00:25:13: the customer experience and also the culture,

00:25:13 --> 00:25:17: I mean culture for external stakeholders and also for our

00:25:17 --> 00:25:18: stuff so I get.

00:25:18 --> 00:25:22: And the one thing that I would like that I,

00:25:22 --> 00:25:25: I think I did not do well as I need

00:25:25 --> 00:25:26: to improve,

00:25:26 --> 00:25:29: was that because we expanded so quickly,

00:25:29 --> 00:25:32: I missed out the.

00:25:32 --> 00:25:34: The key to maintain the culture,

00:25:34 --> 00:25:38: and I think for a lot of companies that is

00:25:38 --> 00:25:43: always a repeated mistake because you're expanding so

00:25:43 --> 00:25:45: quickly you're

00:25:45 --> 00:25:49: hiring so many people you will.

00:25:49 --> 00:25:53: At one time loses. Your tour summer,

00:25:53 --> 00:25:55: your your original mission and your your culture that you

00:25:55 --> 00:25:57: were originally building.

00:25:57 --> 00:26:00: So when I was flipping on my notes,

00:26:00 --> 00:26:01: it's very interesting. I have a notebook that I was

00:26:01 --> 00:26:01: flipping.

00:26:01 --> 00:26:04: It was by at 2002 thousand and seven in 2008

00:26:04 --> 00:26:08: and there was this notebook that I wrote down everything

00:26:08 --> 00:26:09: that I want from my Kalevan brand.

00:26:09 --> 00:26:11: And that that page is very very precious because it

00:26:11 --> 00:26:15: was just my.

00:26:15 --> 00:26:16: Original thinking you know and and,

00:26:16 --> 00:26:19:

00:26:19 --> 00:26:20: and and and a few years ago,  
00:26:20 --> 00:26:24: I think two years ago when I was flipping that  
00:26:24 --> 00:26:24: page,  
00:26:24 --> 00:26:27: I saw the the word childlike.  
00:26:27 --> 00:26:29: Chapter watch out like OK interesting yeah.  
00:26:29 --> 00:26:32: And then I was like yeah I remember that I  
00:26:32 --> 00:26:35: was trying to create a childlike experience for everyone  
because  
00:26:35 --> 00:26:38: at that time I was thinking that all all the  
00:26:38 --> 00:26:41: people in in in in all my customers and consumers.  
00:26:41 --> 00:26:44: They're so busy with their life and they forgot that  
00:26:44 --> 00:26:45: they forgot to become a child.  
00:26:45 --> 00:26:48: What would the child like actually when I go into  
00:26:48 --> 00:26:50: Caleb and there's a sense of wonder,  
00:26:50 --> 00:26:55: right? I mean, that's what exactly one of the qualities  
00:26:55 --> 00:26:56: of being childlike?  
00:26:56 --> 00:27:00: Questions, so somebody there's another question from the  
audience we  
00:27:00 --> 00:27:03: were talking about the bubble they'd like us to expand  
00:27:03 --> 00:27:03: a little bit.  
00:27:03 --> 00:27:05: How do you see Bubble space is working?  
00:27:05 --> 00:27:08: I mean are we talking about sort of drawing circles  
00:27:08 --> 00:27:08: on?  
00:27:08 --> 00:27:10: Again, I'm making this up right.  
00:27:10 --> 00:27:12: Drawing circles on the ground.  
00:27:12 --> 00:27:14: Are we talking about increased distances between,  
00:27:14 --> 00:27:16: you know, sort of like corridors?  
00:27:16 --> 00:27:18: I mean, how do you see a bubble world working  
00:27:18 --> 00:27:19: over the bubble?  
00:27:19 --> 00:27:21: Of course you will have much more.  
00:27:21 --> 00:27:24: I mean table to become between tables would be which  
00:27:24 --> 00:27:24: much more.  
00:27:24 --> 00:27:26: There would be a distance.  
00:27:26 --> 00:27:28: There will be much more social distancing,  
00:27:28 --> 00:27:30: even though. Within the bubble,  
00:27:30 --> 00:27:32: people are much more cautious.  
00:27:32 --> 00:27:35: People want to be much more sanitized,  
00:27:35 --> 00:27:37: even more into sanitized products.  
00:27:37 --> 00:27:40: They care about the hygiene of everyone.  
00:27:40 --> 00:27:43: I mean, these are things that will in August.  
00:27:43 --> 00:27:46: I think in in. In spaces you will have,  
00:27:46 --> 00:27:48: you know gym equipment in your home.

00:27:48 --> 00:27:51: People still want to go to the gym,  
00:27:51 --> 00:27:54: but then they want individual cubicles.  
00:27:54 --> 00:27:56: They want one on one classes.  
00:27:56 --> 00:27:58: They maybe they want lesser,  
00:27:58 --> 00:28:01: they want smaller community smaller classes.  
00:28:01 --> 00:28:05: You know, I think also intertwining with zoom classes.  
00:28:05 --> 00:28:08: Virtual classes at the same time with with offline classes.  
00:28:08 --> 00:28:12: So I think these are things that people will be  
00:28:12 --> 00:28:13: will be doing.  
00:28:13 --> 00:28:16: You know, toilets, you know people be much more  
concerned  
00:28:16 --> 00:28:18: about bathrooms.  
00:28:18 --> 00:28:20: I you know where the if it is it is  
00:28:20 --> 00:28:20: it.  
00:28:20 --> 00:28:23: Is it touchless? Is it you know you don't need  
00:28:23 --> 00:28:24: to touch anything?  
00:28:24 --> 00:28:28: There's, I think these are all everything that that the  
00:28:28 --> 00:28:32: facilities wise people will be more concerned.  
00:28:32 --> 00:28:33: So so the human touch,  
00:28:33 --> 00:28:37: the sort of the focus on the artinsal sort of  
00:28:37 --> 00:28:38: creativity.  
00:28:38 --> 00:28:40: We're down to one minute.  
00:28:40 --> 00:28:44: I mean, if so sort of giving you the giving  
00:28:44 --> 00:28:47: you the final sort of closing hand off if there's  
00:28:48 --> 00:28:48: one.  
00:28:48 --> 00:28:52: If there's one idea that you would like sort of  
00:28:52 --> 00:28:55: ULI general community to sort of help focus on,  
00:28:55 --> 00:28:59: I think it's probably best we put it that that  
00:28:59 --> 00:29:03: you know that you would like to share that you  
00:29:03 --> 00:29:03: you.  
00:29:03 --> 00:29:06: You think that sort of as a as a larger  
00:29:06 --> 00:29:09: group you would like us to to work with?  
00:29:09 --> 00:29:13: What would that one concept be?  
00:29:13 --> 00:29:16: So that's one big concept that we're working on at  
00:29:16 --> 00:29:21: the circular economy that I'm implementing in Shenzhen in  
one  
00:29:21 --> 00:29:22: of my projects.  
00:29:22 --> 00:29:23: So the idea New World,  
00:29:23 --> 00:29:27: we have a very big sustainability vision in 2030 by  
00:29:27 --> 00:29:27: 2030,  
00:29:27 --> 00:29:31: where we're trying to reduce our carbon intensity and energy  
00:29:31 --> 00:29:33: content intensity by 50%  
00:29:33 --> 00:29:37: by 2030. So there's one big ambitious goal that we're



00:29:37 --> 00:29:37: doing,  
00:29:37 --> 00:29:40: and we're also not just transforming,  
00:29:40 --> 00:29:42: but really implementing all these.  
00:29:42 --> 00:29:46: Addition onto our projects so so so these are this  
00:29:46 --> 00:29:48: one very big idea that I want to do it.  
00:29:48 --> 00:29:52: Yeah that's that's very ambitious then that's great at Adrian.  
00:29:52 --> 00:29:54: Thank you so much for your time.  
00:29:54 --> 00:29:57: I think we're just about out of time here.  
00:29:57 --> 00:30:00: And yeah, this very enlightening the things you're saying.  
00:30:00 --> 00:30:05: And yeah, I look forward to having discussions with you  
00:30:05 --> 00:30:07: over cigars the next time.  
00:30:07 --> 00:30:07: Jay

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