

EMBARGOED UNTIL AFTER DELIVERY

**SPEECH BY MR GOH CHEE WEE,  
MINISTER OF STATE FOR TRADE & INDUSTRY AND LABOUR  
AT THE OFFICIAL LAUNCH OF THE  
ASSOCIATION OF SHOPPING CENTRE MANAGEMENT (SINGAPORE)  
ON FRIDAY, 29 APRIL 1994 AT 9.00 AM  
AT THE RAFFLES CITY CONVENTION CENTRE**

**President of the Association of Shopping Centre Management,  
Ladies and Gentlemen**

**INTRODUCTION**

**It is a pleasure for me to be here today for the official  
launch of the Association of Shopping Centre Management  
(Singapore).**

**Today's event is the result of much effort and discussion by  
the committee and founding members of the Association - people who  
are committed to building a professional forum for the industry.**

**The creation of this association is a welcome move. It  
reflects a number of things:**

**- that you are looking after the needs of your**

industry

- that you recognise the important contribution of the industry to Singapore's economy; and
- that you realise that there is a need to build effective working relationships with developers and retailers, your 'natural partners' within the retail and tourism sectors of Singapore.

## **SHOPPING AND RETAIL TRADE**

I believe one of the Association's goals should be to advance the standard of shopping centre management, which will give Singapore a competitive advantage as a preferred shopping destination in Asia.

With more than 20 million square feet of retail space already spread out over Singapore, and 7 million more expected by 1997, developers, shopping centre managers and retailers will face some tough challenges ahead.

The overall retail trade in Singapore is growing slowly, at an average rate of 3.9% in the last 5 years, if we exclude the motor vehicles trade. But the capacity is growing faster : retail space grew

by 4.2% per annum in the last 5 years, and is estimated to grow at an average rate of 6.8% per year till the year 1999.

This has resulted in keen competition in the retail trade. Retailers situated within the central business district are particularly affected because of the increased competition from new entrants to the market, the trend towards shopping in suburban centres, and the reduced spending by tourists. Although tourist arrivals have increased, their purchasing power and total spending have gone down. As an illustration, the average expenditure on shopping by Japanese tourists was \$1,018 in 1990. This dropped to \$668 in 1993.

Surveys have shown that Singapore still measures up well against other Asian destinations in terms of value for money and range of goods. For example, more than 80% of all visitors shop while they are here. Purchases by tourists account for about 20% of Singapore's retail sale. But we are facing competition from other destinations in maintaining our reputation as a shopping paradise.

With the rising expectations and changing lifestyle of the consumers, and the increasing competition from the other Asian destinations, we

must continue to add value to the Singapore shopping experience - to meet the needs of local shoppers and foreign tourists, and to attract return visitors.

## **SHOPPING CENTRE MANAGEMENT**

Shopping today is much more than filling a bag and emptying a wallet in the shortest possible time.

Today, it is about providing a total experience - an attractive, clean environment, the right mix of retailers, value for money, quality food and entertainment, efficient car parks and so on. Shopping centre managers obviously have a key role to play here.

You are responsible for attracting and building your target markets, giving them what they want now, and anticipating what they will want in future. You must also keep your retailers happy, make the most efficient use of the buildings which you operate, and provide a good return to investors.

Despite the competitive nature of shopping centres in Singapore, shopping centres managements can find common ground and cooperate to enhance the image and productivity of the industry.

Firstly, there is strength in sharing knowledge and experience. This new forum for shopping centre management will allow members to exchange information of general interest to the industry. You can discuss research findings, trends and technology, which can be applied to your individual operations.

Secondly, it will give the industry an opportunity to develop consistent standards, quality benchmarks and long-term training programmes.

Thirdly, you will be able to develop a strong industry platform to share your expertise with others, such as developers and retailers.

By its very nature, shopping centre management is a multi-disciplinary profession. It involves professionals from a wide range of backgrounds including estate management, finance, marketing and

engineering. By pulling together these diverse skills and raising the standard of professionalism, you can give added weight and prestige to your industry. This will in turn attract more high calibre people to join the industry.

## CONCLUSION

By setting up this association, you have shown your concern and commitment to the future. I commend you for your initiatives and encourage you to build up the Association and its membership, both for the good of your industry and for Singapore.

May I wish you every success.