

## HONG KONG'S UNHAPPY WORKERS



Workers in Hong Kong are the unhappiest in Asia Pacific, according to a survey by human capital management firm Workday. 2 in 5 workers said that they are unhappy due to compensation, lack of work/life balance and lack of career prospects in the face of digitalisation, according to the IDC survey by Workday. Meanwhile, 8 in 10 employees are willing to change jobs given the right opportunity whilst 25% are thinking of leaving their jobs within a year. These employees are willing to find a new job that will give them better pay and reward (26%), better career prospect (19%), and better work/life balance (14%), the study revealed.

About three in ten respondents (30%) believe that their employers are not doing enough to upskill them for digitalisation. More than half (55%) felt that their managers and employers are not proactively engaging employees.

"The digital economy is driving a dichotomy in the talent market: retention challenges and reskilling needs," the study found.

According to the findings, the war for talent has created more career opportunities for employees with the relevant digital skills. The digitalisation also poses a call for the government and employers to help workers to stay on track through investment in reskilling around the region.

"The more confident workers are about having the necessary digital skill sets to meet the challenges of the future workplace, the more likely they are planning to leave their current company within a year," Workday Asia Pacific president David Hope commented.

"Employers should make the effort to share their digitalisation plans with staff they hope to develop, provide them with relevant skills and compensate them accordingly for their new roles or risk losing them to competitors," he said, adding that many research studies have revealed that the cost of hiring new employees is higher reskilling existing staff.



Prada's pop-up store in Pacific Place Mall

## Rise of the pop-ups

When shoppers passed by the Pacific Place mall in April, they would have likely caught a glimpse of Prada's eye-catching pop-up store made in the likeness of a railway station. More luxury brands, including VLTN Men's sports-themed spectacle in the IFC mall, are setting up pop-up shops that draw in onlookers and create the kind of physical shopping excitement that online shops can only dream of.

Pop-up stores are meant to appeal to both Hong Kongers and Mainland Chinese tourists, who are starting to return in droves to the island but with a tweaked shopping agenda. The focus is less on luxury items, which have become increasingly available in the mainland and in online shops, often at lower prices. Pop-up shops may help encourage shoppers to splurge directly in physical stores instead of hunting for the products online at a bargain.

"Showrooming, where shoppers browse in stores but don't make purchases, is becoming a bigger problem for traditional retailers and it is almost impossible to avoid. The price gap between online and

offline stores is usually the root cause," property services firm JLL said in a report on evolving retail trends in Hong Kong. "Where this gap cannot be closed, the best way for bricks and mortar retailers to fight back is to provide value added services in addition to selling products. These services could include personalised products, enhanced warranties, bespoke post-purchase services, loyalty programmes, or even special events."

### Experiential retail

JLL noted that the shopping experience provided by physical stores cannot be replaced despite the greater variety and more competitive pricing in online retailing. This insight has led to an interesting trend: Hong Kong e-commerce brands setting up their own physical stores.

Grana, for example, used pop-up stores to enable customers to check out products in person, and then purchase the items later online. The eye-catching and interactive designs that pop-up stores often employ draw from the so-called experiential retail approach.

"Experiential retail' is another option to attract shoppers away from their computers and into physical stores. Done correctly, this is not just about elaborate designs or gimmicks within the four walls of a store; it could be a signature scent or soundtrack, technologically advanced fitting rooms, or an optimised checkout process that's more convenient to customers," said JLL.

Pop-up stores also offer increased cost flexibility for brands compared to full-fledged physical branches, which may be saddled with high rental costs due to longer-period contracts.

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Grana's approach to experiential retail