

ANALYSIS 4

“What is driving growth [in the wine sector] is availability and price”

● Is China the next Chile? page 17

The battle is on to become Asia's creative hub

Hong Kong is ploughing \$38 million into creative projects. Is it too little too late? Benjamin Li and Asiya Bakht investigate

LIVE ISSUE

The decision to establish a CreateHK body specifically to spur Hong Kong's creative sector is a sign that the SAR's authorities have finally cottoned on to what many have recognised for some years. Hong Kong simply isn't the creative centre it used to be.

CreateHK will allocate HK\$300 million (US\$38.7 million) to support creative industry projects. The goal is to turn Hong Kong into Asia's creative 'hub'. Its work to date consists of part-funding 100 interns at ad agencies.

Hong Kong's role as a creative centre has been in decline for some time. In areas such as film, the focus shifted into mainland China several years ago. In the marketing sector, Singapore has arisen as a serious rival through a combination of infrastructure and tax breaks. The city-state's Media Development Authority has been active for more than six years. In March it announced a S\$250 million (US\$160 million) investment in the media sector, with a focus on digital; that figure puts Hong Kong's investment in the shade somewhat.

These efforts have borne fruit. Media companies including Electronic Arts have transferred their headquarters from Hong Kong to Singapore. Marketing giants such



Hong Kong... In terms of executorial flair, Hong Kong wins over Singapore

“Hong Kong is a financial centre. The Government is not serious about making it a creative hub”

as Procter & Gamble and Unilever are headquartered there for the region. And agencies have followed. OMD is one agency that shifted its base from Hong Kong to Singapore to be nearer its clients.

“The Government has been making enormous efforts to make Singapore a creative hub in the larger sense of the word,” says Stephen Mangham, group chairman, Ogilvy & Mather Singapore. “It wants Singapore to be a place where multinationals not only post their staff but also to be a hub in thought leadership, strategic leadership and R&D.”

For some in Hong Kong, the launch of CreateHK is too little, too late. “Hong Kong is primarily a financial centre, and the Government is not serious about making the city a creative hub,” says Douglas Young, founder and CEO of retail business GOD. “The Government doesn't understand how creative people think. It wants to gain the results of the added value of creativity, but it doesn't understand the creative process.”

Both Young and Christine Pong, partner of Hong Kong agency TwoHundred, point to the 798 Art District in Beijing as an example of the kind of facility Hong Kong lacks. Despite the involvement of the Hong Kong 4As in CreateHK, Pong is not optimistic the initiative will benefit the marketing sector. She, like many others, feels the

Government is too beholden both to the finance sector and to property developers.

“From the 60s to the handover in 1997, Hong Kong had companies building brands like Mandarin Oriental, HSBC, Standard Chartered, Lane Crawford and Shanghai Tang,” says Henry Steiner, branding consultant at Steiner & Co. “Today, companies are building buildings; the brands are luxury and pretentious.”

Robert Campbell, managing partner at branding agency Sunshine, has worked in the marketing sector in both Singapore and Hong Kong. He insists that Hong Kong's population remains creative and entrepreneurial, but argues this is not reflected in the city's creative industry. “The output of Hong Kong and Singapore is quite similar. In terms of executorial flair Hong Kong is better, but in terms of actual hunger to develop really interesting ideas, Singapore is in a stronger position.”

It seems likely that Singapore will continue to outgun the SAR in terms of resources. But some in Hong Kong are simply pleased that the Government is finally moving in the right direction. “It has never done anything like this before,” says one agency head. “So at least this is a start.”

Got a view?

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Hong Kong's Yakult campaign is daring but contrived