

Cushman & Wakefield Explores China’s ‘New’ Economy at 2018 THINK-IN Forum and Releases White Paper — China’s ‘New’ Economy: Smart, Sharing & Green



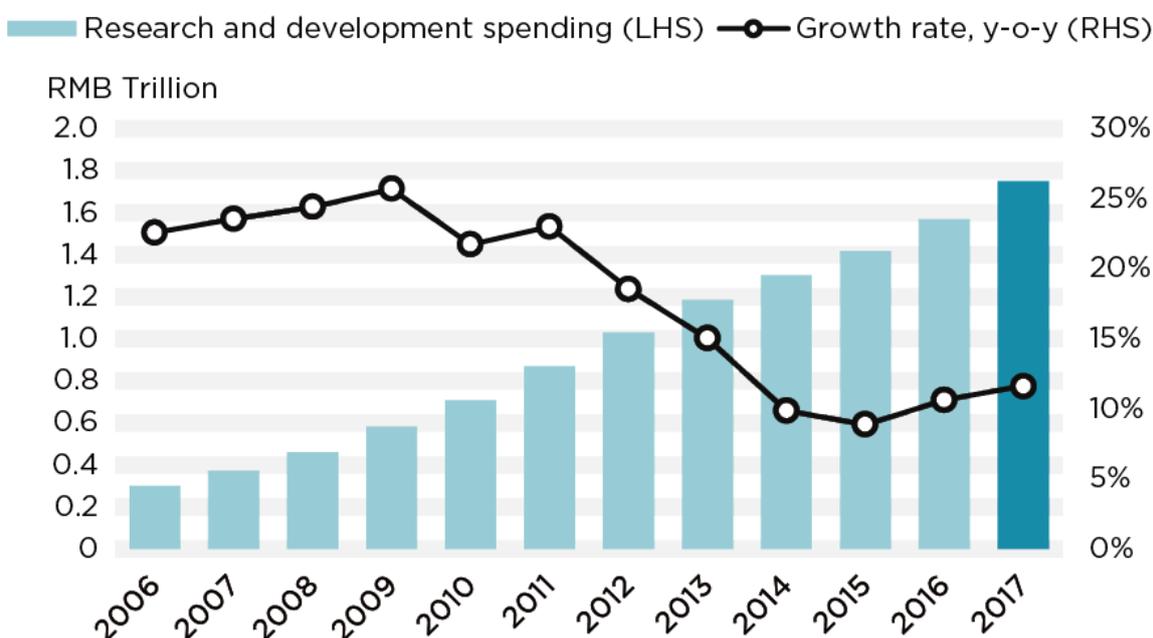
Shanghai, 27 June, 2018 – Cushman & Wakefield, a global leader in commercial real estate services, today held its annual THINK-IN Forum simultaneously across the four cities of Shanghai, Beijing, Guangzhou and Shenzhen via live broadcast and officially released its latest white paper, titled “China’s ‘New’ Economy: Smart, Sharing & Green”. More than 1,500 guests, including key real estate players, industry experts, influential business leaders, government representatives and leading media

outlets attended the event, and actively participated in discussions and cross-regional dialogue about the real estate industry’s most pertinent issues today, tomorrow and into the future.

China’s economy has entered a new era, the ‘new’ economy, which is led by technology growth and fuelled by innovation (Figure 1).

Figure 1
R&D spending in China

Source: National Bureau of Statistics, Cushman & Wakefield Research



This new economic era has seen a turning of the page – from a country that had been focused on development primarily through industry and dependent on investment and export-driven growth. In the process, China largely has shaken off the label of ‘Manufactured in China’ and has evolved to today’s moniker of ‘Created in China’ – the latter of which symbolises a vision for the future to drive economic growth and bring the country even greater prosperity.

According to the report, China’s ‘new’ economy and the real estate sector in particular, has embraced the following three core elements in order to be at the forefront of technology, innovation and sustainable development and these elements are:

- **Smart** – in terms of being tech-enabled and intelligent with the onset of the Internet of Things (IoT);
- **Sharing** – in terms of encouraging activities, behaviours and initiatives that promote collaboration and the efficient use of resources, and;
- **Green** – in terms of creating and promoting sustainable development.

Real estate properties in China are expected to be profoundly impacted now and in the future by the ‘new’ economy. In particular, Cushman & Wakefield has identified 11 themes related to smart, sharing and green that are and will influence real estate in China and these are as follows:

- **Smart buildings** – ‘Cognitive’ properties will become ever-more prevalent and will satisfy a growing user demand for occupied space that is capable of learning and acting in an independent manner.
- **Smart technology** – Ground-breaking smart technologies like blockchain, the Internet of Things and e-payment systems are transforming the ways in which commercial real estate is developed, used and traded.
- **Smart construction** – New materials, technologies and construction methods are influencing the ways in which cities are being developed, providing China with new ways to make its built environment more sustainable.
- **Smart industry** – Unicorns and tech-focused start-ups are being rapidly established in China, and these smart industry players have a massive impact on the country’s commercial real estate landscape.
- **Smart transportation** – Automated driving vehicles could usher in a new era of urban transportation in China, prompting shifts in real estate to accommodate growing demand for highly-connected, fast and convenient methods of travel.
- **Shared workspace** – The co-working office sector has become a global phenomenon that has caught fire in China as occupiers seek more flexible and cost-effective office space.
- **Shared living** – Rising housing costs in many Chinese cities, coupled with the changing nature of lifestyle among millennials, are fuelling demand for alternative living spaces, which is reflected in the growing co-living movement.
- **Shared mobility** – Shared modes of transportation, including rental bikes and ride-hailing platforms, have exploded in popularity in China as travellers seek convenient, cost effective and green journeys to their destination.
- **Green buildings** – Green commercial real estate in China is set to grow further in popularity as more building owners and space users realise the many potential benefits on offer, including

financial advantages and sustainability.

- **Green technology** – As awareness about the importance of sustainability continues to spread in China, so more newly built and existing buildings will be required to install energy- and resource-efficient green technology systems.
- **Green financing** – Green financial instruments and services have emerged as new tools to fund sustainable projects, which are key to building low-carbon cities and promoting green building development in China.



Shaun Brodie, Head of Occupier Research, Greater China, Cushman & Wakefield, said: “The ‘new’ economy has tremendous implications for real estate in China. This is given the fact that real estate, as a pillar of the overall economy, holds a vast number of touchpoints across a multitude of indicators – whether in terms of investment, consumer requirements, labour needs, space demand, energy consumption or resource use. Ahead, the direction of real estate will undoubtedly be guided by the three core elements of smart, sharing and green. As these elements impact and will impact real estate in China, so they will be

important to the country’s ‘new’ economy as well.”

Edward Cheung, Chairman, Asia Pacific Board and Chief Executive, Greater China, Cushman & Wakefield, said: “As China has entered into an era of the new economy, we need to strive for continuous innovation and improvements, taking on new challenges to realize our development potential. We believe that with our professional services and forward-thinking strategies, Cushman & Wakefield will seize the opportunities in China’s new economy, optimizing the value of real estate by combining our global perspective and deep local knowledge with an impressive platform of real estate solutions.”

This year marks Cushman & Wakefield’s fourth THINK-IN Forum. It is one of the most influential events in the real estate industry in China, facilitating important dialogue and the exchange of ideas between local governments, Chinese and foreign experts, real estate industry players and financial investment institutions.

Please click [here](#) to download the report.

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About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that delivers exceptional value by putting ideas into action for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with 48,000 employees in approximately 400 offices and 70 countries. Across Greater China, there are 20 offices servicing the local market. The company won four top awards in the Euromoney Survey 2017 in categories of Overall, Valuation, Agency/Letting and Research in China. In 2017, the firm had revenue of \$6.9 billion across core services of property, facilities and project management, leasing, capital markets, advisory and other services. To learn more, visit www.cushmanwakefield.com.cn or follow @CushWake on Twitter.

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