



solidiance

THE MOST

INNOVATIVE CITIES

In Asia Pacific



AS FEATURED IN:



FAST COMPANY



YAHOO!



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Our White Papers represent Solidiance's latest thinking on what we see as Asia's most important business trends. Through extensive interviews and rigorous insights analysis, our consultants zoom in on the core issues that have the most impact on your business. Our groundbreaking ideas help companies to generate the right reflections on what to consider in Asia's fast evolving competitive environment.



EXECUTIVE SUMMARY

This study was conducted to identify the most innovative cities within the Asia Pacific region to help industry players assess the most attractive places where they can plant and grow their business. It is designed to determine whether a particular city has built an effective innovation ecosystem.

We use six main categories to measure each city's level of innovativeness: human talent, knowledge creation, technology, society, government, as well as global integration. These key criteria are inspired by Richard Florida's Creative Class & Creative

Economy, which identifies the relationships between what a particular location has to offer and the amount of talent attracted to that same location.

Solidiance identified sixteen notable urban centers in Asia Pacific and included them in this study, and as a result of our comprehensive assessment and analysis, the Top 5 most innovative cities in Asia Pacific are as follows: Singapore, Sydney, Melbourne, Hong Kong, and Auckland. The Top 3 cities were very closely ranked and a "photoshoot" was needed to allocate the 'Gold medal' to Singapore. This means this

ranking is likely to change in the future.

As we distinguish the study's key takeaways further, we suggest that what makes a favorable innovation habitat is, a proper incorporation of factors across categories:

- Rich availability of educated and skillful human talent, enabled by diversity and life amenity
- Knowledge creation produced by the tertiary education institutes, firms, and government
- Proper level of city livability and the tolerance that its society possesses towards

deviant norms and failure, along with their ability to sustain culture and value

- Technology advancement and innovation ecosystem facilitated by the government
- Favorable regulatory framework set by the government to sustain the city system
- Global integration and the city's orientation towards the future indicated by a high level of the city's connectivity and environmental sustainability



INNOVATION AND THE CITY

The reason why innovation has become such an integral part of our daily lives is plain to see: human beings in general are equipped with that resonant need to always be one step ahead.

It is that constant need to strive, to persist, to be able to create something that will benefit the society. It is human nature to want to contribute to the growth of a community and make an impact, no matter how seemingly small or insignificant it may be.

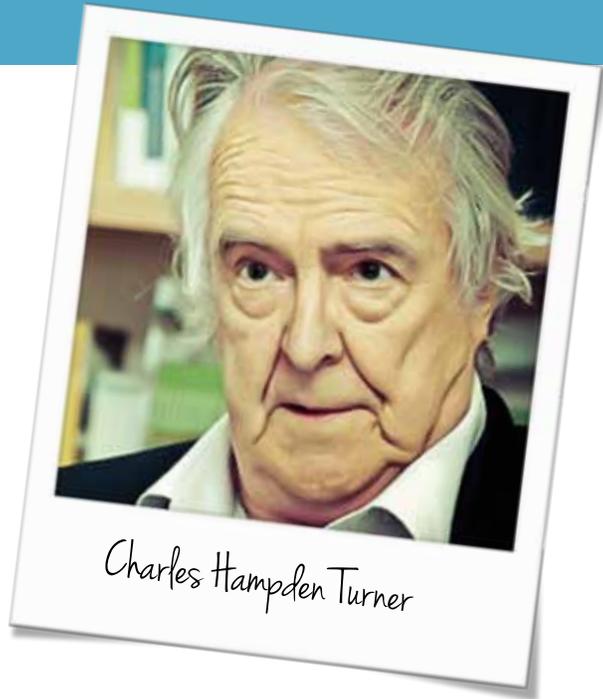
Judging from the quick ascent of cities development during

the last two decades, it should then come as no surprise that with the right amount of incentives available within a city, innovated people would find their niche. Innovation enhances productivity and attracts more profit, which leads to the city's economic development. Furthermore, innovation itself is increasingly found and believed to be

determining a city's prominence compared to others in terms of global competitiveness. When a city is being considered as innovative, it is usually a given that its citizens will also find the best in everything - productive environment, great quality of life, which will then lead to a surge of creativity and human talent.

With these factors in mind, we can safely assume that for an innovative mind to constantly be inspired and stimulated, an encouraging environment is paramount. It takes one location to produce a big impact, something that we have come to quickly understand during the process of this study.

**INTERVIEW WITH
CHARLES HAMPDEN
TURNER, Senior
Research Associate
at the Judge
Business School at
the University of
Cambridge:**



**WHY IS IT IMPORTANT TO LIVE IN
AN INNOVATIVE CITY?**

CHARLES HAMPDEN TURNER:
For one, it's much more fun. Innovating is one of the most challenging things indeed. It's full of danger and disappointment and a lot of failure, that's why it's very exciting. In a city you need a lot of new people, a lot of new ideas, you have concentrations of information in one place, you have libraries and museums, you have plays, films, you have a large number of people highly specialized living in one place. Under those circumstances, lots of ideas will occur to you.

**WHO DO YOU THINK ARE THE
ENGINES THAT HELP A CITY TO
BE INNOVATIVE?**

CHT: There are two views - the Western view which is created by the likes of Steve Jobs and Bill Gates, and these are very aggressive, very ambitious individuals, in that they are

college dropouts who didn't have the patience to finish their college work, and they defy the lucid/usual opinion, gather people around them and succeed. I think that's a bit biased and there's some prejudice towards the rest. I'm a little more interested in the Philippines, or the Chinese population which creates 70% of the world - there has to be something about the way the Chinese minority population organizes themselves. There is something within a community, within a group, that makes it very creative. I think whatever China has that's caused it to do so well, or like Singapore, to have such an impact on economy, really has to do with group thoughts.

**WHAT HAVE THE MOST
INNOVATIVE CITIES ACHIEVED TO
GET AN INNOVATIVE ECOSYSTEM?**

CHT: It depends upon what you are looking for. Take a city like Cambridge, where I am now,

it's developed 1200 companies since 1975: these were viewed as all high-tech and all based on knowledge that generated by the university, this is not a recent fact. It's happened at Route 28 in Boston, in Silicon Valley around Stanford, and very similar patterns around Stockholm, Paris, Toulouse... You tend to have a source of knowledge in the center, then you have a pool of skills all the way around and this is what I believe engages with new knowledge, new developments on the curb - and the first person to put two pieces of knowledge together, to create a third piece, will be a successful navigator. To build a pool of skills, you need what's called a caste and you need a very rich pool of skills. That's why in America for example, 85% of all of its innovations come from about 10% of its urban centers. So if you took out Seattle, Silicon Valley, New York, Colorado, Boston, Texas -

there'd be almost nothing left.

**HOW CAN WE MEASURE THE
INNOVATIVE ECOSYSTEM OF A
CITY?**

CHT: You need a great diversity of talents, you need a melting pot, you need the city to be highly cosmopolitan. Innovation consists of combining two or more elements that have never been combined before. The more ideas you have in one place, the more thoughts, concepts and research and findings and data, the more you have in one particular place, the more likely you'll find a vital combination between them. That's why cities are much more creative than the countryside, the rural areas. What happens in a city is that there are lots and lots of different people, different ideas, different thoughts, different disciplines, different products of knowledge; all jumbled up against each other and form new combinations. It's the new combinations of ideas that previously were so far caught that they're being thought of putting them together. The ideas have to be distant from each other, so much so that no one has thought of combining them before, and perhaps there are many of them, and they have to form new combinations. That's what happens in a city.



WHY THE RANKING?

Undoubtedly, there is much to be questioned about the making of this ranking, and the reason why we have decided to carry this research. Damien Duhamel, Managing Partner Asia of Solidiance, shares his thoughts on the necessity of the ranking and how this white paper can address the need to discover the best locations where innovation and ideas can thrive.

WHY DOES THIS STUDY COMPARE CITIES INSTEAD OF COUNTRIES?

DAMIEN DUHAMEL: There are plenty of rankings listing the most innovative companies. There are also many different rankings of the most innovative countries. They are interesting to some extent, but we humbly disagree with this approach. You cannot compare innovation across countries.

Comparing innovation amongst countries is a bit like comparing the punch power of a boxing heavyweight with that of a featherweight - the outcome is not very surprising. To be more accurate when measuring innovation, we ought to compare Shanghai and Mumbai, Hong Kong and Bangkok, or Sydney and Singapore, not China versus

New Zealand.

It is also fair to say that we are a lot more emotional about our city than we are about our country - this is truly an underrated dimension we wanted to add. The city is where we are born, where we have our first emotions, where we build our own ecosystem. The nation aims to envelop all that in all its

cities. The city speaks to us every day, whereas the nation does so only once in a while. This aspect is so fascinating to review, that we decided to let everyone see that through a short video documentary we produced, which can be watched on www.asiainnovativecities.com.

WHY IS INNOVATION IMPORTANT AT A CITY LEVEL?

DD: It is well-articulated by Victor Tay, the COO of Singapore Business Federation, in one of the interviews we did for the documentary. Competition is no longer at a country level but rather, at a city level. This refers to competition for the best things: jobs, talent, education, lifestyle, R&D, business environment, sustainable urban hub, etc. Every city authorities need well-defined strategies to offer an ecosystem that will attract only the best entities. Many large and not so large companies are now helping cities around the world to build more sustainable innovative cities. Think of Siemens, Schneider, Scania, IBM, etc. An innovative city will be able to sustain and lead growth as well as build a powerful city brand. The benefits are immense: London,

Paris, New York, for example, are global brands on their own. Their name is enough to entice us to buy an associated product that has the “Made in Paris” feel (even if it is actually made in Shenzhen). No one can deny that innovative cities have a very strong edge above others. As such, we thought it was high time to measure innovation at city level in Asia.

YOU TALK ABOUT CITIES WITH INNOVATIVE ECOSYSTEM, WHAT IS IT ?

DD: It is something Solidiance had to define on its own because there is no generally accepted definition as of yet. We had to answer these two questions: “what makes a city innovative?” and “what kind of ecosystem do innovative cities have?”. It was not easy. Even though we had our own idea, over the last two years we went out to discuss this with dozens of Asia Pacific city leaders: city

mayors / entrepreneurs / artists / activists / CXOs / political leaders / NGOs / academics, etc. to help us to clearly identify the key criteria that define an innovative city in Asia Pacific. The answer was multidimensional (as are ecosystems): Global Integration and Orientation towards Future, Government and Regulatory Framework, Human Talent, Knowledge Creation, Society (Culture/Art, Value, Systems, Ideology), and Technology. These are the key elements of what we believe make an Asia Pacific city innovative today. Afterwards, we went to test the model, sourced data to back it up and produced the ranking. This took us more than two years to get to this point.

HOW DO ASIAN CITIES COMPARE TO THE REST OF GLOBAL CITIES ?

DD : We did not compare cities globally - we focused on Asia Pacific instead, so we do not have a factual answer to this question. We decided to include the Pacific, as cities in Oceania are a bit different from the rest of Asia and would make a nice contrast as well as a more challenging “competition”. It would indeed be interesting to see how the Asia Pacific cities would fare against global cities. My view is that Asia Pacific cities would overall still be lagging behind some well-known

Western cities. It isn't due to a lack of vision or a lack of execution; it is simply due to the fact that urbanization is still ongoing in Asia Pacific and cities are changing shape constantly. For instance: look at how Singapore was 20 years ago, then the Hong Kong Island waterfront, Pudong in Shanghai, and the Melbourne CBD. These cities are going through drastic changes, they have grown quickly and are still growing. Some cities in Asia Pacific, namely our top 5: Singapore, Sydney, Melbourne, Hong Kong, and Auckland have realized earlier that innovation was key to their sustainability as regional economic hubs. They made the right changes upstream and are now enjoying the fruits of their investments, whereas other Asian cities have grown by default, without proper vision and planning. Chaos is ruling the highway and suffocating ideas. Being big and growing fast does not make you innovative - because to this extent you can easily compare cities and companies, and in fact there are plenty of very large companies that were not very innovative and went Chapter 11. So innovation itself does not confuse fast with fast. At the same time, a city needs to be innovative not to grow quickly. It needs to be innovative to sustain its growth.



Damien Duhamel

Managing Partner Asia of Solidiance.



INSPIRATION

Richard Florida's Creative Class & Creative Economy

Richard Florida, author of New York Times bestseller, "Who's Your City?", coined the term 'the creative class' which has become the muse of this study and the category of measurements used. He and his research partner, Dr. Kevin Stolarick, have collaborated on various occasions to examine the relationships between what a particular location has to offer and the amount of talent attracted to that location. One of the major takeaways from Florida's work is that the

'creative class', comprising of a spectrum of professionals including entrepreneurs, doctors and artists, is an essential wellspring for economic growth as they promote innovation. The creativity and innovative abilities of people are resources that can be continually tapped on: those that are not reliant on the physical environment, and most of all, those that have almost unlimited reach and flexibility.

The creative class, as per Florida's definition, is comprised

of the 3T's of economic growth: technology, talent, and tolerance. According to Florida, technology plays a fundamental role in economic growth. Talent, however, is considered to be a consequence of human capital. In this view, the role of cities is to bring together human capital and augment it, and it is found that places with more human capital grow more rapidly than those with less. In this sense, urbanization is a key element of innovation and productivity growth. As for the third T, tolerance, it is agreed that it's the

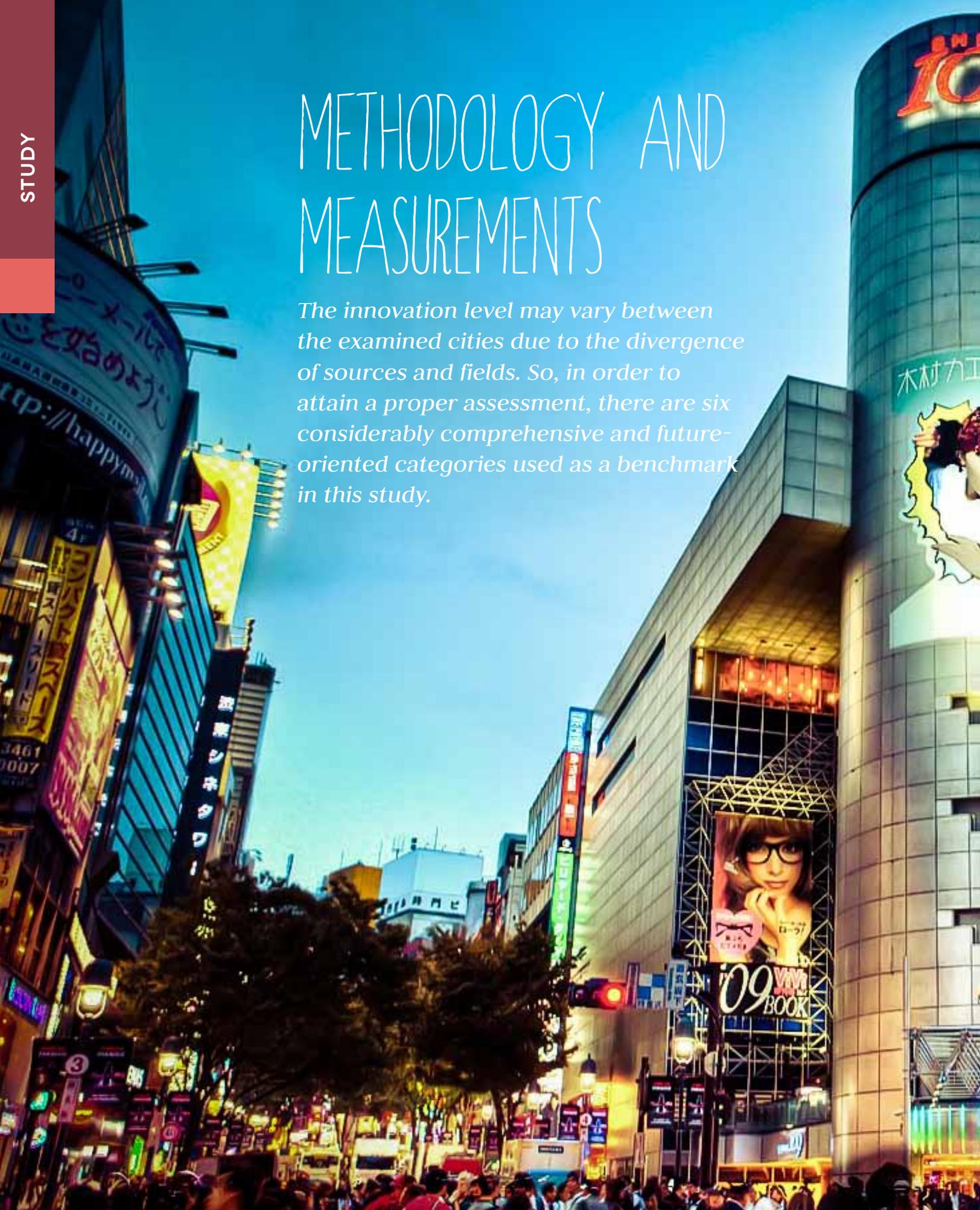
key factor in enabling places to mobilize and attract technology and talent.

It is safe to conclude that what enables a place to thrive and gain economic leverage is by itself, which in turn will pave the way for technology to evolve, and/or vice versa. To achieve an innovative city, in this sense, the creative class could not stand alone, as it needs to be surrounded by a sustainable ecosystem, proper regulatory framework, proper facility, and vision towards future to achieve the desired objectives.



METHODOLOGY AND MEASUREMENTS

The innovation level may vary between the examined cities due to the divergence of sources and fields. So, in order to attain a proper assessment, there are six considerably comprehensive and future-oriented categories used as a benchmark in this study.





- 1. Human Talent*
- 2. Knowledge Creation*
- 3. Technology*
- 4. Society*
- 5. Government*
- 6. Global Integration*



“To build a dynamic city you need everyone from different walks of life, different strata of society to come together and build something interesting. It needs to be progressive, dynamic, and definitely needs to be united in its vision. You need to reach that diversity of different ideas, but there needs to be a central idea that everyone can walk towards as well.”

- Jackson Tan, Co-founder of Black Design & Phunk Studio

HUMAN TALENT: DIVERSITY, OPENNESS, TOLERANCE +

Innovation is chiefly driven by humans, so the most practical perspective from which to view innovation is through its performers. Human beings are the ones who discover ideas, apply them in practice and add build on them. Deriving from the aforementioned term of creative class coined by Richard Florida, a spectrum of professionals including entrepreneurs, doctors and

artists is an essential wellspring for economic growth as this class promotes innovation. Occupational structure and business amenities are necessary components of any innovation ranking because the creative class's distinguished talents complement and contribute to a city's development.

Human talent is transient, so in order to attract and encourage

talent, a city needs diversity, openness, and tolerance.

Diversity is necessary to induce new and varied ideas. Openness and tolerance are complementary aspects of diversity and they enable a system to work in sync, resulting in fresh ideas and innovation. The indicators of this category are as follows:

- General quality of life (Mercer)

- City livability
- Migrants as % of total population
- Tolerance to LGBT (Lesbian, Gay, Bisexual and Transgender)
- Occupational structure (creative class/tertiary industry) lifestyle
- Cost of living
- Ease of starting a business
- Ease of doing business



“Knowledge workers and research institutes that the city produces are what catalyse new innovation, new products, new businesses. Right now the big businesses are not merely looking for the large population, but also looking at the social, technological and educational aspects they can leverage on in order to flourish.”

- Victor Tay, Chief Operating Officer of Singapore Business Federation

KNOWLEDGE CREATION: R&D, EDUCATION, IP +

Human talent and new ideas are spurred by educational systems. A city has to provide proper educational facilities to enable its citizens to acquire the intelligence and creativity necessary to innovate. From the business point of view, small and medium enterprises allocate some of their money for R&D expenditures to improve the company, as the product or service they deliver is one of the most distinct forms of innovation. The number of patents registered can also be a way to measure how much the innovativeness of an organization or city. That said, the indicators used to quantify a city’s knowledge creation level are:

- Number of universities in that city per capita
- Total R&D expenditure per capita [estimated from country level]
- Total R&D expenditure
- Total R&D expenditure as of GDP
- Total patent registrations (per 100 000 inhabitants - country level)
- Total trademark registrations (per 100 000 inhabitants - country level)
- Expenditure on education as of GDP
- Gross enrolment ratio in tertiary education

TECHNOLOGY: CONNECTIVITY, TERTIARY, MOBILITY +

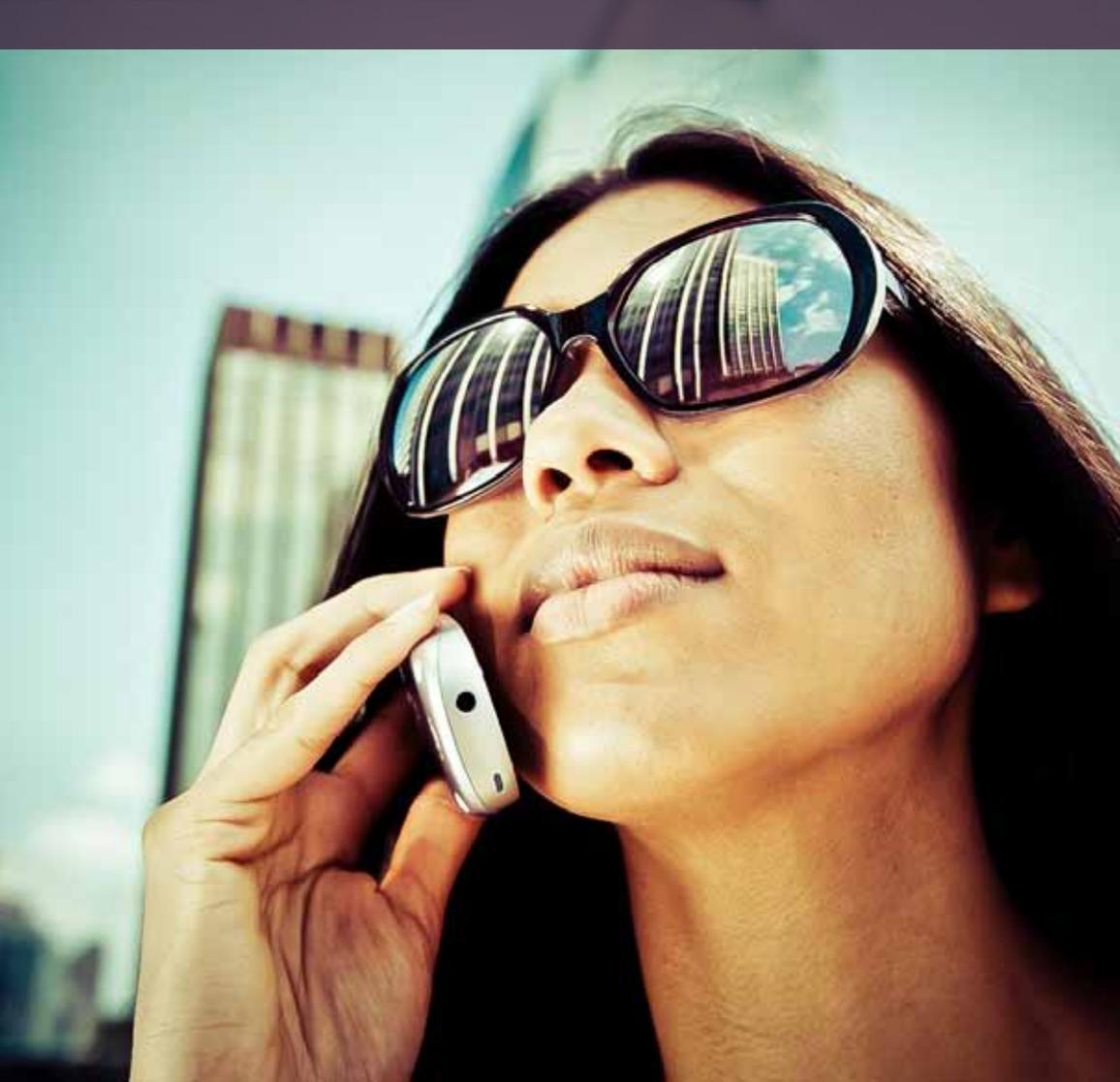
“Things like design, biotech, advance manufacturing, and engineering are what make a city (like Melbourne) prosperous. The city is innovative, as well as a knowledge-based economy.”

- Robert Doyle, Lord Mayor of Melbourne

Technology is a tool of human talent that is a key driving force of a city’s economic health. High technology advancement can be shown by a city’s level of broadband penetration, access to capital, and industry density. The government contributes to this by building the infrastructure to create a proper innovation ecosystem.

High technology coverage provides better amenities for a city’s inhabitants. In a broader sense, technology itself increases the effectiveness and efficiency of a city’s operating system, and therefore can be considered as tangible evidence of the degree to which a city innovates. These indicators are used to quantify the technology and innovation ecosystem:

- Broadband penetration
- Number of mobile lines per capita
- Tertiary sector importance (services added value % of GDP)
- Access to capital
- Population coverage (1/density of population)
- Digital Economy ranking (e-readiness & beyond)





“The culture of the city is what makes us different. If we are confident about our culture, if we understand our culture, then that is the foundation of our innovation and creativity.”

- Ada Wong, Chief Executive of Hong Kong Institute of Contemporary Culture

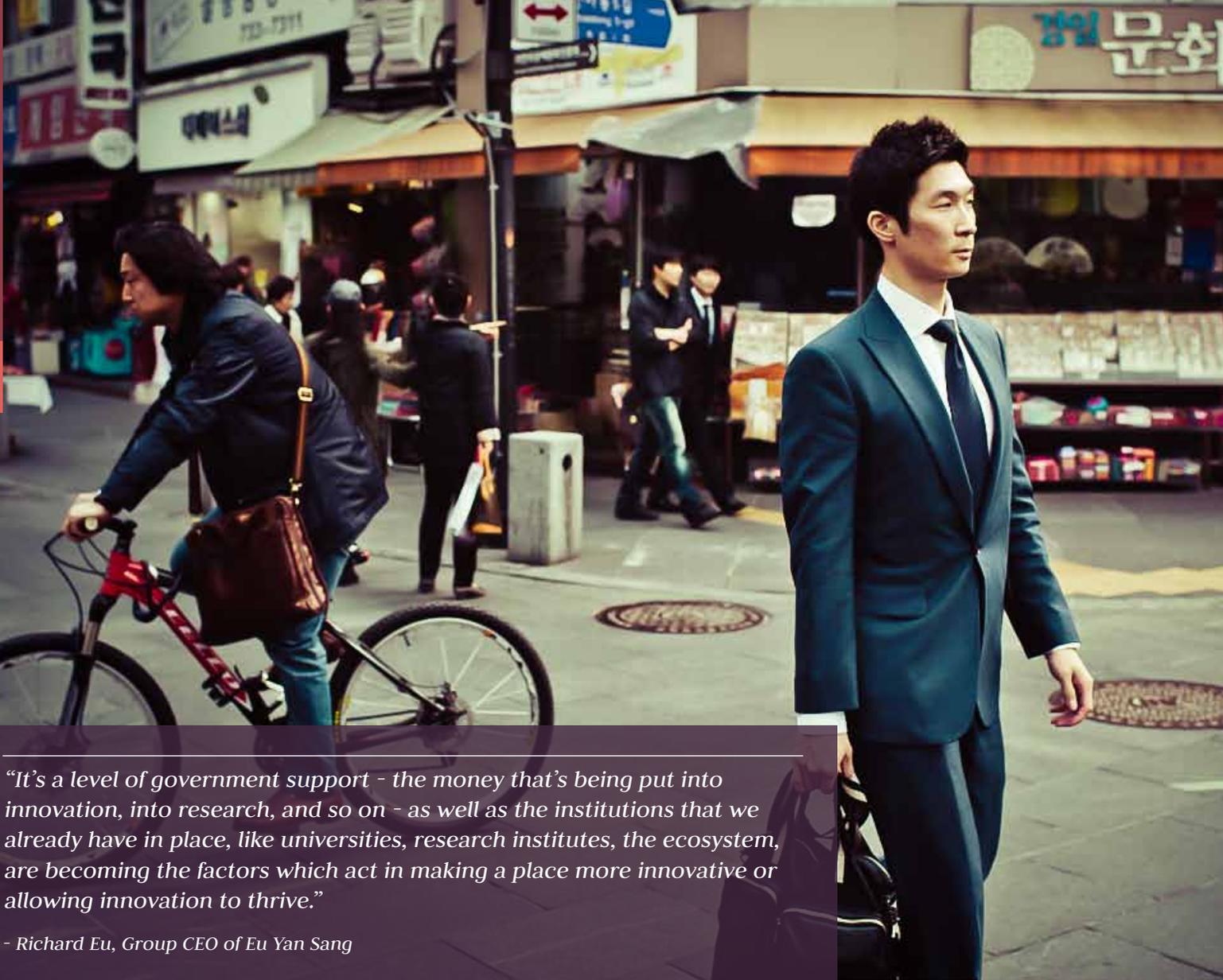
SOCIETY : CULTURE, VALUE SYSTEMS, IDEOLOGY +

A city consists of a developed civilization or society, a social system that works with a certain mechanism to sustain each other’s functions. In this digital age, their ability to socialize can be measured through the prominence of social media. As a part within the society, culture inherited through different generations possesses its own values which need to be buoyed by the ideology of each member of the society in order to enable the city’s evolution.

Art can be vivid proof of how society expresses themselves and innovate; therefore freedom of expression is necessary for art and culture activities to occur properly. Art can also be a reciprocal entity to the extent of its association with society, where it can be both a product and a resource of creativity. Creative amenity is necessary for a city to thrive, and this requires infrastructural supports such as public spaces, cultural institutes, and entertainment facilities, to build a creative atmosphere for the society to innovate.

On the other hand, innovation is a result of repetitive learning that may involve failure somewhere along the line. Well-developed societies are the ones who have gone through a lot of impediments and evolved through failure after failure. Acceptance and tolerance towards failure is important, as it will open more opportunities and new ideas to experience and innovate. With that being said, the indicators to quantify this category are the following:

- Degree of censorship (freedom of expression)
- Prominence of social media (proportion of Facebook users)
- Tolerance for failure (# suicide for 100K inhabitants)
- City influence



“It’s a level of government support - the money that’s being put into innovation, into research, and so on - as well as the institutions that we already have in place, like universities, research institutes, the ecosystem, are becoming the factors which act in making a place more innovative or allowing innovation to thrive.”

- Richard Eu, Group CEO of Eu Yan Sang

GOVERNMENT: REGULATIONS, SUPPORTS, LAISSEZ-FAIRE +

With all of the urban elements a city possesses, there has to be some regulatory framework to support the system to operate and work well. The government plays a big role to make rules and boundaries, as well as supervise the system. Apart from the funds allocated for urban activities and facilities they provide, the government is also responsible in creating a stable condition (political, economy, social, etc) which majorly affects a city’s amenity and creativity production. Therefore to some extent, government can be seen as the innovation controller.

Even so, regulations would surely not work by itself; it needs proper cooperation and partnership between every city’s stakeholder - the government, citizens, business players, NGOs, etc. When a city has succeeded to work altogether towards its desired objectives, that’s when the sustainable ecosystem, human talent, technology, and other categories will thoroughly work out and achieve an innovative city. Hereby are the indicators used to quantify the government and regulatory framework level in a city:

- Business freedom
- Trade openness/freedom
- Fiscal management
- Political stability
- Monetary freedom (debt levels)
- Investment freedom
- Financial freedom
- Property rights framework
- Level of corruption
- Labor freedom
- FDI per city [estimated from population]
- Piracy rates
- Income to property price ratio



“Brand equity for a city is as important as equity for product. If you are able to show that image of your city/country, you bring a lot of value. It will indirectly translate into more people coming over in your country, more talents willing to contribute to development of your country, innovation will flourish, and lastly, it will itself fit into the growth of the country.”

- Zainudin Nordin, Parliament Member of Singapore

GLOBAL INTEGRATION: COMPETITIVENESS, SUSTAINABILITY, BRANDS +

Every city has its own quirks and they equip themselves with a city brand in order to differ from each other. Apart from being a tool used to be distinguished from other cities (even in other countries), a city brand is initiated to attract newcomers to open bigger opportunities. In regards to this, a city needs to be accessible, open to new changes, and able to keep up with what is happening in the broader scope of area.

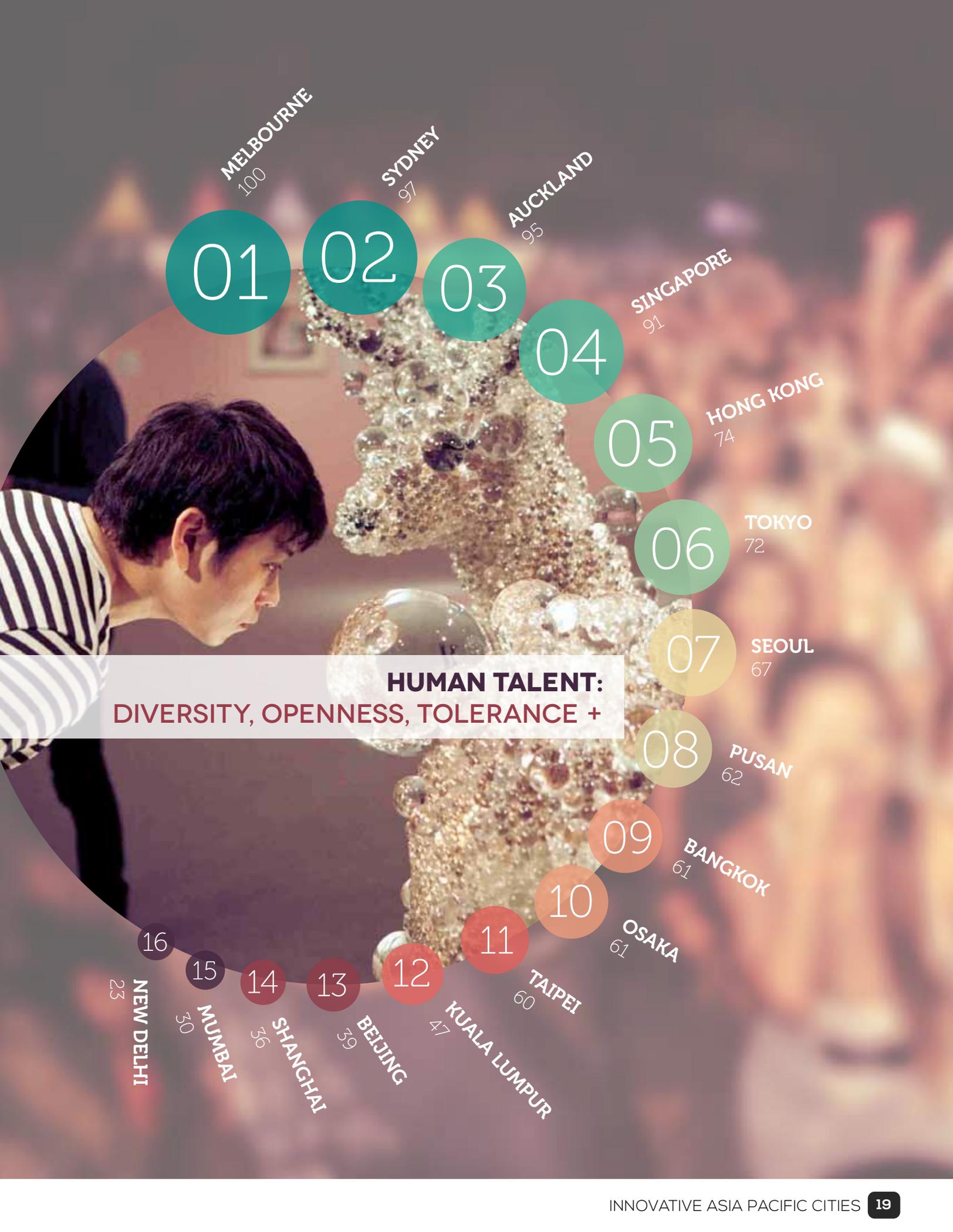
To achieve a sustainable growth, a city needs to make sure that it is visionary. Vision and orientation of a city towards the future can be determined by how well their urban planning is. This being said, environmental sustainability is one of the important factors to be concerned about as it will affect a city’s livability. To measure these factors we use several indicators as specified below as quantifiers:

- Global competitiveness
- Level of English literacy
- Brands/fame/presence of innovative corporations
- Environmental sustainability
- Brain drain/gain (net migration)

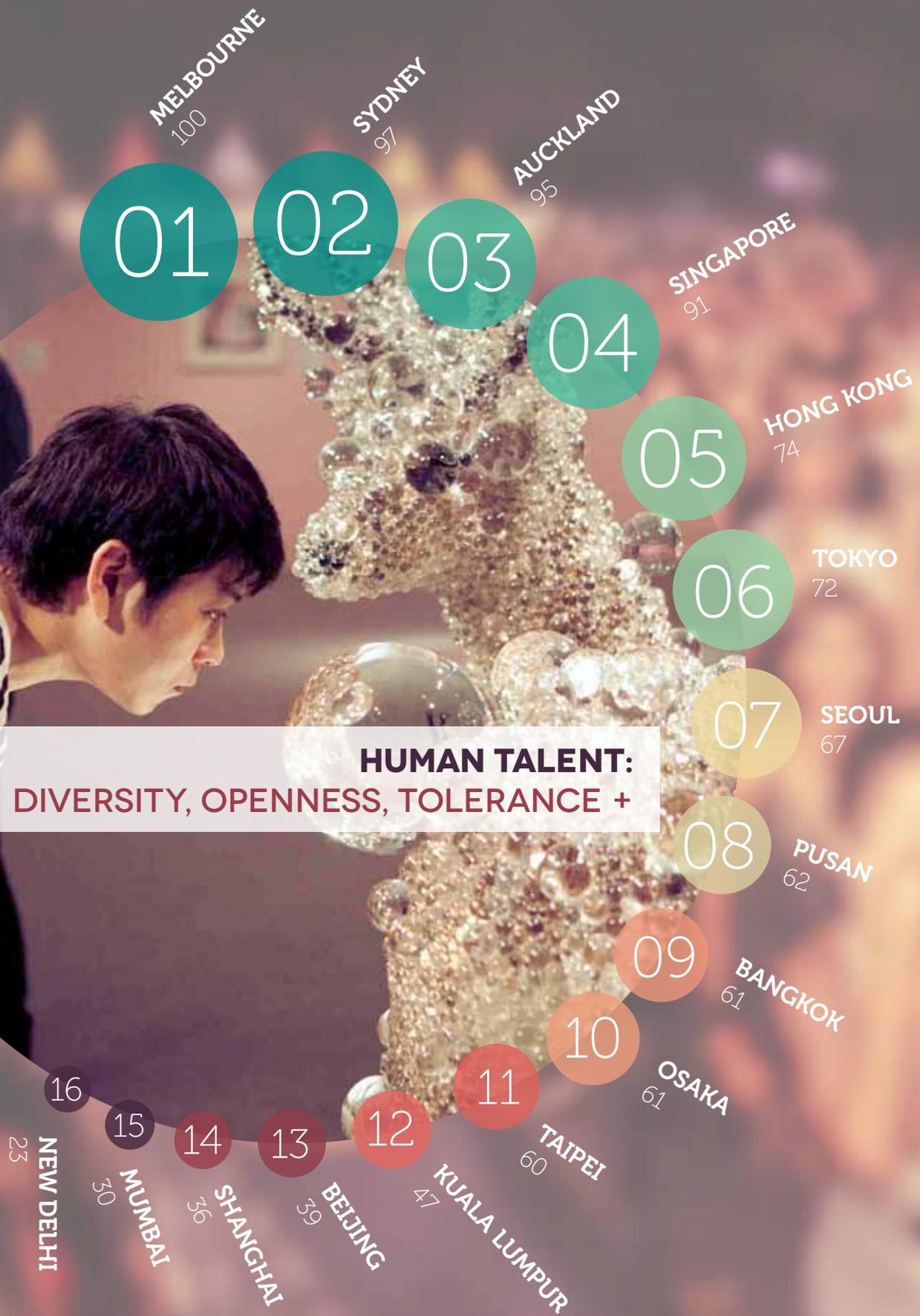
WINNERS

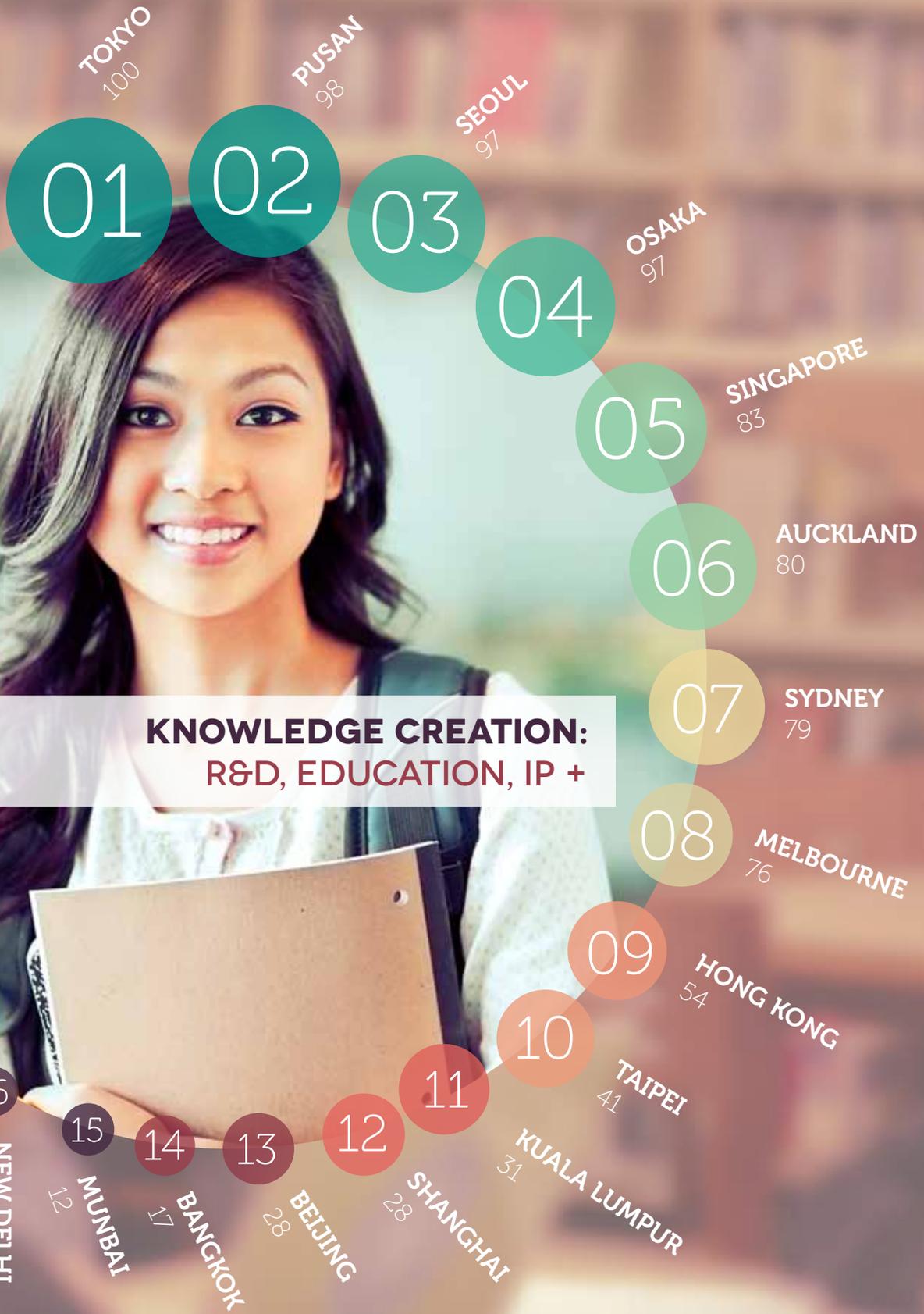
THE MOST INNOVATIVE CITIES IN ASIA PACIFIC



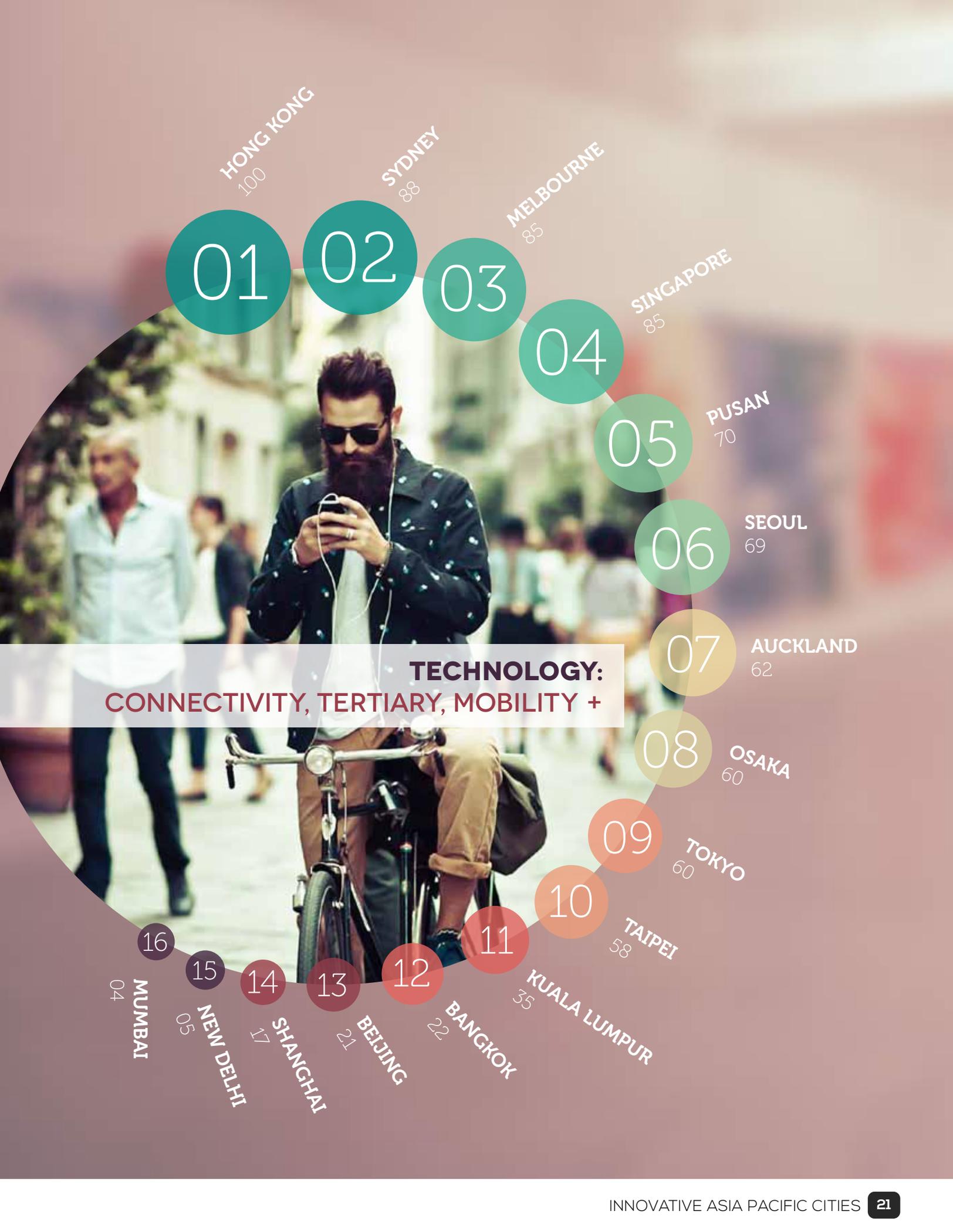


**HUMAN TALENT:
DIVERSITY, OPENNESS, TOLERANCE +**





**KNOWLEDGE CREATION:
R&D, EDUCATION, IP +**



**TECHNOLOGY:
CONNECTIVITY, TERTIARY, MOBILITY +**





01

BANGKOK
100

02

SYDNEY
98

03

HONG KONG
95

04

MELBOURNE
86

05

AUCKLAND
79

06

SINGAPORE
74

07

TOKYO
73

08

KUALA LUMPUR
72

09

MUMBAI
64

10

NEW DELHI
61

11

SEOUL
56

12

TAIPEI
48

13

OSAKA
48

14

PUSAN
36

15

BEIJING
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16

SHANGHAI
22

SOCIETY:
CULTURE, VALUE SYSTEMS, IDEOLOGY +



HONG KONG
100

AUCKLAND
91

SINGAPORE
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SYDNEY
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MELBOURNE
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OSAKA
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TOKYO
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KUALA LUMPUR
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SEOUL
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PUSAN
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TAIPEI
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BANGKOK
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NEW DELHI
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MUMBAI
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BEIJING
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SHANGHAI
30

GOVERNMENT:
REGULATIONS, SUPPORT, LAISSEZ-FAIRE +



**GLOBAL INTEGRATION:
COMPETITIVENESS, SUSTAINABILITY,
BRANDS +**



SINGAPORE

“Today, Singapore is bold, fast and successful - and Singapore Inc will follow the same path. Singapore has no other choice; it must adapt and lead change if it is to remain relevant in the 21st century.”

- Damien Duhamel, Managing Partner Asia Pacific of Solidiance

Regional Ranking 01

Global
Integration &
Orientation
Towards
Future
01

Government
& Regulatory
Framework
03

Technology
& Innovation
Ecosystem
04

Human Talent
(Diversity
& Amenities)
04

Society :
Culture, Values,
Systems &
Ideology
06

Knowledge
Creation
05

INNOVATIVE CITY! INNOVATIVE SOCIETY?

Singapore is ranked as the most innovative city in the Asia Pacific region in this study, but some could argue that its society is not that innovative. Appearances and old views may be deceiving...

When it comes to addressing the city's perks, including innovativeness, everyone argues about how their city is the best. It is because people are more emotional about their city instead of their country. When assessing Singapore, a city-state,

the confusion between 'city' and 'society at large' is easy but needs to be avoided.

Singapore sits on top of this ranking because it has made dramatic and perpetual improvements for the past 25 years. It looks as if the city somehow lives by the Jack Welch formula: "Get better or get beaten". In City-years, thus not that long ago, Singapore was a swamp, then became a spices trading port. Thanks to its strong leadership vision and implementation, the city later became a manufacturing centre, a high-tech leader and now it has become the most innovative city in Asia Pacific.

Singapore is still a young city, and things are not always perfect but it has built the most attractive ecosystem for companies to innovate in Asia Pacific as it constantly strives for leapfrog improvements and visible changes. Problems are not shunned under the carpets but fast-addressed. Singapore has been built with an ecosystem efficiency in mind. Many well-known local companies such as Eu Yan Sang, Breadtalk, Hyflux, TWG Tea, etc. as well as global Fortune 500's Asia HQs are proof of Singapore's ability to accommodate a sustainable business environment and an innovative ecosystem.

Singapore's openness to other

cultures is matched by no other city in Asia Pacific. The constantly evolving melting pot is not always easy to manage but creates real opportunities for those who are willing to grab it. To retain its leading position as a key innovative city in Asia and to really become a global innovative city, Singapore will have few other routes but to remain smartly opened to new ideas, new cultures, and new entrants. Innovation can indeed be sometimes disruptive. The innovative Singapore F1 Grand Prix that boasts a night race in the middle of the town came with some traffic adjustments and noise. Eventually, everybody clapped their hands...

Singapore authorities and city leadership are present in the marketplace to seed innovation, but the days when Singaporean entrepreneurs were laughed at and tagged as Kiasu (a term derived from Hokkien language, meaning 'a fear of losing'), are now gone. Damien Duhamel, Managing Partner Asia of Solidiance, summarized the Singapore findings: "Today, Singapore is bold, fast and successful - and Singapore Inc. will follow the same path. Singapore has no other choice; it must adapt, stay opened and lead change if it is to remain relevant in the 21st century."



SYDNEY

“We are very proud of our cultural as well as our ethnic diversity. It’s really very much of a melting pot here in Sydney, and opportunities are given equally to everyone while they are here. Over the years with the different people and cultures, we are also very fortunate of having people who are accepting of changes and differences.”

- Robert Kok, Deputy Lord Mayor of Sydney

Regional Ranking 02

Technology & Innovation Ecosystem
02

Human Talent (Diversity & Amenities)
02

Society : Culture, Values, Systems & Ideology
02

Global Integration & Orientation Towards Future
02

Government & Regulatory Framework
04

Knowledge Creation
07

PIONEERS AT THE BAY



Sydney is globally renowned for providing a welcoming environment to immigrants in Australia.

The city itself was built by immigrants and the city retains its pioneering spirit still today. Sydney developed rapidly throughout the 20th century, especially in the decades immediately following World War II when Sydney continued to attract European and later, Asian immigrants. By adapting an entrepreneurial attitude, Sydney has been able to attract industrialists, IT experts, artists, activists, and green innovators. Sydney is a major global city and has hosted multiple major

international sporting events, including the 2000 Summer Olympics.

Based on our study, Sydney scores highest in global integration, human talent, technology advancement, and society values. Deputy Lord Mayor of Sydney, Robert Kok, further clarifies Sydney's high tolerance and openness towards diversity: "We are very proud of our cultural as well as our ethnic diversity. It is really very much of a melting pot here in Sydney, and opportunities are given equally to everyone while they are here. Over the years with the different people and cultures, we are also

very fortunate of having people who are accepting of changes and differences." Sydney further proves its point by holding Sydney Mardi Gras, the annual and largest Gay & Lesbian pride parade in the Asia Pacific region. Mardi Gras is Sydney's second-largest annual event in terms of economic impact generating an annual income of about A\$30 million for the city.

Sydney also ranks high in the quality of government and regulatory framework category compared to other cities in the Asia Pacific region. This is mostly due to the high level of business freedom, trade openness and

labor freedom enjoyed in Sydney. The ease of doing business is relatively high, allowing for innovation to prosper in the area.

However, Sydney is probably too far from the rest of Asia and the world to have any strong regional influence. It is also culturally different than the rest of Asia, making it not always the most attractive reference for Asian thought leaders. The best thing to do for Sydney is to continue cultivating its innovators and bright thinkers to further advance the city's credibility as an innovation hub.

MELBOURNE

“If you look at what makes Melbourne a prosperous city today, it is because we are an innovative and a knowledge-based economy with strong proponents like design, biotech, advance manufacturing, and engineering.”

- Robert Doyle, Lord Mayor of Melbourne

Regional Ranking 03

Human Talent
(Diversity & Amenities)
01

Technology & Innovation
Ecosystem
03

Global
Integration &
Orientation
Towards Future
04

Society :
Culture, Values,
Systems &
Ideology
04

Government
& Regulatory
Framework
05

Knowledge
Creation
08

A SECRET GARDEN

Melbourne is geographically more remote and less well-known than its sister city, Sydney - yet it has transformed itself into one of the most livable cities in the world. It is equipped with convenient lifestyle facilities, amazing sport centers, eclectic downtown architecture, and an artistic environment. Take a look at Swanston Street, which seems like the Museum of Modern Art in New York was spilled all over the streets. Its quirks make it seem like an undiscovered gem. Melbourne shines the brightest among others on the human talent category. The city is undoubtedly multicultural with roughly half of its population coming from immigrant backgrounds, fostered by a good level of acceptance towards diversity. The innovation stream keeps flowing as the city continually incubates interdisciplinary talents, independent movie producers, as well as other artists who spice up the city with a large number of art exhibitions and fringe festivals.

Lord Mayor Robert Doyle tells us that sectors like design, biotech, advanced manufacturing and engineering are booming, making Melbourne an innovative city supported by its strong knowledge-based economy. The key to the success of

these industries is that they communicate well with each other, enabling business to thrive. The workplace in Melbourne is productive and has a low level of industrial disputes, as the city provides an ease of entrepreneurship and dependable government support which accommodates its diversified economy.

However, this gem is located far from the rest of the world and has difficulty becoming a global city. The dwellers are settling down, feeling convenient already as the city suits them well. The city hopes to remain a 'secret garden state' as long as possible, making it not easy to become a universal benchmark.



HONG KONG

“Hong Kong’s Cyberport combined with its traditional strengths i.e. transparent and consistent legal system, easy access to capital, as well as free flow of information, make the city appraised as one of the most attractive business cities in Asia by local and foreign entrepreneurs alike.”

- Heiko Bugs, Partner Asia of Solidiance

Regional Ranking 04

Technology & Innovation Ecosystem
01

Government & Regulatory Framework
01

Society : Culture, Values, Systems & Ideology
03

Human Talent (Diversity & Amenities)
05

Global Integration & Orientation Towards Future
05

Knowledge Creation
09



THE NEED FOR REINVENTION

Hong Kong has always been an innovation leader in Asia by constantly adapting as demand necessitates. Known as a manufacturing hub for textiles, electronics, plastics and other labor-intensive production during the post-war industrialization period, Hong Kong emerged as a highly capitalistic economy built on free

market policies, low taxation and government non-intervention. Nowadays, Hong Kong is an international hub for finance, trade, logistics and tourism, with a large concentration of corporate headquarters in the Asia Pacific region.

In 1997, when the British returned Hong Kong to Chinese sovereignty, it became the Hong

Kong Special Administrative Region (S.A.R.) of China. Under the principle of “one country, two systems,” China proposed that Hong Kong may enjoy a high degree of autonomy in all matters except foreign and defense affairs for a period of 50 years. Often referred to as the “Gateway to China,” Hong Kong’s financial sector has been boosted further by China’s decision to use the city as a launching pad for the internationalization of its currency.

Hong Kong ranks 4th among Asia’s most innovative cities, leading the categories of “Technology and Innovation System” and “Government and Regulatory Environment”. In 1999, the Hong Kong government revealed plans to develop Cyberport, a technology cluster on Hong Kong Island, which would help local businesses capitalize on the rapid growth of the internet and telecommunications. After some initial difficulties, Cyberport has developed into one of the key drivers of Hong Kong’s rapid technology development, providing a suitable environment for entrepreneurs to convert ideas into business models. Combined with Hong Kong’s traditional strengths of a transparent and consistent legal

system, easy access to capital and free flow of information, the city is appraised as one of the most attractive business cities in Asia by local and foreign entrepreneurs alike. Yet Hong Kong is slowly losing up to Shanghai. Shanghai is emulating Hong Kong in too many ways. Pudong has the look and feel of Hong Kong Island. Shanghai is fast growing its global financial reach and Shanghai now welcomes more and more regional Fortune 500 Asia headquarters. To close the copy/paste comparison, Shanghai will too have its own Disneyland by 2015.

Hong Kong is also suffering from the smog choke from the neighbouring industrial zones located on the other side of the border and from a possible over-reliance on the China economy. CVs with strong Mandarin skills have been preferred for a while in Hong Kong.

Its future development as an innovative city will continue based on its people’s diverse and innovative skill sets but Hong Kong cannot primarily rely on being a finance and a high-tech hub with premium infrastructure and an adjacent vibrant media / art industry. To retain its position, it will need to reinvent itself, again.

AUCKLAND

“Auckland will experience substantial growth pressures over the next 30 years. We face the challenge of how to accommodate growth without losing the things we value most about Auckland. The Plan’s quality compact city model can achieve this balance, further enhance Auckland’s amenities and build on the lifestyle we are renowned for.”

- Len Brown, Mayor of Auckland

Regional Ranking 05

Government
& Regulatory
Framework
02

Human Talent
(Diversity
& Amenities)
03

Global
Integration &
Orientation
Towards Future
03

Society : Culture,
Values, Systems
& Ideology
05

Technology
& Innovation
Ecosystem
07

Knowledge
Creation
06

HOBBITS ARE HAPPY TOO

be one of the top 10 most livable cities in the world by numerous organizations and publications. Seems like being a castaway has its benefits!

Auckland ranks highly in several quality of life surveys, and this is reflected in the human talent the city attracts. Auckland's society has a remarkably tolerant and open attitude, which in turn

mention Auckland without thinking of its budding film industry (Auckland's / New Zealand's beautiful panorama is also often used as movie shooting locations, as in The Lord of the Rings trilogy) and enthusiasm for sport. Rugby union, rugby league, soccer, cricket and netball are widely played, and not only does the city provide a good number of

traffic problems and a poor public transportation system are obstacles to its future growth. These factors are often cited by Auckland citizens as the strongest downside to living there. To counteract this, the government is showing its support by implementing the Auckland Plan. Regarding this plan, Len Brown, Mayor of Auckland stated: "Auckland will



The idea of living in Auckland has long attracted plenty of people, due to its mild climate and ample opportunities for education and employment. Auckland is called the City of Sails because its harbor is often filled with hundreds of yachts and is one of the busiest in the world. The city also offers numerous leisure facilities that are frequently cited as reasons why Auckland is considered to

attracts immigrants and the highly creative. Ease of doing business encourages foreigners to settle in Auckland and the city has also stepped up its education standards. While it is not yet a popular destination for overseas tertiary students, Auckland is already a major center of language education, with many foreign students coming to the city to learn English.

What is more, one cannot

sports stadiums and facilities, it has also hosted world-class events like the 2011 Rugby World Cup and the 2012 ITU World Triathlon Series. Hosting high-profile events reinforces Auckland's global integration and orientation towards the future, which is one important criterion for an innovative city.

Despite all these promising factors that make Auckland thrive as an innovative city,

experience substantial growth pressures over the next 30 years. We face the challenge of how to accommodate growth without losing the things we value most about Auckland. The Plan's quality compact city model can achieve this balance, further enhance Auckland's amenities and build on the lifestyle we are renowned for."

TOKYO

“One could suggest that Tokyo people have innovative ideas but cannot deliver in a manner that fits today’s global business arena. Even Shibuya’s burgeoning fashion hub has been replaced by Gangnam’s Style in Seoul, in most of our minds.”

- Aki Nakamura, Head of Japan Desk of Solidiance

Regional Ranking 06

Knowledge
Creation
01

Human Talent
(Diversity
& Amenities)
06

Global
Integration &
Orientation
Towards Future
06

Government
& Regulatory
Framework
07

Society :
Culture, Values,
Systems &
Ideology
07

Technology
& Innovation
Ecosystem
09

SHINE LOST, FOR EVER?

Even though it is still attracting key industry players as well as millions of tourists from all over the world, it would seem that Tokyo is losing its shine as a hub for talented people to live and work. While there are surely many explanations for this including: cost of living, lack of global integration, loss of regional influence, poor immigration laws, distracted leadership, and so on we will focus on two specific reasons: fear of risk taking and natural disasters.

While Tokyo ranks number 1 in the Knowledge Creation category, it ends up at number 6 in the total ranking. Its poor performance in the other five categories offset its shine in Knowledge Creation. According to Dr. Yukihiko Nakata, Director of Asia Pacific Innovation Management Center of Ritsumeikan Asia Pacific University and former executive at Sharp Corporation, the “tolerance for failure” and “principle of self-sufficiency” are the main reasons that Japanese electronics giants such as Sony,



Sharp, Panasonic are losing the game against Korean rising stars. One could suggest that the Tokyo people have innovative ideas but cannot deliver in a manner that fits today’s global business arena. Even Shibuya’s burgeoning fashion hub has been replaced by Gangnam’s Style in Seoul, in most of our minds.

Japan’s economy has recovered to pre-earthquake levels and continues to be stable, yet there is no doubt that the Tohoku Earthquake in 2011 caused tremendous damage to Japan and its brand including Tokyo. While natural disasters are outside the scope of our six

categories, the results cannot be neglected in the rankings. Tokyo is now attempting to improve its attractiveness in the areas it can control to offset negative impacts caused by natural disasters. For example, the government has started introducing a variety of incentives in indicated zones, which includes deregulation, reduced procedures, tax breaks and so on. Yet this could be another case of too little too late. Innovation is not reactive but proactive.

Aki Nakamura, the Head of the Japan Desk at Solidiance, remarked that while the current situation in Tokyo remains

unfortunate, it is believed that Tokyo could possibly regain its swing. Tokyo is after all the Greenest and most Sustainable City in Asia Pacific as ranked by Solidiance in 2011. Tokyo is also one the very few Asia city with a true global brand. With strong political leadership and radical mindset change in the private sector, Tokyo could surely rise again. We shall certainly not discount a city with more than 500 years of history too fast. Yet past city glory is no indication of a bright future says Constantinople... Tokyo needs to seeds its transformation now.

BANGKOK

“If there is anything that should be noted about Bangkok people, it is that they take great pride in their ancestral culture, yet remain very open to others. Bangkok has the rare capacity to absorb new cultures, innovate with old ingredients and set influencing trends.”

- Dr. Yupin Patara, Marketing Faculty Member, Sasin Graduate Institute of Business Administration, Chulalongkorn University

Regional Ranking **12**

Society :
Culture, Values,
Systems &
Ideology
01

Human Talent
(Diversity
& Amenities)
09

Technology
& Innovation
Ecosystem
12

Government
& Regulatory
Framework
12

Knowledge
Creation
14

Global
Integration &
Orientation
Towards Future
12

WATCH THIS PACE !

Bangkok is one of a kind. A city that never was really colonized by foreign forces is boasting one the most open mindset in the region. Yes Thais and Bangkokians are very proud of their unique culture, yet other cultures are accepted and not seen as a threat to the Bangkok's DNA. This is visible in its Westernized

education system, in its Sanskrit architecture, in its heavily Japanese-influenced pop culture, in its Hong Kong-inspired movie industry. Bangkok is a mystery but opened for all to interpret. Bangkok is moving away from the dirt and the dirty to become a global metropolis by default.

Bangkok seem overwhelming at first, as the traffic jams are notorious, the sidewalks are crowded with vendors, and the weather is humid and often too polluted. Yet somehow, even with all these seemingly unpleasant aspects to keep in mind, 20 million foreign tourists visit the city every year.

Bangkok is fast-changing and it is shaking the most entrenched preconceived ideas. Not long ago people would have laughed when the idea of a modern Bangkok subway and skytrain connectivity was mentioned. Just a while ago people would have also laughed when told that they would soon be watching Thai action movies. People would have again laughed when told that Bangkok is becoming the ASEAN creative/advertising hub where hilarious ads are created and re-transcribed into other Asian languages and markets. People laugh less these days. They smile and recognize the changes happening all over

Bangkok. CNN was first to spot so by electing Bangkok as the World's Greatest City back in 2009.

Bangkok is a rising force to reckon with. Hard to define and hard to grasp. Yet Bangkok has pushed Thai food and Thai restaurants to the far corners of the world. Thai boxing has become mainstream. Thai movies are no longer a curiosity and Hollywood is even rushing to the city of angels to shoot more blockbusters. Bangkok dangerous. Bangkok curious. Bangkok audacious.



SHANGHAI

“Shanghai is a city with sprawling urbanization, complemented with expansive city borders and city districts as well as a population greater than most small countries. It is poised to be the logistics gateway and, with some significant financial restructuring, the financial hub for all of Asia.”

- Pilar Dieter, Principal of Solidiance Greater China

Regional
Ranking **14**

Knowledge
Creation
12

Global
Integration &
Orientation
Towards Future
09

Human Talent
(Diversity
& Amenities)
14

Technology
& Innovation
Ecosystem
14

Society :
Culture, Values,
Systems &
Ideology
15

Government
& Regulatory
Framework
16

BUZZING, NOT INNOVATIVE YET

Like many of the world's great international cities, Shanghai has fantastic skyscrapers, renowned nightlife, dazzling shopping malls, amazing cuisine and renowned chefs from all over the world. While these are indeed the first impressions one has, the undercurrent of energy and unleashed entrepreneurial spirit that surrounds these magnificent structures is a driving force in Shanghai's quest to become an innovation center in Asia and beyond.

According to Pilar Dieter, Principal for the China operation of Solidiance, Shanghai is a city with sprawling urbanization, complemented with expansive city borders and city districts as well as a population greater than most small countries. It is poised to be the logistics gateway and, with some significant financial restructuring, the financial hub for all of Asia.

These are two reasons why, among others:

- 27 industrial and technology parks spread in every corner of Shanghai, where over 350 leading R&D centers of the world's largest multinational

products.

- About 60 global giants including manufacturing and financial services established their Asia headquarters in Shanghai. With government encouragement, foreign investors

Pharmaceutical has moved its Asian Pacific headquarters from Singapore to Shanghai; Ford Motor, similarly, moved its Asian Pacific headquarters from Thailand to Shanghai in 2012.

At the heart of industrial innovation, we find the world's R&D centers are becoming the cornerstone at keeping global companies relevant in the future competitive landscape. Yet to catch up on the rest of Asia Pacific cities, Shanghai needs to invest in better education infrastructure, remove barriers to innovation at a grassroots level, encourage new ideas and diversity, provide more room for art movements, and move away from the "me-too" model and build a true "Shanghai innovation ecosystem".

Simply importing ideas and concepts will not propel Shanghai at the forefront of Asia Pacific innovation. Shanghai is buzzing. Next it might be innovating.



corporations develop the medical inventions, chemical experiments and technology innovations that will shape the next generation of essential

continue to establish as well as relocate some of their Asian headquarters to the numerous growing technology and innovation parks that are constantly evolving within the city. For example, AstraZeneca

MUMBAI

“Urban decay and related urban development issues, proliferation of slums, recent and unfortunate events of violence, are among the reasons why Mumbai does not currently have the bearings to become an innovative city - even though the city’s attraction is undeniable.”

- Praneet Mehrotra, Principal of Solidiance Singapore

Regional Ranking 15

Society :
Culture, Values,
Systems &
Ideology
09

Government
& Regulatory
Framework
14

Knowledge
Creation
15

Human Talent
(Diversity
& Amenities)
15

Global
Integration &
Orientation
Towards Future
15

Technology
& Innovation
Ecosystem
16

FROM RESILIENCE TO TRANSFORMATION



In India, Mumbai has always had the title of the ‘City of Dreams’. It is, in fact, the commercial and entertainment capital of India. Data suggests that it generates approximately 5% of India’s GDP and nearly 70% of capital transactions in India’s economy. It is also the film capital of India and one of the most prolific media hubs in the world. Despite many economic and social factors seemingly in place, does Mumbai have the full package necessary to compete with the most innovative cities in the world?

For Praneet Mehrotra, Principal in the Singapore operation of Solidiance, the answer remains a resounding no. Many factors are responsible for this, including urban decay and related urban development issues, proliferation of slums, recent and unfortunate events of violence, among others. Yet Mumbai’s attraction is undeniable.

What must Mumbai do to become a magnet for innovators and creativity beyond what it has already accomplished? Here are a few ideas:

- Access to capital. India in general and Mumbai in particular, as a commercial nerve center, must make capital more easily available. Not enough financial maturity currently exists to allow entrepreneurs to

access capital easily.

- Availability of an institutional framework that seeds entrepreneurship. Current commentary on India’s economic potential talk about the institutional framework that is currently lacking. Whether it is in business theory, technology development or in other areas of research, a well-developed institutional framework that draws youth towards a cauldron of creativity does not yet exist. How many new business start-ups, trends, and ideas originate in Mumbai?
- Security and stability. Notwithstanding the social complexity of a large alpha city like Mumbai, there needs to be a sense of security and stability among its people. While its public institutions are improving, Mumbai has been battered too often and regularly to have this important element missing.
- Quality of life and ease of work. Mumbai is certainly not the easiest of cities to live in. As the largest metropolitan city in India, it is not only expensive, but also offers little choice across the economic spectrum to those wanting to try to make their fortune in the ‘City of Dreams’.



JAKARTA

“Failing is simply not the only option for Jakarta. Once the city has managed to solve all of its core issues - the leadership and human capital, lack of law enforcement, awareness, education, and collaborative effort by the city dwellers - only then can Jakarta consider itself an innovative city.”

- Rudy Setiawan, Principal of Solidiance Indonesia

Jakarta, the busiest city in ASEAN's largest country, is not ranked regardless of how 'hot' its current economy might be. Its crumbling infrastructure and lack of plans put it instantly out of the game. Is the city poised to fail? What changes does its leadership need to implement, to one day, be an emerging innovative hub?

FAILING IS NOT THE ONLY OPTION

There is no denying that Jakarta, home to 10 million inhabitants, is changing at an unprecedented pace. High-rise skyscrapers, massive shopping complexes, ghettos, luxurious residences - these can all be seen standing next to each other in the city. Like most megacities in Asia, Jakarta is notorious for its perpetual traffic gridlock and obscene disparity among the haves and have-nots. Still, Jakarta boasts an exciting lifestyle, rising quality of life and is a preferred option for young Indonesians to pursue their dreams.

As the capital city of the largest economy in Southeast Asia, Jakarta has to rethink how it is to shape the city's future, despite all the challenges it confronts. Rudy Setiawan, Principal for the Indonesia operation of Solidiance, thinks that failing is simply not the only option for Jakarta. The problem lies in leadership and human capital, lack of regulatory enforcement, and socio-cultural perspective. It is only when the city manages



to solve these issues that Jakarta can consider itself an innovative city.

When we speak of the leadership and human capital in Jakarta, the main issue that needs to be addressed is its human talent. Investment in the human talent in the public and private sector is crucial to fully leverage Jakarta's vibrant economic landscape. Further steps to maximize the human talent available within the city include increasing female participation in the workforce

(which is rather low due to traditional culture), improving English literacy and incubating thoughtful leadership.

Aside from that, the lack of law enforcement remains a handicap within the capital. The existence of bribery and high level of corruption are a major hindrance to Jakarta if it wants to build world-class infrastructure. Basic needs such as the lack of drinking water must be addressed and the city's traffic congestion only seems to

get worse as the city continues its sprawl.

Last but not least, a more global social perspective is crucial in shaping of Jakarta's city brand. Can Jakarta overcome the challenges ahead and how long can it withstand the pressures of rapid growth? The answer to that remains to be seen, but one thing is for sure: Jakarta needs to catch up to its counterparts in the region, such as Kuala Lumpur, if it is to be relevant in the next 20 years.



THE MOVIE!

During the process of this study, we encountered a lot of engaging quirks and fascinating insights about innovativeness in the Asia Pacific cities. Thriving to deliver the best depiction of innovation in the region, Solidiance complements this study with a short documentary movie. It features various innovative ecosystems in the region and interviews with C-level executives of major firms from various industry sectors as well as other cities' stakeholders (government, academics, artists) to provide different perspectives about innovation in the city.



Featured profiles:

1. **Ada Wong** | Chief Executive, Hong Kong Institute of Contemporary Culture
2. **Annie Xu** | Senior Vice President - Smart Cities, Schneider Electric
3. **Benjamin Chee** | Director, Benj-Mark Productions
4. **Camilla Hewitson** | Fair Director, Affordable Art Fair
5. **Colin Seah** | Director, Ministry of Design
6. **Damien Duhamel** | Managing Partner Asia Pacific, Solidiance
7. **Francis Ngai** | CEO, Social Ventures Hong Kong
8. **Jackson Tan** | Co-founder, Black Design & Phunk Studio
9. **Jonathan Leong** | Chief Executive, Xzerokool
10. **Luke Lim** | CEO & Founder, A.S. Louken
11. **Michael Ma** | Group CEO, IndoChine Group of Bars, Restaurants, Clubs, Villas and Resorts
12. **Muhammad Ibnur Rashad** | Co-founder, Sustainable Living Lab at Ground Up Initiative
13. **Richard Eu** | Group CEO, Eu Yan Sang
14. **Robert Doyle** | Lord Mayor of Melbourne
15. **Robert Kok** | Deputy Lord Mayor of Sydney
16. **Sujit Ghosh** | Managing Director & CEO, Holcim Singapore
17. **U-yun Wong** | Managing Director, Candela Group
18. **Victor Tay** | Chief Operating Officer, Singapore Business Federation
19. **Zafar Momin** | Board Member and Lecturer (NTU) ; Board Member of Mapletree Logistics
20. **Zainudin Nordin** | Parliament Member of Singapore



CONCLUSIONS

Cities with ecosystems that truly support and encourage innovation are more agile, better equipped to face downturns and to lead upturns. Evidence shows that they are more successful in fast-adapting themselves to new trends and are more economically powerful in the long-run.

These innovative cities tend to have leadership roles in biotech, high-tech, urban planning & transport, education, mobile communication, sports, entertainment and green technologies. Fast growing intertwined industries. These cities offer the best jobs, they attract the best companies, they secure the best talent, they are magnets for R&D, they provide the best lifestyles and the most attractive growth perspectives.

At the end, all this becomes some kind of a self-fulfilling prophecy. To be successful and sustainable, the Asia Pacific cities of the future can only be striving innovation hubs.

When will New York, Paris, London be replaced?



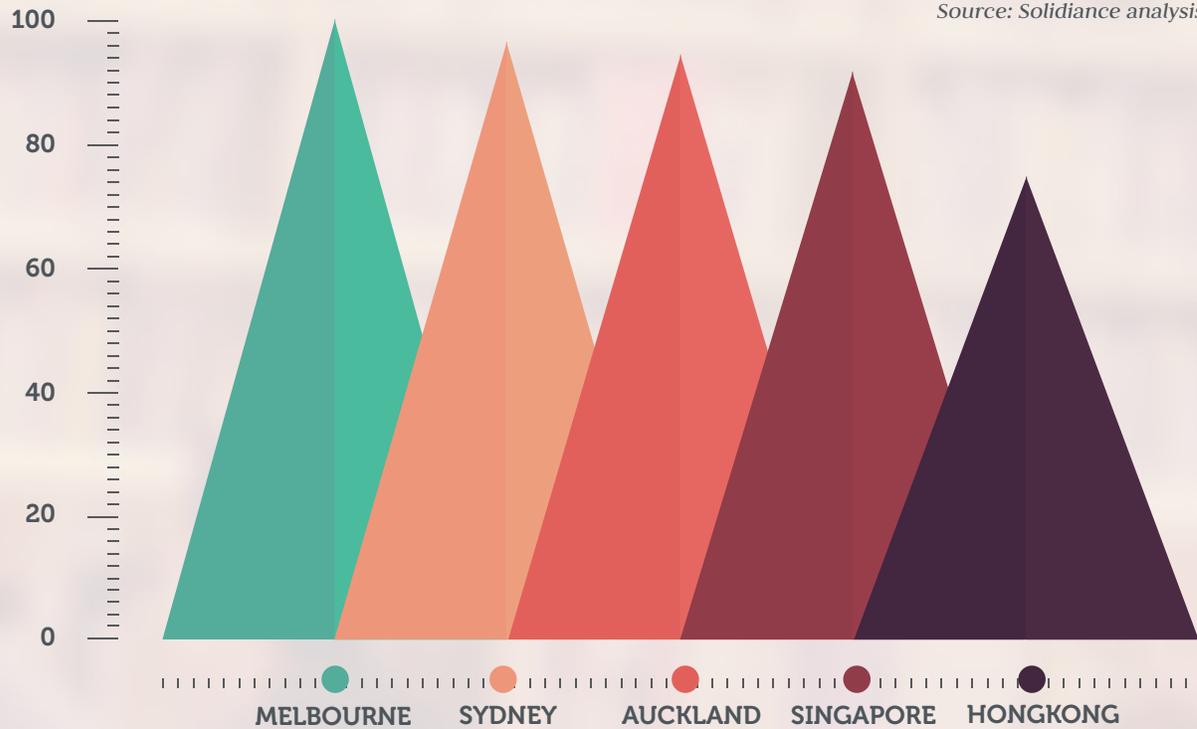
APPENDIX

CATEGORIES FOR COMPARISON

As previously mentioned, we use six main categories to gauge each city's innovativeness: Human Talent, Knowledge Creation, Technology, Society, Government, and Global Integration.

HUMAN TALENT: DIVERSITY, OPENNESS, TOLERANCE + INDEX

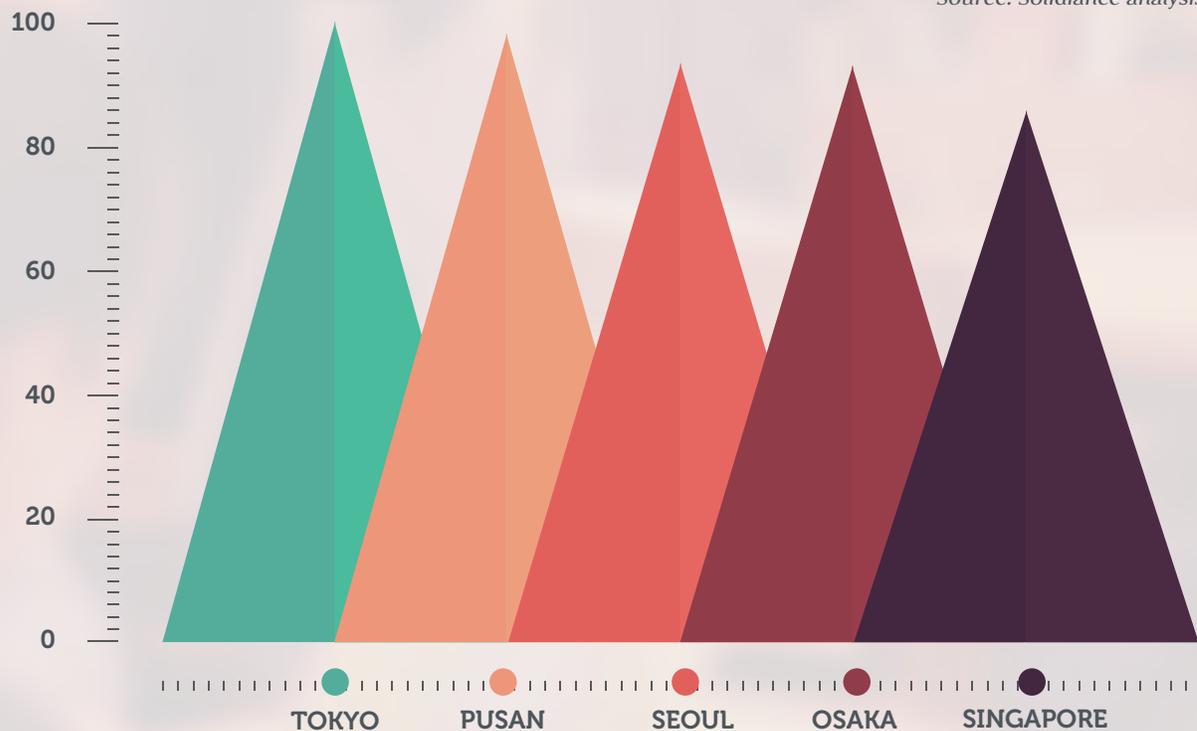
Source: Solidiance analysis, 2013



Human Talent Index measures the quality of human resources that a city produces. It is indicated by the diversity, openness, tolerance, and amenities that the city possesses and/or provides to its society.

KNOWLEDGE CREATION: R&D, EDUCATION, IP + INDEX

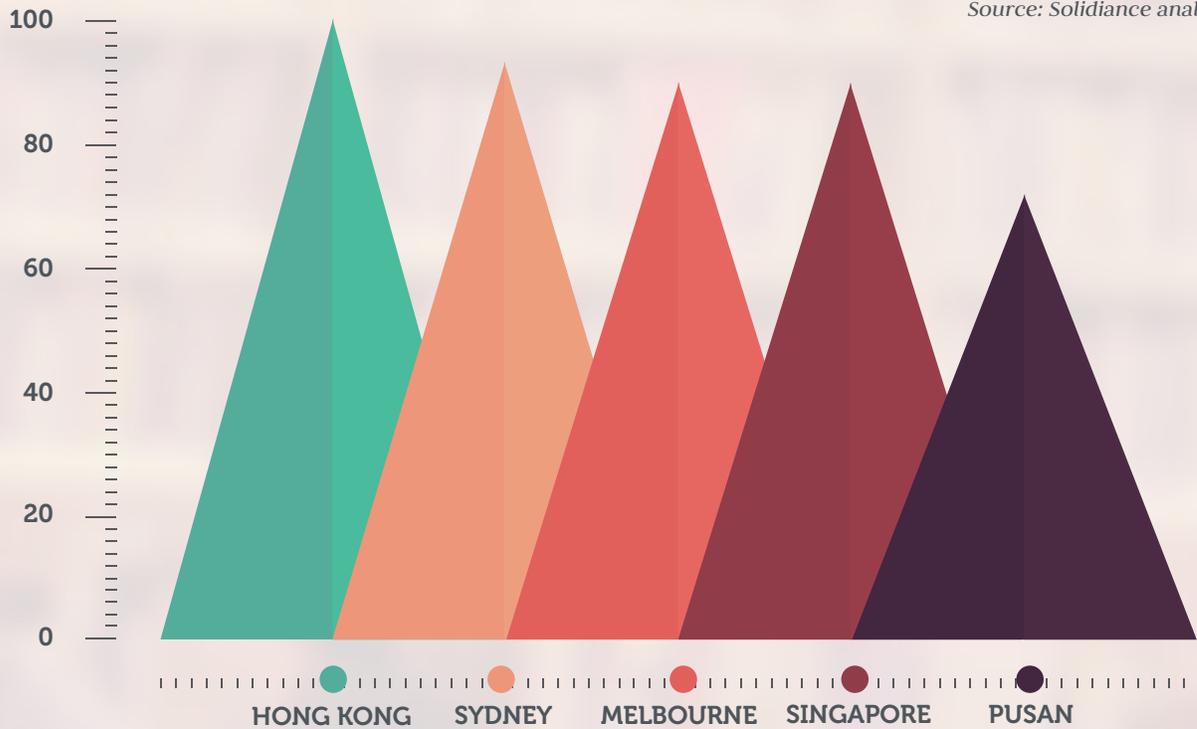
Source: Solidiance analysis, 2013



The Knowledge Creation Index measures the propensity of the city to create and to encourage new knowledge. This generally comes in the form of education of the people/workforce, as well as research and development.

TECHNOLOGY: CONNECTIVITY, TERTIARY, MOBILITY + INDEX

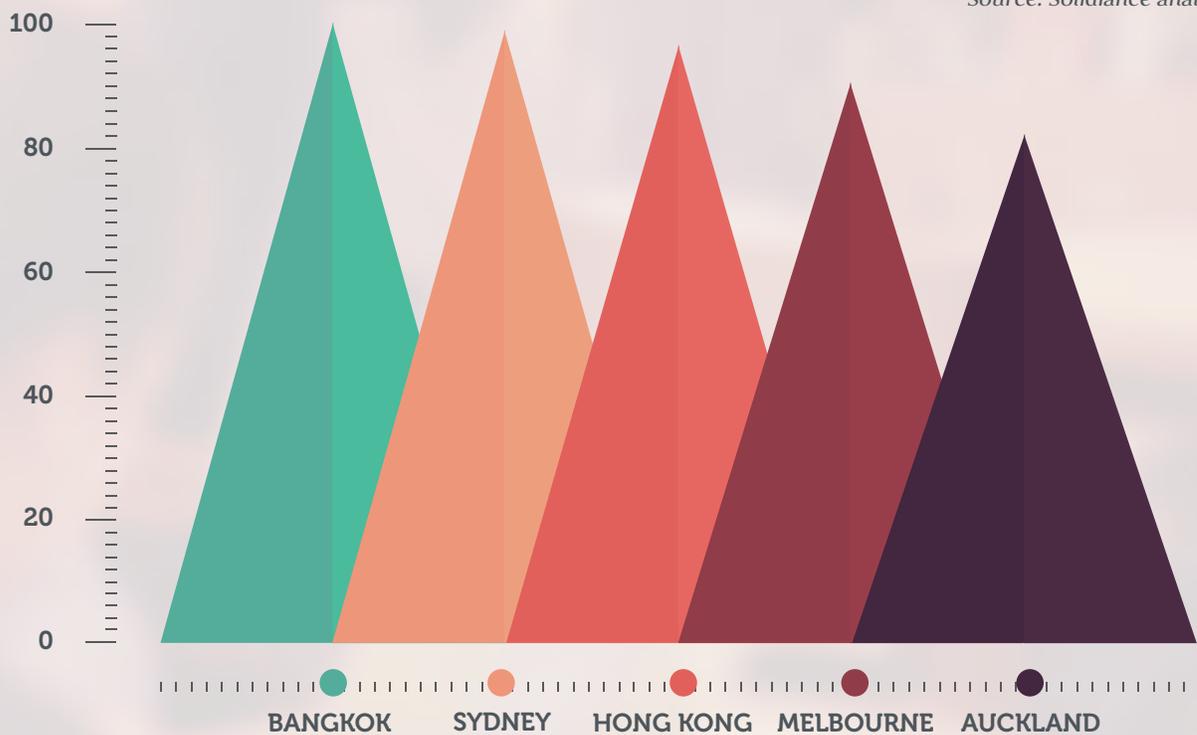
Source: Solidiance analysis, 2013



Technology and Innovation Ecosystem Index measures the inclination of the city to enhance its ecosystem through technology advancement and supportive environment that induces innovation.

SOCIETY : CULTURE, VALUE SYSTEMS, IDEOLOGY + INDEX

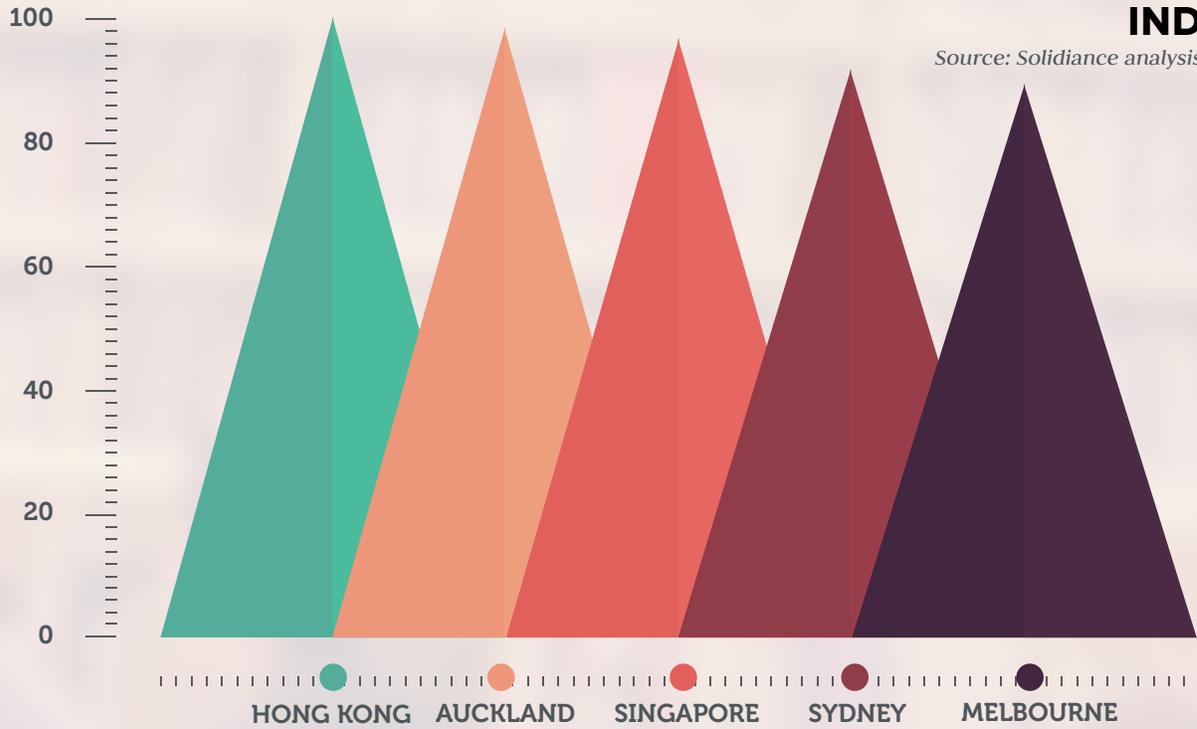
Source: Solidiance analysis, 2013



Society Index measures the society's stance towards culture/art, values and ideology they embrace, supported by the systems governed by the city to facilitate them. This is closely related and underpinned by the freedom of expression in the city.

GOVERNMENT: REGULATIONS, SUPPORTS, LAISSEZ-FAIRE + INDEX

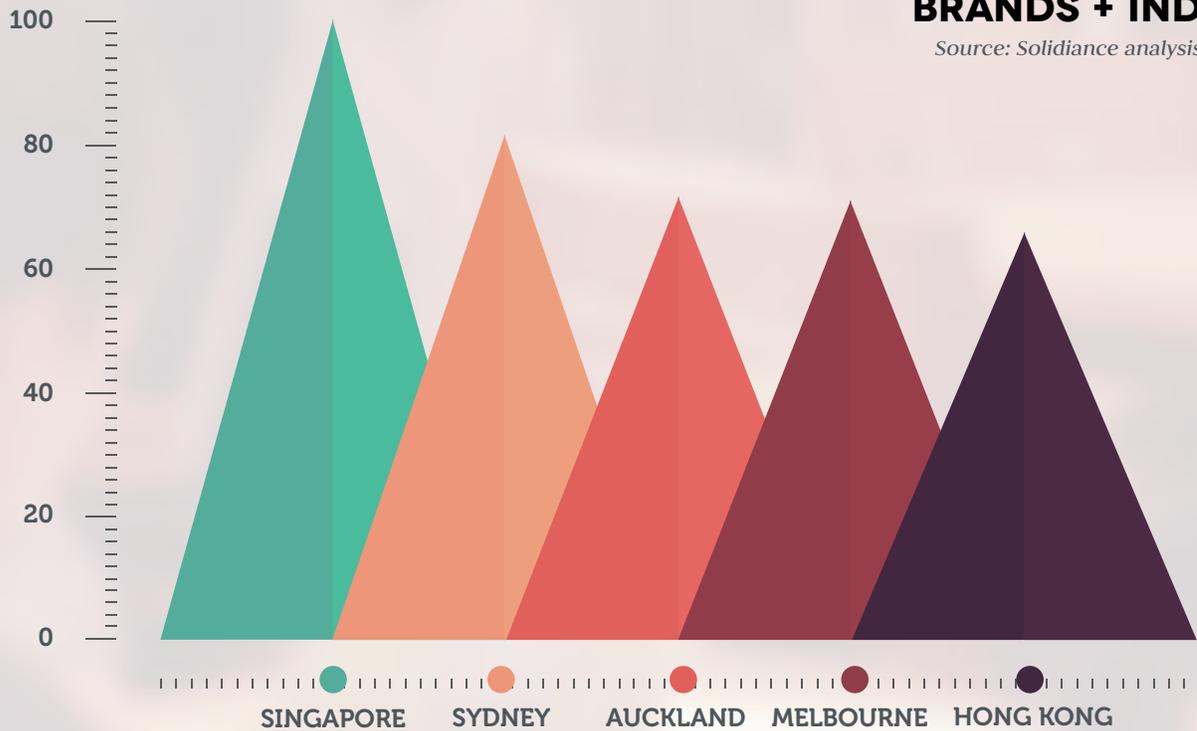
Source: Solidiance analysis, 2013



The Government and Regulatory Framework Index measures the properness of the city’s management system to spur innovation. It encompasses a set of freedoms facilitated by the city governance for financial, law and political purposes.

GLOBAL INTEGRATION: COMPETITIVENESS, SUSTAINABILITY, BRANDS + INDEX

Source: Solidiance analysis, 2013



Global Integration and Orientation towards Future Index measures the level of global connectivity established by the city in regards to its endeavor to maintain sustainability.

OVERALL RANKING

Singapore	0.68
Sydney	0.67
Melbourne	0.65
Hong Kong	0.64
Auckland	0.62
Tokyo	0.55
Seoul	0.52
Osaka	0.51
Pusan	0.49
Taipei	0.40
Kuala Lumpur	0.37
Bangkok	0.34
Beijing	0.22
Shanghai	0.22
Mumbai	0.20
New Delhi	0.18



HUMAN TALENT

Melbourne	0.153765351
Sydney	0.14860099
Auckland	0.14547188
Singapore	0.139458529
Hong Kong	0.113866508
Tokyo	0.110042747
Seoul	0.103517789
Pusan	0.094968742
Bangkok	0.094303095
Osaka	0.093770085
Taipei	0.091784276
Kuala Lumpur	0.071955679
Beijing	0.059847945
Shanghai	0.055675256
Mumbai	0.046315681
New Delhi	0.035345924

TECHNOLOGY

Hong Kong	0.162666963
Sydney	0.142975511
Melbourne	0.138194051
Singapore	0.137770286
Pusan	0.114676304
Seoul	0.112857928
Auckland	0.101282643
Osaka	0.098108836
Tokyo	0.097578203
Taipei	0.095043881
Kuala Lumpur	0.05759565
Bangkok	0.035543828
Beijing	0.033706925
Shanghai	0.027270383
New Delhi	0.008149368
Mumbai	0.007280969

KNOWLEDGE CREATION

Tokyo	0.125989633
Pusan	0.123811718
Seoul	0.122764696
Osaka	0.122075339
Singapore	0.104240423
Auckland	0.100373064
Sydney	0.099022635
Melbourne	0.09542745
Hong Kong	0.067814199
Taipei	0.05131111
Kuala Lumpur	0.039423281
Shanghai	0.035024501
Beijing	0.034737514
Bangkok	0.021483928
Mumbai	0.015193204
New Delhi	0.012073278

SOCIETY

Bangkok	0.07568
Sydney	0.07395
Hong Kong	0.07178
Melbourne	0.06499
Auckland	0.06002
Singapore	0.05592
Tokyo	0.05504
Kuala Lumpur	0.05414
Mumbai	0.04827
New Delhi	0.04626
Seoul	0.04247
Taipei	0.03632
Osaka	0.03629
Pusan	0.02719
Shanghai	0.01677
Beijing	0.01677

GLOBAL INTEGRATION

Singapore	0.091278784
Sydney	0.067394698
Auckland	0.060107914
Melbourne	0.059894698
Hong Kong	0.058134199
Tokyo	0.054248588
Kuala Lumpur	0.049826595
Seoul	0.048222521
Osaka	0.044248588
Taipei	0.041104628
Pusan	0.040722521
Bangkok	0.036340081
Shanghai	0.031320154
Beijing	0.023820154
Mumbai	0.023252745
New Delhi	0.023252745

GOVERNMENT

Hong Kong	0.16663876
Auckland	0.151676577
Singapore	0.150812642
Sydney	0.141613232
Melbourne	0.140213069
Osaka	0.118042917
Tokyo	0.107661175
Kuala Lumpur	0.09527538
Seoul	0.095076251
Pusan	0.089438884
Taipei	0.086541369
Bangkok	0.073540455
New Delhi	0.058399237
Mumbai	0.05839151
Beijing	0.050978375
Shanghai	0.050770399

Full details of the sub-criteria, grading and ranking is available on:
WWW.ASIAINNOVATIVECITIES.COM

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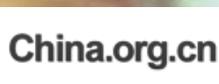
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Solidiance is a dedicated B2B growth strategy and innovation marketing consultancy firm focused on Asia Pacific.

ABOUT US

WHAT WE DO

We help multinational clients to understand the Asian marketplace, to design marketing strategies and to accelerate their growth in Asia.

WHAT WE ARE FOCUSING ON

Our industry experience is centred on industrial applications, healthcare, technology, and greentech. Our Asian growth strategy services provide the required market landscape insights and the necessary roadmap to capture a profitable and sustainable market share in the region.

ADDITIONAL DETAILS

Solidiance has offices in China, India, Indonesia, Malaysia, Myanmar, Singapore, Thailand, and Vietnam. We are fast expanding and always on the lookout for exceptional people with relevant experience.



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