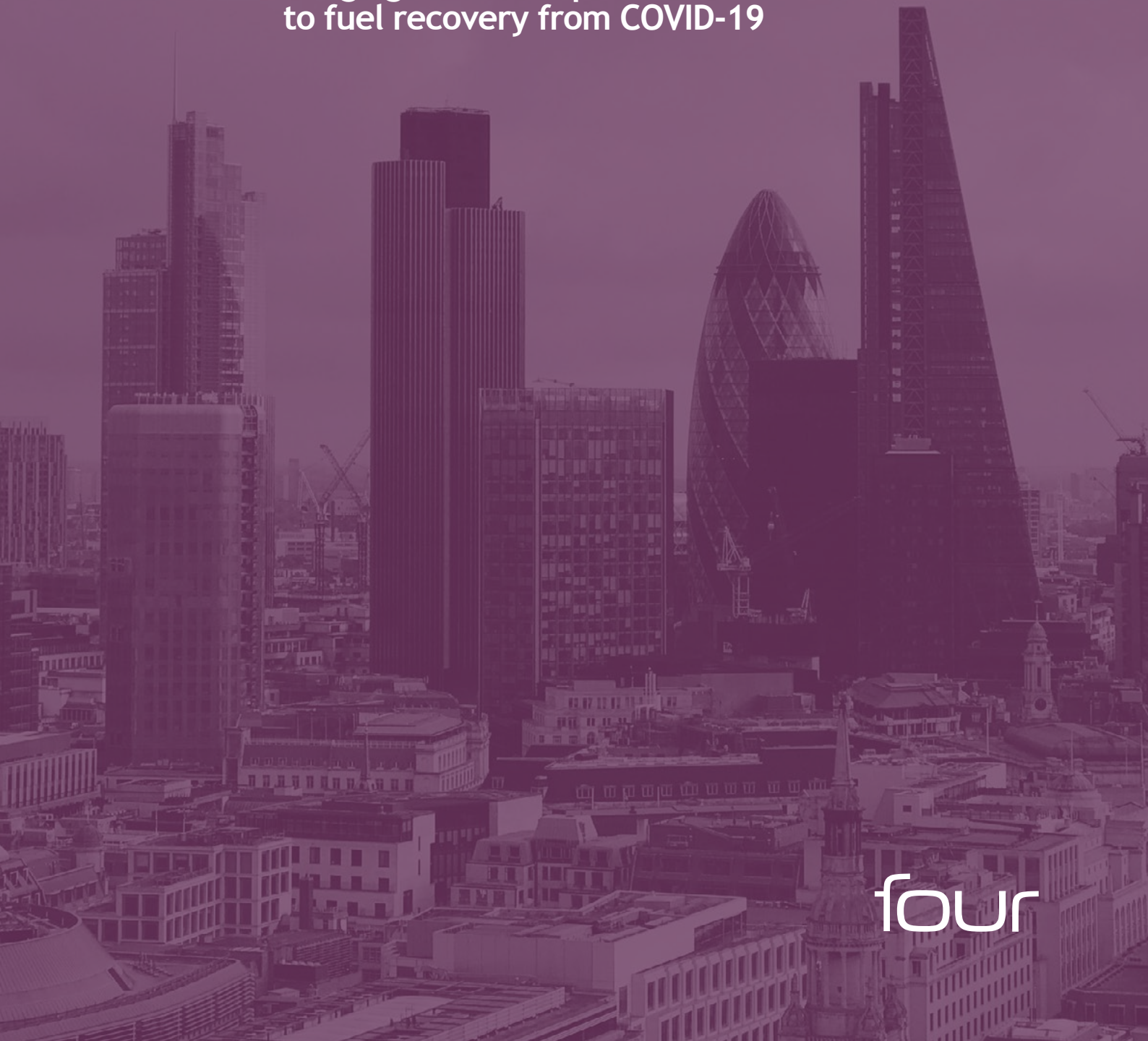
Place+

Improving the value of places

Emerging trends for placemakers to fuel recovery from COVID-19



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Place+: improving the value of places

Emerging trends for placemakers to fuel recovery from COVID-19

Four's strategy and planning function has been sharing insights and key industry updates throughout the COVID-19 pandemic, drawing on industry trends, the latest research on consumer behaviour and our own proprietary insights through our Mapper360® social listening methodology.

In this report, we have explored the challenges and key themes facing placemakers as a result of COVID-19. We have drawn on findings from proprietary research of 50 global leaders in place, data from our insights methodology Mapper360® and analysis of research on consumer attitudes towards places as a result of COVID-19 via GlobalWebIndex.

Our placemaking remit seeks to improve the value of places by bringing together expertise across property, tourism, retailing, culture, sports, social purpose, public affairs, sustainability and the digital sector. Our new Place+ service harnesses innovative data-driven insights, expert strategic consultancy and marketing services to provide deeper understanding, analysis, strategy, execution and evaluation for organisations involved in placemaking.

Through our innovative new Place+ offering we can leverage multi-sector data-driven insights, and marketing services to provide deeper understanding, analysis, strategy, execution and evaluation for organisations involved in placemaking. Place+ brings together specialists from property, tourism, retailing, culture, sports, social purpose, public affairs, sustainability and digital planning.

Because deeper insights lead to smarter strategies. And better outcomes.

To find out more about Place+ and what we can offer you

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What trends are emerging from COVID-19 for placemakers to consider?

Four's expert view

Debbie Hindle,
co-chair, Place+

The world has changed and is continuing to change faster than at any point in our lifetimes. And placemaking is changing with it.

Every aspect of placemaking, where we live, work and play has been affected by COVID-19 galvanising huge changes in our societies, our working practices and leisure time.

Over many years of planning recovery strategies following from incidents like SARS or natural disasters I've advised that there are clear phases to plan for, an immediate crisis response, pre-recovery, recovery phase and post-recovery strategy. I've also always urged that organisations need to be far-sighted enough to be working on longer-term planning at the same time as handling the immediate crisis even if that longer-term is unknown. Throughout each crisis I've ever worked on I've seen creative sparks of innovation and collaboration as organisations and people have joined forces to share knowledge and deliver new solutions to new problems to create a future together.

This has never been more true for placemakers, even though we all face the hardest challenge of our lives.

We all know that placemaking is influenced by many factors including communities, culture, lifestyle, environment commerce, developers, tourism boards and government. In the past we saw too often that place strategies were created in isolation by one sector without wider collaboration or knowledge of other areas. To really understand one, you need to understand them all. So when we researched 50 global placemakers about their response to the current situation we were heartened to see how many have already started innovating and collaborating, sharing knowledge and expertise and working with new organisations and partners to create change. As you'll read, our survey also showed that, as with other crisis, placemakers feel their biggest challenge is planning for the long-term as well has handling immediate issues.

We are committed to sharing our insight and ideas to support placemakers of the future in their recovery and future planning. We hope you find this research paper useful and thought-provoking and we very much look forward to hearing from you.

Together we can create a new future which increases the value of places.

The market in context – what have we seen so far?

The impact of the COVID-19 pandemic has been so severe for places around the world that it can be classified as a 'transformative stressor', according to Tony Matthews, senior lecturer in urban and environmental planning at Griffith University. These rare events have severe and intense social, environmental and economic impacts. They are felt at every level of society and throughout social institutions.[1]

COVID-19 also fits the transformative stressor model because it might not be possible to fully manage it. Recovery planning for place needs to account for the possibility COVID-19 might never disappear.

We have seen across markets that people are responding in different ways according to the stage or severity of the outbreak in their own country, re-evaluating the importance of community. What made a place attractive before may not be so relevant now.

Even as levels of domestic concern drop to their lowest levels since the crisis began and economies begin to increasingly open up in some countries, including France, New Zealand and the UK, the opposite trend in Australia and China shows how quickly concern can begin to spike again, according to five waves of research from GlobalWebIndex of 15,000 consumers in 18 markets spanning mid-March to early July.

Recovery planning for place needs to account for the possibility COVID-19 might never disappear

In the same research we see that significant numbers of consumers globally plan more frequent use of food delivery services (22%), online shopping (49%), working from home (27%) and exercising from home (43%), representing a significant shift in behaviour that will have a dramatic impact on the places where these activities would previously have taken place.

Place leaders now face the significant challenge of adapting for a post-COVID reality and in response to the complex and changing needs of place users, fulfilling their responsibility to create and maintain safe places that minimise risks to public health whilst also delivering profitable places that provide economic benefit.

We have identified three key trends that place-makers can harness as we move into recovery:

1. **A 'bounce forward' approach to building resilience**
2. **Rethinking consumer needs from urban spaces**
3. **Focusing on building sustainably for the future**

References

1| ww.theconversation.com

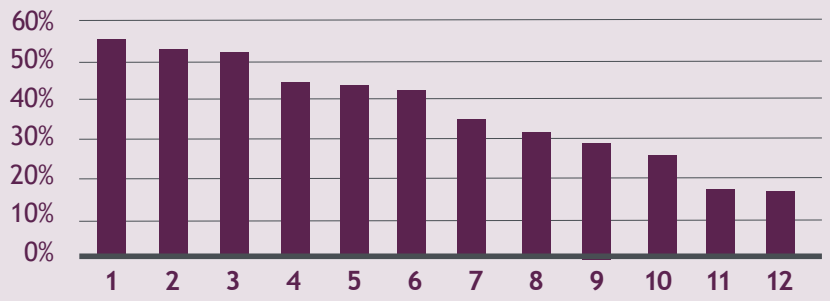
Trend one: placemakers have the opportunity to adopt a 'bounce forward' approach to recovery

There are two key approaches to recovery and building future resilience which have been prevalent in political responses to COVID-19; the equilibrium (or bounce-back quickly) approach, based on 'return to normal' assumptions, and an evolutionary (or bounce-forward) approach, characterised by an emphasis on adaptive capacity and transformation. This distinction between a return to normal and transformation seems central for place professionals as they re-think place-making in the context of COVID-19. While aspects of a 'return to normal' are appealing, such as renewing social interactions, the current crisis has also confronted many people with space to rethink relationships with the places where we live or work.

Placemakers are already starting to respond to this trend. A proprietary survey undertaken by Four Communications in June 2020 found that 90% of the industry leaders are already considering new ways to plan destinations, places and spaces around the world, citing innovation as the key factor for recovery. Seven out of 10 place leaders are already innovating as a result of COVID-19 and a further 16% plan to do so.

However, innovation needs to tackle both the short and long-term challenges facing place-makers. One of the biggest challenges in recovery planning in the short-term for the leaders in our survey was balancing their responsibility to deliver safe places for people to enjoy alongside their duty to protect livelihoods, whilst also preparing for further waves of the virus.

What will be the biggest barriers for you in your recovery planning?



1. Ensuring recovery planning delivers better and looks to the long-term not just the short term
2. Weak economies/ consumer spending
3. Being prepared for second waves
4. Re-envisioning public spaces and the public realm to take account of the need for distancing
5. Balancing safety and the need to protect livelihoods
6. Changing consumer sentiment potentially avoiding cities in the short-term
7. Changing consumer sentiment potentially avoiding cities in the longer term eg work from home spaces / outdoor spaces
8. Lack of funds/ investments
9. Implementing social distancing requirements
10. Changing consumer sentiment e.g. shift online
11. Being ready for both COVID-19 and other issues (eg floods/ typhoon/ earthquake)
12. Other (please specify)

Source: Four Communications

GlobalWebIndex data also shows that those responsible for places are working to counter significantly reduced consumer appetite for returning to public spaces, with roughly four out of 10 people globally saying they are opposed to the reopening of large indoor venues, and a similar number anticipating reduced eating out at restaurants and visits to cinemas.

Perhaps more worryingly for placemakers, we have seen a consistent upward trend in this data over consecutive waves of this research in 12 out of 18 markets surveyed globally. Marketing messages which promote safety, value and special offers are likely to resonate most strongly with consumers at this time, and destinations are now considering how they can provide reassurance and value or promotion-led reasons to visit without undermining their overall value proposition. Here, the targeted recruitment of appropriate partners for collaboration will be key.

These marketing challenges are set against the backdrop of looming potential for further waves of the virus and lockdowns in multiple markets. As such, these very acute short-term responsibilities to react quickly to drive footfall and spend in rapidly changing public health contexts could have the effect of clouding the longer-term view and the potential opportunity that a 'bounce forward' mindset can present for place-makers.

One place leader in our survey highlighted that COVID-19 has presented an opportunity for public and private sector powers to come together to provide the motives and strategy to drive investment for such large-scale change in place. New collaborative initiatives such as the 2019 London Domestic Tourism Consortium which bought together multiple sectors such as retailing, transportation, BIDS, cultural and tourism organisations delivered by London&Partners are models which more organisations could consider in the future.

We see this meeting of minds as absolutely key for the recovery of places, particularly for our cities, whose accessible open and green spaces often cross the boundaries of public and private ownership. Governments and development companies need to collaborate to build a vision for our urban landscape that delivers equitable access and sustainable benefit for all.

To achieve this, it is vital that place leaders are able to understand and adapt to the changing needs of consumers in these settings.

Trend two: rethinking consumer needs from urban spaces

As Harvard economist Edward Glaeser argues, the strength of our cities is that they spur innovation by facilitating face-to-face interaction. They attract talent and sharpen it through competition, encouraging entrepreneurship, and allowing for social and economic mobility.

However, the coronavirus pandemic has thrown some of the systemic inequalities and weaknesses inherent in the places we inhabit into stark relief. COVID-19 is causing transformative change in cities all over the world. Daily parts of city life, like shared seating, busy trains and eating out, have suddenly become threatening.

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We know from our research that four in 10 place leaders see the challenge of re-envisioning public spaces and the public realm to take into account the need for physical distancing as a major barrier to recovery.

This concern is driven by an evident change in consumer sentiment towards urban spaces. We have already seen indicative behaviours emerging which suggest consumers are avoiding cities in the short-term.

In the US, travel experts report a surge in interest in 'drive to' destinations and secluded private rental properties over 'crowded' hotels and resorts[2], and in the UK, one of the most urbanised economies in the world, property experts report a surge in renewed interest for rural living, which is reflective of changing needs for outside space and separate interior areas for work rather than a concrete indicator of a reversal to the long-term urbanising trend.

Key themes from Mapper360® analysis of online conversations around buying, selling and moving house (UK, June 2020)

How has COVID 19 impacted consumer behaviour around buying property or moving?

Time to stop and reconsider how I live

- Having to spend more time with flatmates and neighbours has raised issues for many, making them seek change
- COVID- 19 has made others consider relocating out of the cities or countries

Garden privilege

- This was particularly important for parents and those with pets
- Those that already have gardens have expressed feelings of relief as it's helped them with their mental health during confinement

Need more space

- With more people working from home than ever, many have realised how important space is when you have to stay at home

Being closer to loved ones

- Many have reconsidered the importance of community and being close of home during this pandemic, which may potentially change their home buying decisions

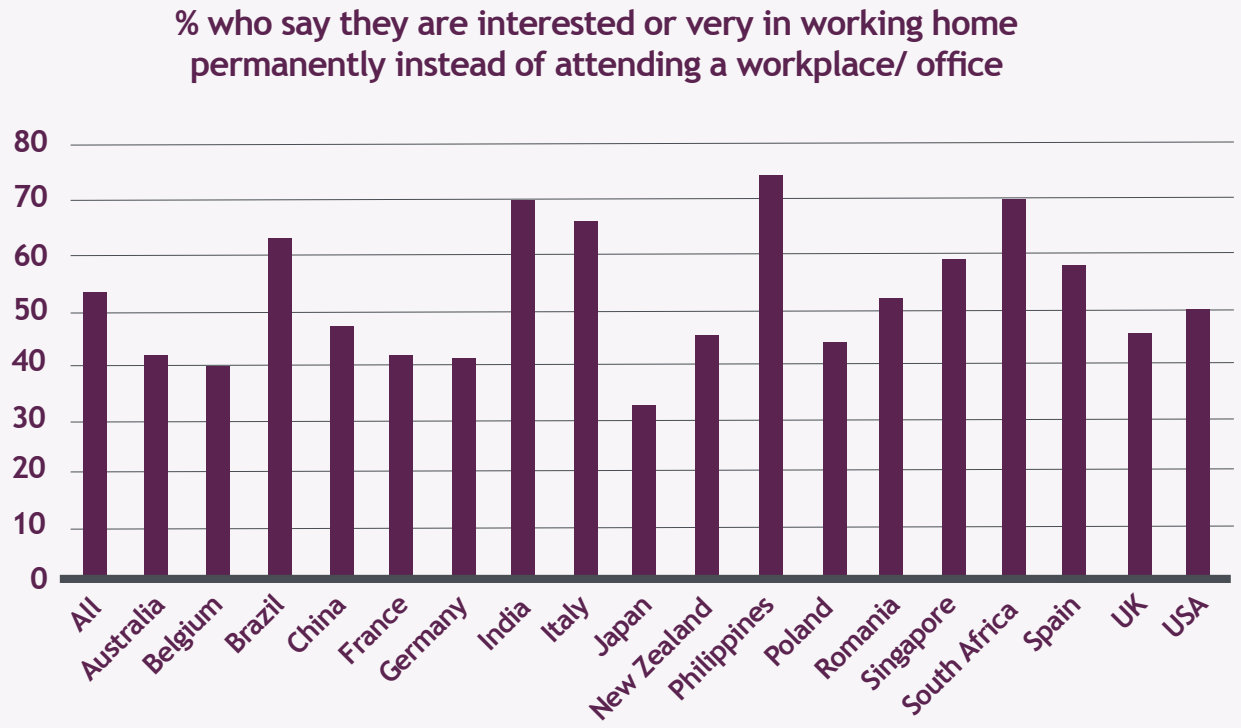
References

2| www.cnbc.com

However looking to the long-term, some of the significant shifts in consumer behaviour which we have seen look set to stay.

There has been widespread, major disruption to the arts and culture sectors, retail, hospitality, large sporting events and international travel and offices spaces. This looks set to continue for the next six months to a year at least. Underpinning this disruption, large numbers of workers who bring our city centres to life are interested in making initially temporary moves to working from home into a permanent arrangement, with 45%, 46% and 50% of consumers in the highly urbanised economies of the UK, China and USA respectively saying they'd prefer this to attending a workplace or office.

Such vast degrees of change to consumer needs from the urban landscape mean that placemakers looking to the future need to consider what a wholesale re-imagining of spaces and places might mean for them as they aim to recover and build resilience to future shocks.



Source: GlobalWebIndex coronavirus multi-market study

If the new normal is one in which leaders are prepared to deal with things like COVID-19, as suggested by Brandon Ambrosino3, then place leaders planning beyond recovery into the future need to examine what the role of their place could be for people in the era of pandemics.

This kind of re-imagining has to be driven by the future-facing innovation we have started to see from place leaders already, coupled with new and more productive partnerships and collaborations across sectors.

We have already seen some signs that place leaders are looking to virtual solutions to bring these partnerships to life and to combat some of the consumer shifts we have described. In doing so, they bring places to people when they are unable to travel. Bill Bragin, executive artistic director, The Arts Center at NYU Abu Dhabi shared in our research that virtual innovations could reach wider audiences than in the past, saying "the virtual space breaks down borders and crosses time zones, which means we can explore partnerships with other performing arts institutions, artists, publications across the globe. Cultural exploration can take on a new meaning, allowing many cultures to watch and be a part of the online community at once"

Place leaders planning beyond recovery into the future need to examine what the role of their place could be for people in the era of pandemics.

Adopting this lens creates interesting new dynamics between people and places, allowing placemakers to continue to develop people's sense of place and their relationships with the aspects of urban life which create place identity even in absentia.

Overall, this sense of access and inclusivity of urban spaces is pervasive in our consumer research and representative of a wider consumer zeitgeist.

Using our proprietary Mapper360® methodology, we have seen that reduced vehicle and pedestrian congestion has allowed people to reclaim the street level, which has driven calls from consumers for more inclusive, people-focused places and not to return to normal.

Sample of verbatim posts of Mapper360® analysis of conversations on lessons from lockdown (UK, July 2020)

Look what happens when the streets is opening up - people don't just use the place to walk up and down. They find space to socialise, sit any enjoy the time with others. We need more people focussed streets post lockdown, movement is not the be all and end all of a successful street.

Make spaces inclusive rather than exclusive just for the wealthy.

We need to design therapeutic urban spaces Martin - places that facilitate mixing, learning and mutual support. Myself and a colleague are doing some academic work on this at the moment.

In many ways lockdown's been great for the society in thats it's made so many more events much more accessible to people across the country, and I think and hope that's something that's going to continue post-lockdown. But it's just great for if you're into debate, ideas and policy.

References

3| www.bbc.com

From a European and North American perspective, this crisis has provided many people with an opportunity to reflect on their relationships with the local environment. Though many of us have been in lockdown, some lockdowns have allowed people to leave their homes to exercise and walk locally. In Ireland for example, residents were restricted to exercising or walking within a 2 km radius of their home, rising to 5 km as some restrictions were eased. This led to a focus on access to greenspace and the quality of local greenspace as a key spatial justice issue. Not every home has useable greenspace within a 2 km radius and not all greenspace is equal in terms of design and quality.

This is a key issue for place leaders and urban planners to address moving forwards. In recent years, calls for cities to focus on health in their planning have been growing.

"For the resilient, sustainable cities we all want and need, urban plans need to be designed, evaluated and approved using a health lens," says Layla McCay, director of the Centre for UrbanDesign and Mental Health.

This brings us to our final trend, which looks at how place leaders can start learn from the lessons of COVID-19 to re-build for the future sustainably.

For the resilient, sustainable cities we all want and need, urban plans need to be designed, evaluated and approved using a health lens

References

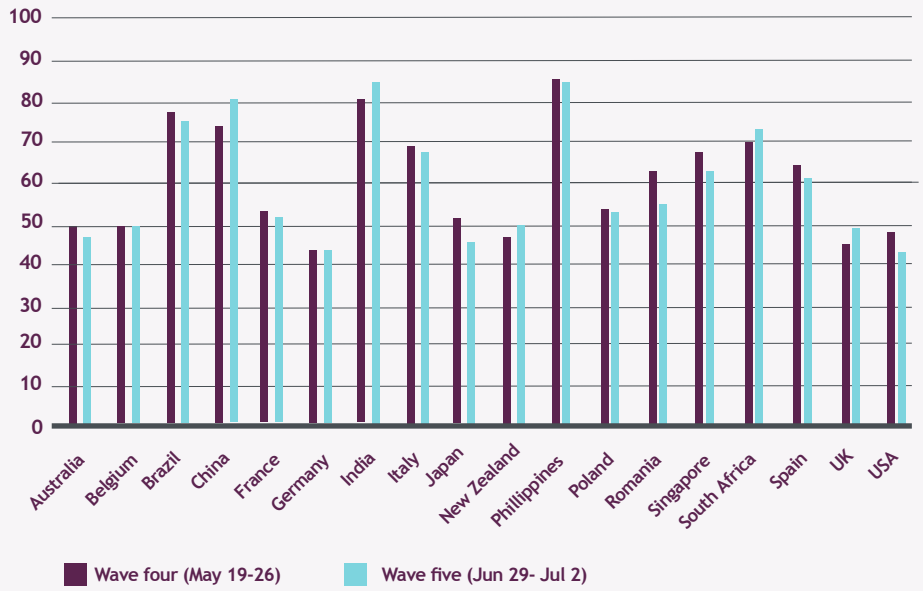
4 | www.bbc.com

Trend three: focusing on how to build sustainably for the future

COVID-19 has increased concern about the climate emergency. 71% of global consumers say that reducing their environmental impact or carbon footprint has become more important to them following COVID-19 according to Four's analysis of GlobalWebIndex research.

Globally, 55% of consumers also reported that they wanted brands to act in more sustainable ways since COVID-19 and 57% said felt reducing single use plastic was more important.

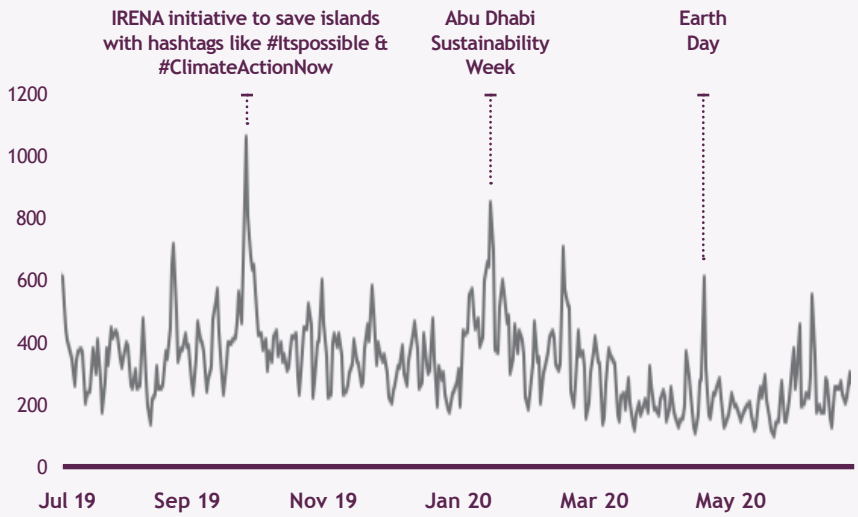
% who say that reducing their carbon footprint/ impact on the environment is a lot or little more important because of coronavirus*



Despite the findings of the survey research, we have found in our Mapper360® analysis that in the UK and UAE, conversations around sustainability and climate change decreased dramatically once COVID-19 started to dominate online conversation.

In the UAE, we saw more than a 50% drop in sustainability and environment mentions in online conversation between January and May, after an initial peak driven by Abu Dhabi Sustainability Week in January.

Mapper360® quantitative analysis of conversations on environment and sustainability (UAE, July 2020)



*Source: GlobalWebIndex coronavirus multi-market study

A similar trend was seen in UK data on the topic, although notably we were able to see that coronavirus has given consumers a new perspective on the climate emergency. People are calling out institutions for not building environmental considerations into their recovery plans, and this is a valuable lesson for place leaders rebuilding for the future.

Many of the perceived environmental benefits emerging from the COVID-19 crisis (e.g. decreases in carbon emissions, local air quality improvements etc.) have been unintended and accidental outcomes. Moreover, the evidence from China suggests that some of these benefits may be short-lived, with an air pollution rebound as the economy begins to recover, with levels of health-harming air pollutants exceeding pre-crisis concentrations (CREA [Centre for Research on Energy & Clean Air], 2020)[5].

How place leaders seize the reset opportunity of COVID-19 to reorient their environmental goals will be under the microscope for many markets globally, based on the trends seen in GlobalWebIndex data. Consumers will be looking to brands, developers and place leaders to show willingness to try and make some of the unintended environmental benefits of coronavirus more permanent features of places.

Sample of verbatim posts of Mapper360® analysis of conversations on environment and sustainability (UK, July 2020)

Coronavirus is a catastrophic health emergency that has sparked the worst economic crisis in a century. My fear now is that if we try to beat this pandemic with the wrong policy responses, we will deepen the climate emergency, too.

Centre for London Blog >> *In 2019 the UK declared a climate emergency but coronavirus has put this on pause. How can we prevent disastrous inaction on climate change through the coronavirus crisis?*

As the urgent battle continues with the Coronavirus pandemic it's important not to lose sight of the climate change emergency and UN Sustainable Development Goals.

It's disheartening to read @britishchambers make no reference to environmental considerations in their recovery plan. The climate emergency hasn't gone away! Coronavirus lockdown: Business group calls for phased easing.

@dwakkacewells: 'I think there's real potential for this to reorient our basic perspective on the planet and one another. Like climate change, one of the major lessons of the coronavirus pandemic is that we all live within nature"

What if the #coronavirus is nature's way of forcing us to pause and reflect on how our actions have contributed to climate change

Today is the 50th Anniversary of #Earthday. Please let's not take our eye off the climate emergency as we seek to respond to Coronavirus and a collapsing economy.

References

5 | www.tandfonline.com

For example, there's been a global explosion in cycling, with cities around the world transforming empty road lanes into cycle paths. Whilst many of these changes have been a short-term fix to public anxieties about public transport during a pandemic, there is evidence that consumer demand for access to these spaces will continue and grow. Walk-ability is of growing importance for people looking to relocate, and safer cycling spaces are a green alternative to driving, decreasing the strain on overtaxed public transport. Demand for reallocating public space to active transport was felt particularly strongly in Italy (84.2%) and Spain (83.2%) and more moderately in Germany (64.1%) and France (76.1%), according to YouGov data. Promoting active transport is a major strategic focus for Transport for London.

The mayor of Athens, Kostas Bakoyannis, is one of several city leaders who has ambitious plans to take these lessons from lockdown forward into the city's urban rejuvenation, and has plans to allocate 50,000 square metres of public space for cyclists and pedestrians: "We have this once-in-a-lifetime opportunity and are fast-forwarding all our public works[.] The goal is to liberate public space from cars and give it to people who want to walk and enjoy the city."[6] There are similar plans being reported in Berlin, New York, Bogota, Paris, Sydney and London too.

Cities around the world are reimagining how public space can be better used for residents and contribute to the overall goals of places to become more sustainable. In our paper on **the impact of COVID-19 on the luxury sector**, we reported that domestic markets were becoming increasingly important for brands and destinations that had previously relied on spend and footfall from international visitors. There has also been a huge shift towards 'active travel' which focuses on exercise and activity as key parts of the tourism experience. When combined with anti-obesity measures such as are being implemented in the UK, this may become even more crucial in the future.

As international travel looks set to continue at a reduced rate with a significant preference for domestic travel and visitation prevalent in our research, many place-owners and destinations globally that had previously been reliant on overseas visitors must now look closer to home to how they engage domestic consumers more effectively.

Aligned with the trend for innovation and forging new partnerships and collaborations between public and private sectors, and between organisations internationally, shifting organisations from marketing to sustainable destination management was also a strong theme in our research.

For example, Timothy O'Donoghue, executive director of the Riverwind Foundation, the managing organisation for the Jackson Hole & Yellowstone Sustainable Destination Program, envisions creating a destination management organisation and council comprised of "representatives from federal, state, and local government; local business; NGOs; and schools for developing and implementing a sustainable destination management plan."

Places which are able to re-focus on sustainable destination management and stimulate engagement from both top-down and bottom-up stakeholders will be well positioned to create places which more effectively balance the needs of local and domestic place users and international audiences.

People are calling out institutions for not building environmental considerations into their recovery plans.

References

6 | www.citynationplace.com

Four's key strategic outtakes for marketing and communications.

01 Understand and track fast-changing consumer sentiment so that messaging, whether delivering reassurance or inspiration, truly resonates

02 Take advantage of this re-set moment to review long-term objectives of place strategy and appraise overall place positioning ready for recovery and post-recovery phases of the crisis

03 Listen to what your consumers and stakeholders need from places and how they have experienced place during lockdown, and use this data to inform recovery and long-term place planning

04 Collaborate with partners and stakeholders to share knowledge and experience to better respond to the changing context of COVID-19

05 Explicitly build environment, sustainability and social value commitments into recovery strategies to future-proof for changing consumer expectations in these areas

For a 30 minute consultation to see how we can support your placemaking strategies around COVID-19 and recovery, contact our strategy team **here**

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