

24 April 2020 bulletin

Coronavirus, communications and the built environment

The world's most valuable sector is responding to unprecedented challenges posed by the coronavirus pandemic. To help brands, organisations and cities navigate this fast-changing world, [ING](#) is producing a fortnightly intelligence bulletin tracking innovations and emerging trends. This will emphasise how the built environment sector is remaining resilient in atypical times while supporting recovery preparation. COVID-19 continues to impact how we communicate, live and work, with a growing prospect that [some behavioural change may be positive](#).

GLOBAL RESPONSE

Only a handful of countries, including [North Korea](#), [Tajikistan](#), [Turkmenistan](#), and [Lesotho](#), and islands generally difficult to travel to have not [confirmed cases](#); Iceland's depth of testing of its small population may see it emerge as an [important case study](#). The [USA's freezing of WHO funds](#) may indicate its ability to produce [soft power](#) by generously funding global institutions is waning. It may also [reposition the UK](#) as the WHO's most important national funder during the crisis. However, countries on all sides of the pandemic are likely to engage in [shifting-blame diplomacy](#) and the brands of many powerful nations may [struggle to recover](#). Singapore's [second wave](#) highlights the importance of providing [quality accommodation and services](#), especially to vulnerable groups. There is growing concern among governments that economic hardship could lead to [social unrest](#), particularly where [conditions of inequality](#) exist.

It is likely global markets will need to be significantly recapitalised. The IMF has suggested [wealth taxes](#) to fund the pandemic responses to ensure inequality and long-term debt don't [slow recovery](#). The UAE [exempting medics and patients](#) from Ramadan fasting highlights how leaders around the world are needing to delicately balance national norms with public safety. Malawi's High Court [suspended a government lockdown](#) given the risk of starvation, adding to the debate about the link between closing economies and [saving lives](#). A [poll of 14 countries](#) suggests climate change action and green infrastructure should be prioritised in economic recovery, which may provide [long-term advantages to these economies](#). Several countries, regions and cities are in the process of [easing lockdown restrictions](#), including using [antibody testing](#), however [large international gatherings](#) will likely continue to be cancelled or postponed. While some countries may [limit immigration](#), several are easing restrictions, particularly for [migrant medical professionals](#). In practice, the closing of visa centres in many countries ([including the UK](#)) may have [long-term implications](#) for retaining and attracting talent needed during recovery.

GOVERNMENT RESPONSE

The Danish, German, Dutch, UK, and Swedish governments have provided the [widest national policy support for business in Europe](#). However, only Germany scores as highly for [treatment efficiency](#), highlighting the challenge many nations face in integrating coherent leadership

across all areas of government. [Germany's handling of the pandemic](#) may encourage countries to consider the impact fragmented governance may have had on making it less easy to contain the pandemic in nations like the UK, while [San Francisco's](#) early successes may increase calls for strong local leadership. Crisis may also be an opportunity for mayors to assume leadership responsibilities.

The UK has extended its emergency lockdown powers for a further three-week period. These will end on 7 May unless they are again extended because a new “[five tests](#)” approach isn't met. It is likely government may expand [guidelines](#) to allow for a staggered return to work, with more granular level advice on how to operate businesses safely. There is an emphasis on sustaining short-term changes in behaviour to avoid a second wave of infections so more economic sectors can function and to avoid future lockdowns. In this regard, some form of social distancing may be retained [until a vaccine is developed](#) or a [drug found to reduce severity](#). Human vaccine [trials are underway](#). Political and scientific tensions are expected to continue challenging the complex trade-offs between [economic](#) and [personal health](#). [Testing and tracing](#), seen as an important step to sustainably lifting restrictions, will likely be trialled in a remote part of the UK soon, in some ways replicating examples like Iceland.

The housing and construction sectors have already had significant input into government policy, with activity slowly restarting. A measured return to offices will likely follow. Encouraging the reopening of more DIY and hardware type stores is key to ensuring the supply chains needed to build are active. Government is also exploring how to encourage large organisations to on-shore more manufacturing to shorten supply chains and increase resilience. The challenges around [procuring](#) and distributing [PPE](#) show how important this can be. Demand for facilities

to house these activities may expand quickly. Efforts to [get local production activated](#) are ongoing: plasterboard is now being produced. More local manufacturing and production may have significant employment and sustainability benefits, however, it may also lead to some price inflation.

There is a strong desire to offer direction on schools and shops in the very near future. New regulations also protect high street shops from [aggressive rent collection and closure](#). Policymakers are also considering the impact changes in commuting patterns and lifestyles may have. It is possible policy allowing schemes providing [limited space to live](#) may be reconsidered.

COMMUNICATIONS RESPONSES

COVID-19 continues to dominate across all channels, but as many Western nations experience peaks and falling death rates, the conversation is maturing into post-lockdown futures. The economic aftermath, easing restrictions and what we can expect from governments by way of aid and investment are key topics. The [FT's country tracker](#) is still one of the most recognisable graphics of the crisis. Bringing coronavirus coverage out of the paywall has seen these graphs widely shared and referenced. The Guardian received [2.17 billion page views for March](#), an increase of over 750 million on the previous record set in October 2019. Boris Johnson's [lockdown address to the nation](#) on March 23 was one of the most-watched broadcasts in UK television history, with more than 27 million live viewers, rivalling the 1966 World Cup final and the funeral of Princess Diana.

The sector press too has seen strong engagement with news stories as the real estate market is challenged by falling rent collection and rapidly developing government responses. Technology is a focus as the future

of the world of living and working in the built environment is reimaged, both in terms of personal and building tech. Where journalists once questioned data collection and privacy issues around facial recognition, the language has changed, suggesting COVID-19 infection fears trump other concerns. Estates Gazette has released a dedicated technology newsletter, [Halo](#). With many industry media companies taking advantage of the government's furlough scheme, journalists who remain active are even more pressed for time and are relying on well-developed stories and releases. There remains strong opportunity for intelligent comment and considered stories. The balance of good news, charity work and intelligent comment is the key to coverage at present.

The [European Media](#) illustrates the ways in which COVID-19 'hotspots' are completely dominated by news of the virus, and frontline and political response, with other countries experiencing up to 35% less coverage of the issue. It has also tracked how disinformation and myths have become hotspots too. Fact Checkers are working around the clock to debunk fast-spreading myths, such as smoking protecting against the virus and ongoing claims of a link with 5G. Full Fact, the UK's fact checking agency, has developed a section [dedicated to coronavirus](#), with disinformation spreading quickly via WhatsApp, Twitter and Facebook. Trust in journalism [around the crisis](#) is also weak. America's Politifact from the Poyner Institute spends much of its efforts clarifying the statements of [President Donald Trump](#), and dating and correcting viral photographs of [crowded places](#) and demonstrations. Political reporters are bracing for a 'spin' or propaganda like response from governments who have mishandled the crisis.

SOCIAL MEDIA & EVENTS

It has been a key two weeks for technology. As the world settles down to home working, teaching, and socialising, it is getting used to technology providing a main route to the outside world. [Amazon](#), [Google](#), [Apple](#) and the social media giants are facing increased scrutiny and policy opposition even as usage soars to levels previously unseen. In Australia Google and Facebook have been ordered to [share ad revenue against news content](#). Yet these organisations are also collaborating with governments; and working to bring their data capabilities to support the tracking and monitoring campaigns considered to be the only way out of lockdown. As the crisis seems to spiral in the USA, the founders of Instagram have developed an up-to-date tracker of how quickly the virus is spreading in each state. [Rt.live](#) uses the 'Rt measurement' to compare transmission rates between US states. The higher above 1, the faster infection spreads, while a number below one shows the virus receding. For example, Georgia has the highest, most dangerous score of 1.5 while New York is down to 0.54 thanks to aggressive shelter-in-place orders. By illustrating how even small differences in policy and compliance can exponentially change the severity of impact, it could help convince people to stay inside, and influence policy decisions as governors balance science with popular opinion.

In Helsinki the city is preparing to use its [digital twin](#) to keep the city safe and entertained on the biggest holiday of the year. This [May Day](#) a popular rap band will perform in virtual reality as citizens choose an avatar and join in the town square. Inspired by the video game Fortnite, the event is a testbed for more virtual cultural and business events as the city seeks to capitalise on [long-term digital and data investment](#).

Social media engagement remains strong. However, its capacity for spreading false information is a growing challenge. In the UK the [5G conspiracy theory](#) has been consistently debunked but is rife, including on closed ecosystems such as WhatsApp. On Twitter COVID-19 virus comments continue to dominate. The most mentioned English sources were the New York Times, the Washington Post, Fox News, NBC News, and the Guardian. Infobae, El País, CNN, Le Parisien and Le Monde were among the most mentioned Spanish and French sources, respectively.

Channels remain important for digital marketers who are seeing [opportunities in closed channel ecosystems](#) as people seek information, recommendations and entertainment. Brands that are successful are empathetic, flexible, and focused. For most brands it is not a time for new markets or segments but rather consolidating existing relationships. As budgets are cut, [influencers are responding](#), but marketing via personal recommendations is holding. The brands that are gaining most are [Netflix](#), Hello Fresh and other food delivery and entertainment focused offerings. It's not all sitting inside and eating though, some [viral sports](#) are capturing the imagination too.

Dezeen shot into the [top 3,500 websites](#) in the world according to ranking site Alexa. Its visibility in the USA has peaked in response to its international virtual design festival, where despite occasional technical hiccups, take-up has been strong. Partnerships have earned Dezeen a lucrative income stream in exchange for visibility through its website and social media platforms. Online events are gaining traction, but well prepared and thought-out events, with consistency and regularity, are faring better in terms of take-up. The Negrone Talks had strong take up for its first Zoom talk, with participants sharing their [home made Negroneis](#) on social media before settling down to debate, and the Architecture Foundation's

[daily studio series](#) continues to attract strong engagement. It has suffered from [Zoom bombing](#) though, with rogue participants drawing an obscene gesture on the whiteboard.

ING ran its first online event on behalf of charity partner the [Stephen Lawrence Trust](#). The successful online campaign and event for Stephen Lawrence Day resulted in 26,506 social media mentions in the seven days leading up to and including the national day and coverage across national and built environment media, including [The Times](#), [The Independent](#) and [ITV](#). The [hashtag](#) trended in London and the hour-long online seminar saw over 130 people tune in. Making event videos available post-event creates more opportunities for engagement.

CREATIVITY

An outpour of creativity across the globe has been used as a way to communicate, connect and cope with the current situation, which could spur [Britain's most creative period since World War II](#). Constraint and boredom is a [potential trigger for innovation](#).

The impact of the crisis on creative industries has been considerable, but it has also demonstrated the resilience of creative minds to help others navigate change. Creative agencies, media outlets and artists are [addressing the pandemic](#) directly, using creative communication [to educate, inform](#) and [uplift](#) the public during the pandemic. Those suffering creative blocks are being encouraged that this is a [normal response to stress](#). [Not Fur'Long](#) offers creative support to help small business and brands survive, the [Creative Industries Federation](#) is offering free memberships, while continued pressure is placed on governments [to support creative workers](#). Cities around the world, like [Mexico City](#), [London](#) and [Helsinki](#), are supporting and identifying creative solutions through global networks.

Urban infrastructure, [billboards](#), and the built environment have been [transformed into canvasses](#) to [spread messages and symbols](#) of support. In Vancouver, the city council is [collaborating with mural makers](#) to share information with the most vulnerable, while in Chennai [drawings are used to promote social distancing](#). Urban places are rethinking how they are positioned, [digitally](#), in [creative documenting](#), and by [capturing this historic moment](#). People responding to COVID-19 with [mash-up content](#), and an ongoing focus on more [sustainable building](#) typologies, may see design preferences that consolidate what people already know to be 'true' about the world. The way people interact with the built environment may become [more playful](#): 'no ball games' or 'no public right of way' type signage may need to be reconsidered.

Creative communication can also be an act of generosity that can [demonstrate great empathy](#) while preserving [authenticity](#). Crisis has provided opportunity to reassess how and what we communicate. Simplicity and honest reflections are key. Visual journalism, data visualisation, bold messaging, and experimentation with different mediums help us transcend language barriers.

Whether the current flow of creativity will continue to such a degree is uncertain. What the pandemic has highlighted is that creative communication is a vital tool that can help to [save lives](#), connect people and places, and engage the widest of audiences. Retaining and rewarding creativity may be crucial to recovery.

BUILT ENVIRONMENT ORGANISATION RESPONSES

Many in the built environment sector continue to have a long-term view of the world, believing it will emerge from crisis [more innovative and creative](#) than before. Some inspiration will come from Asia, which has a longer history of

using [antimicrobial materials](#) after the 2002–2004 SARS outbreak. This may see demand for architects with experience, particularly from China, Singapore and South Korea, increase, as well as the competition from these markets. Some prime buildings have already begun retrofitting materials and surface treatments to ensure asset value is protected against future crisis. [Sunlight, ventilation and understanding the impact of humidity](#) may become increasingly relevant. Touch-based authentication for payments and access will be increasingly replaced with forms of facial recognition or smart phone integration. The acceleration [away from cash](#) may further reduce [bank](#) and ATM coverage. Digitalisation, which can show that [a higher percentage of people are moving in London](#) during lockdown than in New York City and Paris, may have significant advantages for cities and planning, provided this can be integrated locally and [widely shared](#). Real estate investors and organisations may need to integrate social and technology solutions to ensure tenant needs are being met. Expect the smartphone, as a [primary sensor of activity](#) inside buildings and for those working remotely, to become more important. Creative applications may see [plants used as an early warning](#) of the health of a building. People will increasingly want to see evidence of a building's [wellbeing and sustainability](#) designed into physical space to feel safe. Japan's [hiyokechi parks](#) illustrate this idea at a city-scale.

As studies continue to link [mortality with pollution](#), reducing [building](#) and [transport](#) emissions becomes key to improving air quality. Milan, whose mayor is [chairing a global effort](#) to improve health, equality and climate, is simply [replacing cars with bicycles](#). Many UK councils want to accelerate measures to [restrict car usage](#), which will impact on how we design infrastructure, places and buildings, but may also open up public car parks for more creative uses. These will need to be revenue

generating to [make up the shortfall](#). Cities across the world have created emergency bike lanes, while others have made pedestrian crossings *on* by default. [Play streets](#) and [wider footpaths](#) have been proposed to boost retail and give more people access to outside space. In Singapore [tape is being used](#) decoratively to encourage social distancing. Amsterdam wants an economic recovery that doesn't [disadvantage people and planet, locally or globally](#). This suggests [placemaking](#) will change and schemes may need to review how destinations are created. High streets may become more important public spaces, especially for schemes and homes lacking quality [outside space](#). Building a more resilient, humane urban life will require recognising that [inequality rather than density](#) needs to be addressed. In London, [BAME communities have been disproportionately affected](#) by the crisis, however, [poverty had already been tracking upwards](#) before it started. [Real estate developments and policies](#) encouraging more families to stay in cities [like London](#) will be important to retaining economic vitality, as will [ensuring more diversity](#) within the built environment industry.

The Greek crisis, which started in 2009, arguably saw Athens [reinvent itself as a cultural capital](#). Detroit's bankruptcy in 2013 to one of the US's [coolest cities](#) is another case study of how [governance](#) and [investment](#) can lead to reinvention. Wuhan may be illustrative of [consumer behaviour change](#) impacting on the mix of uses. However, smaller town centres and highstreets may have a long-term boost from consumers getting used to and rediscovering shopping locally. New demand to work remotely from local centres may create new opportunities for co-working providers and [public buildings](#). Reduced rents and business rates may lead to opportunity for greater vibrancy and creativity provided the tenant mix increases. Strategically gifting space may become an important part

of making city centres more creative and increasing innovation. As the built environment finds it less easy to increase productivity through the intensification of space, ideas will become increasingly important to sustaining economic growth. This may help make up for any productivity lost from [de-densifying workspaces](#). However, office space designed to [support core productivity needs](#) alongside seamless virtual interaction may boost productivity, while also increasing the [demand for office space](#) in the medium term. Working from home may also be more productive than expected: call centres operating remotely for example have seen a significant spike in productivity. During the crisis, [creative leasing terms](#) may, however, be required to secure occupiers and [rent relief](#) to retain tenants [struggling to pay](#).

Home design may change too. More home cooking means more storage and may make bar-fridges and microhomes layouts less resilient to consumer change. As more people work from home, the [quality of housing stock](#) comes under greater scrutiny as its link with economic performance becomes clearer. [Balconies](#) and outside space will become more important, possibly reversing a trend in converting terraces into flats, while heritage protection may become secondary (or require greater flexibility) as buildings are retrofitted or redeveloped with healthier specifications.

As [house sales drop](#), government may [extend Help to Buy](#) until April 2021. Calls for a stamp duty holiday may make it harder for first-time buyers to enter the market, while slower transaction volumes may provide a strategic opportunity to transform [conveyancing](#), [Land Registry](#) and surveying to make buying cheaper, quicker and easier. [The Furlough scheme](#) and mortgage holidays may [protect against housing price deflation](#). Rents, however, may fall, as this segment is [more exposed to income shocks](#) unless [protections](#) are [put in](#)

[place](#) and successful. The perceived disconnect between [home owners](#) (and sometimes [second home owners](#)) and tenants may increase calls for more equitable access to homes. Stronger protections for tenants, like inflation-capped increases, rent-to-own schemes, or limitations on eviction if a tenant wishes to renew a short-term agreement, may get greater attention. In Q1 Ireland had [higher built-to-rent transaction volumes than offices](#) suggesting what may be a growing appetite for quality apartment schemes. However, housebuilders will likely take longer to [restart work](#) than contractors given the [slowdown in sales](#). In London, at least a [third fewer homes](#) may be completed in 2020 compared to previous years.

London's [largest commercial letting in a year](#) has been agreed. [Notice to proceed with HS2 construction](#), ongoing work on the [Tideway Tunnel](#), and the [reopening of major construction sites](#) highlight efforts to safely continue with activity, including calls to designate construction workers as [essential](#). A significant [pipeline of activity](#) highlights the critical role this sector will play in recovery, however, weighing up worker safety against completing schemes on time has placed some organisations under significant legal challenges.

[Switching road budget to fibre](#) may be a game-changer for the UK's ability to [compete internationally](#); terminating fibre into [homes and buildings](#) and replacing legacy copper will be increasingly important for real estate values. However, the UK's relatively [lower roads density](#) means infrastructure projects focusing on physical connectivity (including rail) as opposed to capacity will remain important. Governments across the world may need to [inject money into public transport](#) infrastructure as fare income contracts, however, new working patterns may allow some cities to distribute existing capacity more efficiently across the day when lockdowns end.

PLANNING

New London Architecture's annual [London Tall Buildings Survey](#) details a record 60 tall buildings of 20-storeys or more completed during 2019. Uncertainty arising from COVID-19, [Brexit](#), possible future [Grenfell Tower Enquiry](#) recommendations, and discord on housing delivery between [MHCLG and the Mayor's London Plan](#), suggest that a [four-year trend of falling numbers](#) of planning applications and starts-on-site for high-rise construction will continue. Architects are campaigning for a [ban on cross-laminated timber and glulam to be reviewed](#). (This also highlights that non-COVID industry news is still attracting headlines.)

Mayors of UK city regions have agreed to ensure that work to make buildings with potentially flammable cladding safe continues. Up to [23,700 households](#) may still be at risk. The Planning Advisory Service has encouraged councils to [not withdraw local plans](#) currently out for consultation, and has confirmed that Community Infrastructure Levies still need to be paid on [developments that have commenced](#). However, there have been industry-wide calls to [defer CIL payments and to extend all planning consents due to expire](#) for at least six months. There is also growing private sector advice on how to not shut-down activities completely to reduce the delay this will cause to recovery. However, it is likely onsite inspections and supply chain disruption will cause delays to some projects.

While the first completely virtual planning committee [provides a case study](#) and others show [unfortunate challenges](#), an interactive map records the range of measures adopted to maintain social distancing by local planning committees across the UK. Recent approvals include a [£250 million mixed use film studio project](#).

MARKET RESPONSES

China's over four decades of unbroken GDP growth ended with a [6.8 per cent drop in the first quarter of 2020](#). Australia, which had the longest growth streak for a developed nation, will likely see this run [ended with a recession too](#). It is likely some segments of the global economy will suffer a prolonged [U-shape recovery](#), however, some analysis suggests sectors like the UK commercial property may [quickly recover](#).

Despite a deal to cut production, global oil prices [continue to sink](#). A shortage of storage facilities saw the US price briefly [drop into negative territory](#) for the first time in history. However, green and ESG assets seem to have [weathered the short-term volatility](#), suggesting the long-term funds needed for green infrastructure may be assured. Facebook's [considerable investment in an Indian telco](#) may indicate a refocusing of tech growth East, but data on 400 million customers may also help diversify what we know about consumer behaviour. Conversations about the security risks posed by concentrating global technology platforms and hardware in a handful of nations will expand. However, technology exploiting 'spare capacity' in [mobility, housing and offices may not be as resilient](#) as initially thought.

FINAL THOUGHTS

["In fiction, characters go on journeys, they are changed by events. In real life characters often remain stubbornly immune; life-changing events can leave lives oddly unchanged."](#)

Yet it seems the ongoing crisis is both accelerating change and producing divergence. Feeling a [stronger sense of local community and a greater appreciation for food and clean air](#) suggests some of our interaction with the world will change. This complexity, physical isolation, and time to reflect may have a

profound impact on what we hold dear too. Even those of us fortunate to not have suffered loss may still experience grief as we emotionally prepare for uncertainty and change. [Increased tipping](#) shows our sense of what is valuable may have already shifted.

It is likely project-focused deliverables, which are more manageable during periods of rapid change, will become more important while people, keen for connection and solutions, will be more open to ideas and experiences. However, we may also become more critical and less trusting given growing awareness of [fake news](#), increasing the need for organisations, brands and cities to consider how to have a sustained, honest conversation in these atypical times.

ing.

Contact Us

LEANNE TRITTON
LEANNE.TRITTON@ING-MEDIA.COM

T: +44 (0) 20 7247 8334
M: +44 (0) 77 4710 4435

ING MEDIA LTD
21 CURTAIN ROAD
LONDON EC2A 3LT, UK

TWITTER: @INGMEDIA
INSTAGRAM: @ING.MEDIA
LINKEDIN: ING MEDIA

ING-MEDIA.COM