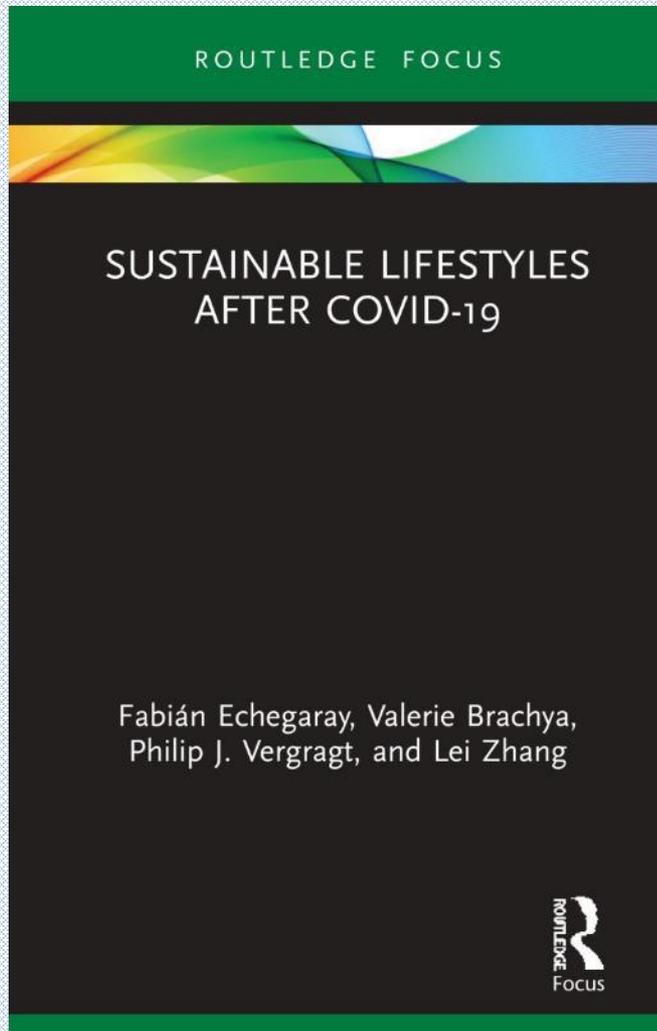


Sustainable Lifestyles after Covid 19



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Covid 19 Disrupted Lifestyles

- Disturb/loss of daily routines
- Removed conceptual barriers
- Created opportunities
- Behavioral experiment
- Reevaluation of what is essential
- Revaluation of governmental intervention

Normal was Unsustainable

- Consumption increasing with income
- Beyond planetary boundaries
- Risks of climate change
- Loss of biodiversity

Not solved by technology. Need changes in lifestyles and transformations of physical, financial, economic and institutional infrastructures

Normal was Sustainable

- Increasingly urbanized population
- Progress towards alleviating poverty
- Improvement of public transport
- Experiences replacing possessions
- Digital replacing physical
- Rise of Sharing Economy
- Young moving to smaller private space, increasing use of public and commercial spaces, urbanity

'Back to Normal' or 'New Normal'

	Brazil	China	Israel	New Zealand
Social implications	52% responded anxiety 20% increase in reported domestic violence	Some indication of increasing divorce rate	33% responded anxiety Increase in complaints of domestic violence	20% increase in calls related to domestic violence, likely rise of mental health issues
Social connectivity	Comeback of telephone Heavily digital-mediated (Zoom lives, Houseparty) No social distancing in slums (non-feasible)	Internet Community gardens	Zoom Balconies Community gardens	Zoom
Entertainment	Online	Online gaming and streaming	Online streaming	Digital goods such as media, books, movies and music
Food	33% increase in home cooking Excess eating and alcohol intake	Online groceries Cooking apps, Home cooking Eating more	Increase groceries	Supermarkets increased sales by 40% in lockdown, increased cooking and baking
Non food consumption	Significant reductions, except for home entertainment and household supplies	Significant increase of kitchen utensils, home healthcare equipment, etc.	Significant reductions	A push to buy local. 18% less spend at international retailers

China went Online (Zhang)

Increase of “homebased economy” or “cloud economy” based on internet

The home economy driven by a new generation of digital infrastructure

疫情限制了“场经济”、接触经济，催生了“宅经济”“非接触经济”，云学习、云办公，云开市等新业态。新一代数字基础设施从消费端到供给端、从生活场景到办公场景的全面升级。



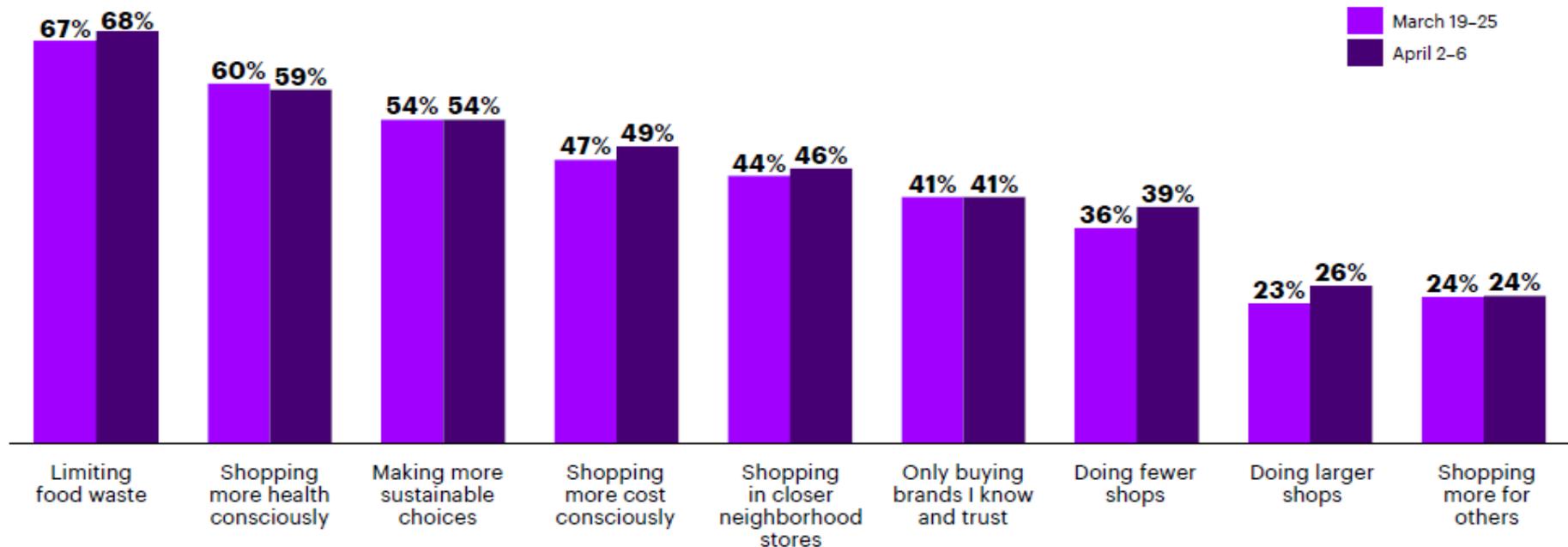
Source: Alibaba data Feb. 10-23, 2020

Will habits change permanently?

Figure 5. Consumers expect changes in shopping habits to be permanent

Consumers expect their shopping habits to change permanently

Limiting food waste and shopping more health consciously are the top two priorities for consumers
Proportion that agree or significantly agree with statement and are likely to sustain this post-outbreak



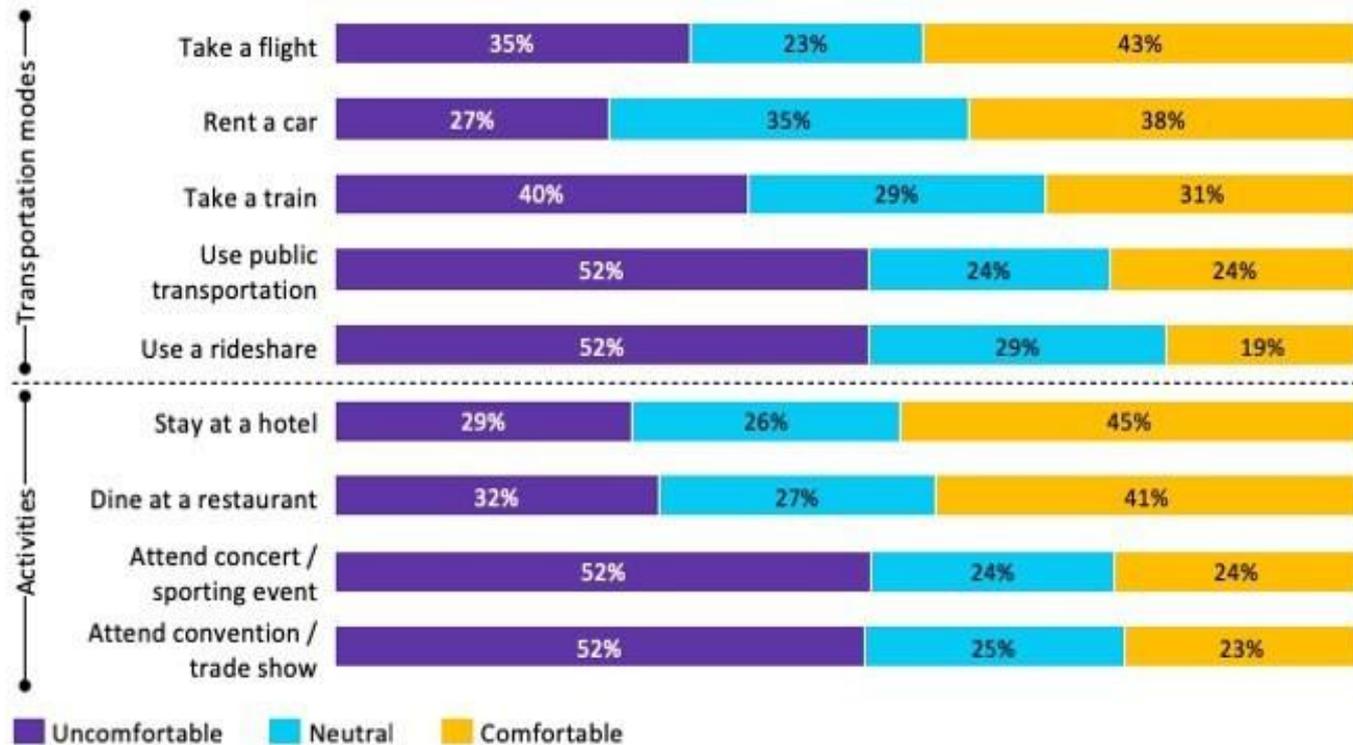
Source: Accenture COVID-19 Consumer Research, conducted March 19-25 and April 2-6

People not going back to normal

COVID-19 CONTINUES TO MAKE CONSUMERS WARY OF SOME ACTIVITIES

After the COVID-19 outbreak ends and travel restrictions are lifted, how comfortable will you feel doing each of these activities?¹

Percent of respondents, (n=4,594)



1. Uncomfortable = "Very uncomfortable" or "Somewhat uncomfortable"; Comfortable = "Very comfortable" or "Somewhat comfortable"
Source: Oliver Wyman Traveller Sentiment Survey, Oliver Wyman analysis

Consumer Behavior

Ipsos March 2021 (24th survey wave)

Do you expect to go back to previous routines or adopt new routines

23% going back

36% adopt new routines +10% getting used to new conditions

- Public transport use or will use – 10% used, 28% will use within 6 months, 63% not expecting to use
- Spending or saving – 27% spending more, 42% saving more

Ipsos USA March 2021

6. Now thinking ahead to this summer (the summer of 2021), how likely, if at all, are you to do each of the following?

Total Likely Summary

	3/15-16
Dine out at a restaurant	78%
Go to a shopping center or mall	74%
Go to an outdoor event like a farmer's market, art fair, or sidewalk sale	68%
Go on any overnight trips, by car, more than 100 miles away	59%
Go on any overnight trips, by car, less than 100 miles away	58%
Travel by plane within the U.S.	39%
Send your child(ren) to camp	(N=313) 37%
Go to a sporting event	34%
Use a ride sharing service	27%
Travel by plane internationally	21%
Go on a cruise	15%

Tel Aviv

Google Community Mobility Report 16.4.21

Retail & recreation

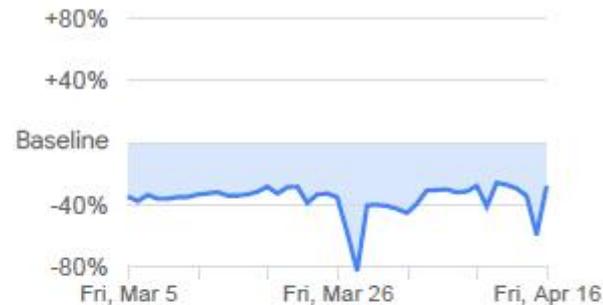
-12%



Transit stations

-28%

compared to baseline



Workplaces

-20%

compared to baseline

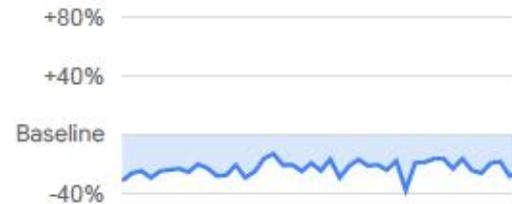


New York

Google Community Mobility Report 16.4.21

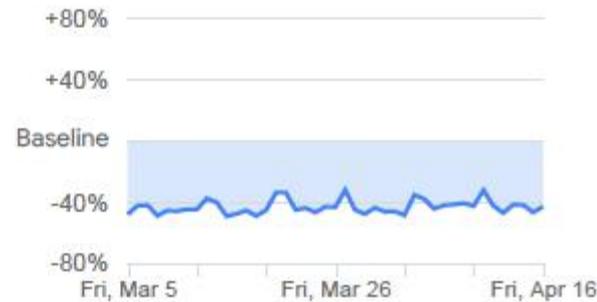
Retail & recreation

-25%



Transit stations

-43%



compared to baseline

Workplaces

-34%



compared to baseline

Post Vaccination

IBM 'An Injection of Hope' 8.4.21

Together again

Once they've received the vaccine, global consumers plan to visit a variety of venues more than they did during the pandemic.

Live sporting events

+51%



Museums and art galleries

+47%



Amusement or theme parks

+47%



Live theater

+47%



Movie theaters

+46%



Gyms or fitness centers

+43%

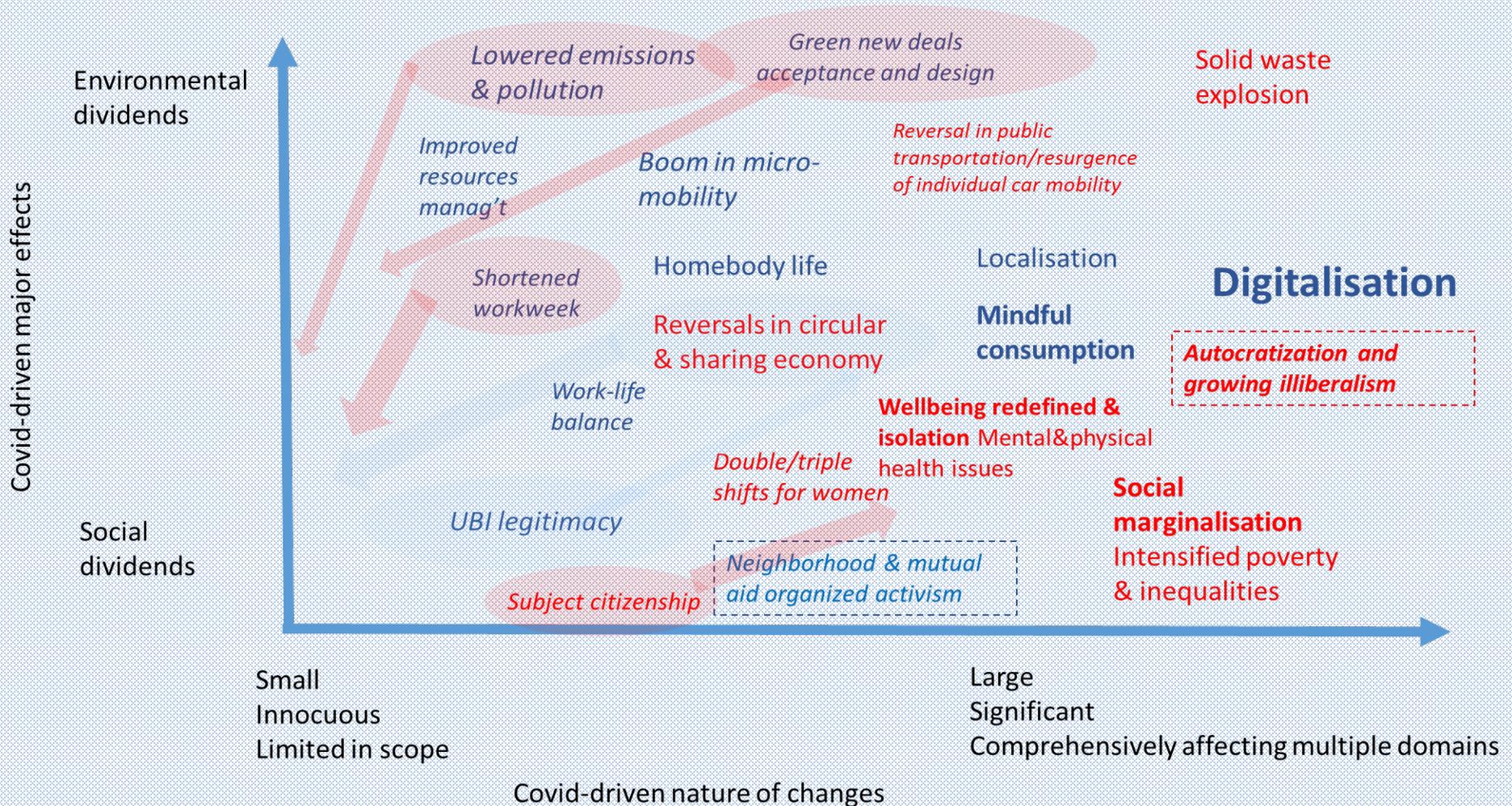


Restaurants and bars

+34%



Major changes driven by Covid 19 in Latam (Echegaray)



10 Domains of Practice

- Work
- Family and social relationships
- Wellness
- Leisure
- Education
- Healthcare
- Mobility
- Food
- Housing
- Citizenship

Accelerated Trends

- Digitalization
 - Remote working
 - Online shopping
 - Online entertainment, gaming, AR
 - Online education
 - Telemedicine
- Mindful Consumption
 - Ethical and environmental products
 - Healthy products
- Savings

Remote Working

- Pre Covid 4% in Israel, 14% in Finland
- During Covid, 89% in San Francisco
- OECD estimate will be over 30%
- Gallup March 2021 Remote workers preferences : 37% return to office, 52% work remote
- Gallup March 2021 58% of US workers were working remote, down from peak of 70% in April 2020

Possible Models for Remote Working

- Partial/hybrid
- Full/digital nomads
- Distributed work centers
- Mixed living, working and meeting

Decelerated Trends

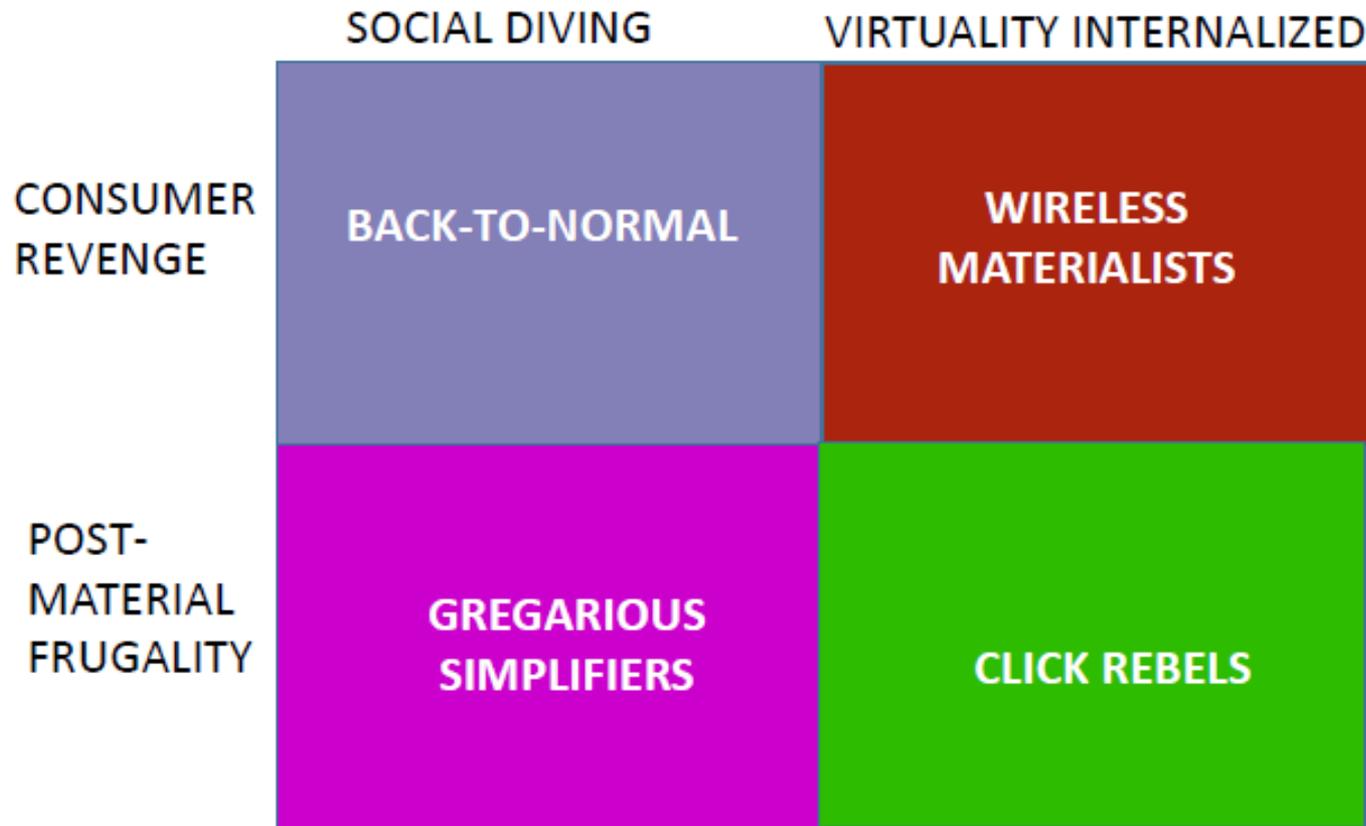
- Regression of progress towards many sustainable development goals, SDG's, particularly:
 - Poverty
 - Gender equality
- Halt of Recycling
 - Use of disposables
 - Increased packaging for deliveries
 - Increase in waste for disposal
- Avoidance of Sharing
 - Car and travel sharing
 - Multiple users of goods, secondhand

Unexpected Trends

- Reconceptualization of wellbeing with health
- Homebody Life
- Normalization of social isolation
- Localization
- Passive citizenship – resurgence of state control

Future Lifestyles - based on consumption and social relations (Echegaray)

Post-Covid 19 Lifestyles Scenarios



Accenture Scenarios for Consumer Segmentation (August 2020)

Scenario	%	characteristics	explanation
On the Edge	19	Lower income	worried
Stubbornly Seeking Normal	29		Expect to return
Tentative Returner	36		Cutting back
Me.reinvented	16	Younger, employed	Opportunity for transformation

Changing Urban Trends

Pre Corona

- Revitalization of city centers
- High density
- Accessibility to frequent public transport
- Multiple restaurants, cafes and bars
- Outdoor entertainment
- Street life
- Young residents in rentals

Corona

- Focus on home and local surroundings
- Limitations on use of public transport
- Restrictions on restaurants and eating/drinking out
- Restrictions on gatherings
- Low consumer activity
- Young residents returned to parents home

Trends perceived by Developers

Housing

- Request for balcony, added value 10%
- Request for private garden or patio
- Increased demand for out of town house + garden
- Renovation of living space for returning family member
- Facilities for remote working

Office

- Reduced demand for central area office space
- Small central HQ only
- Reduced demand for meeting rooms
- Reduced need for parking
- Reduced demand for co working hubs
- Rezone abandoned office space for residential use

Homes and Buildings

- Multiple use
- Adaptability
- Flexibility
- Ventilation systems
- Circulation systems
- Connection to the outside
- Delivery services



Sophie Zoria

Communities and Neighborhoods

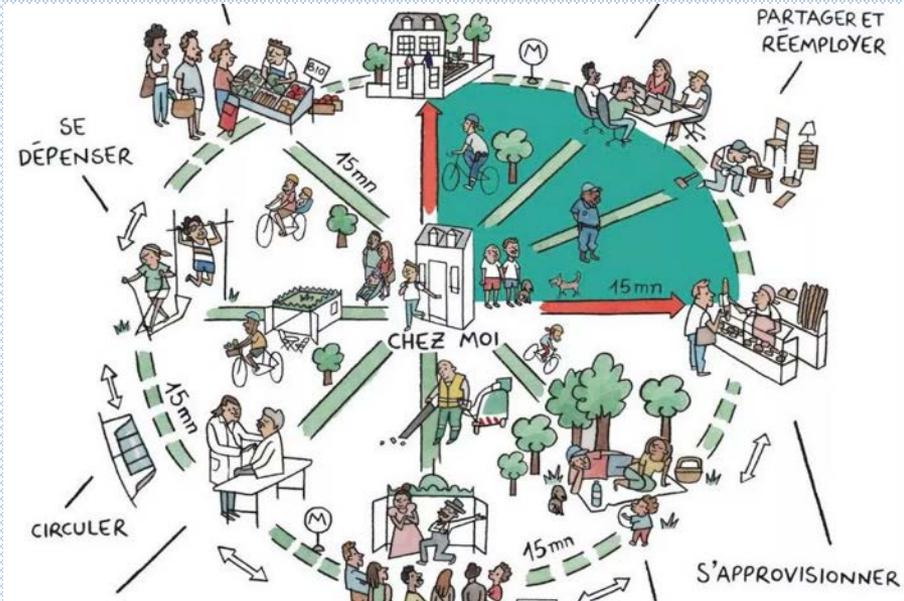
- Local businesses and services
- Local community activities
- Local parks, playgrounds and open spaces
- Local public institutions
- Local solutions for emergencies
- Neighborhood organizational structures
- Decentralization of authority

Cities and Regions

- Cities as a collection of neighborhoods
- Weakened role of central business district
- Outmigration of remote working population
- Opportunity to attract high income remote workers to more distant and peripheral locations if attractive – redistribution of wealth
- Digital highways replacing physical highways
- Opportunities for affordable housing

Neighborhoods

15 minute city



Not just the dwelling

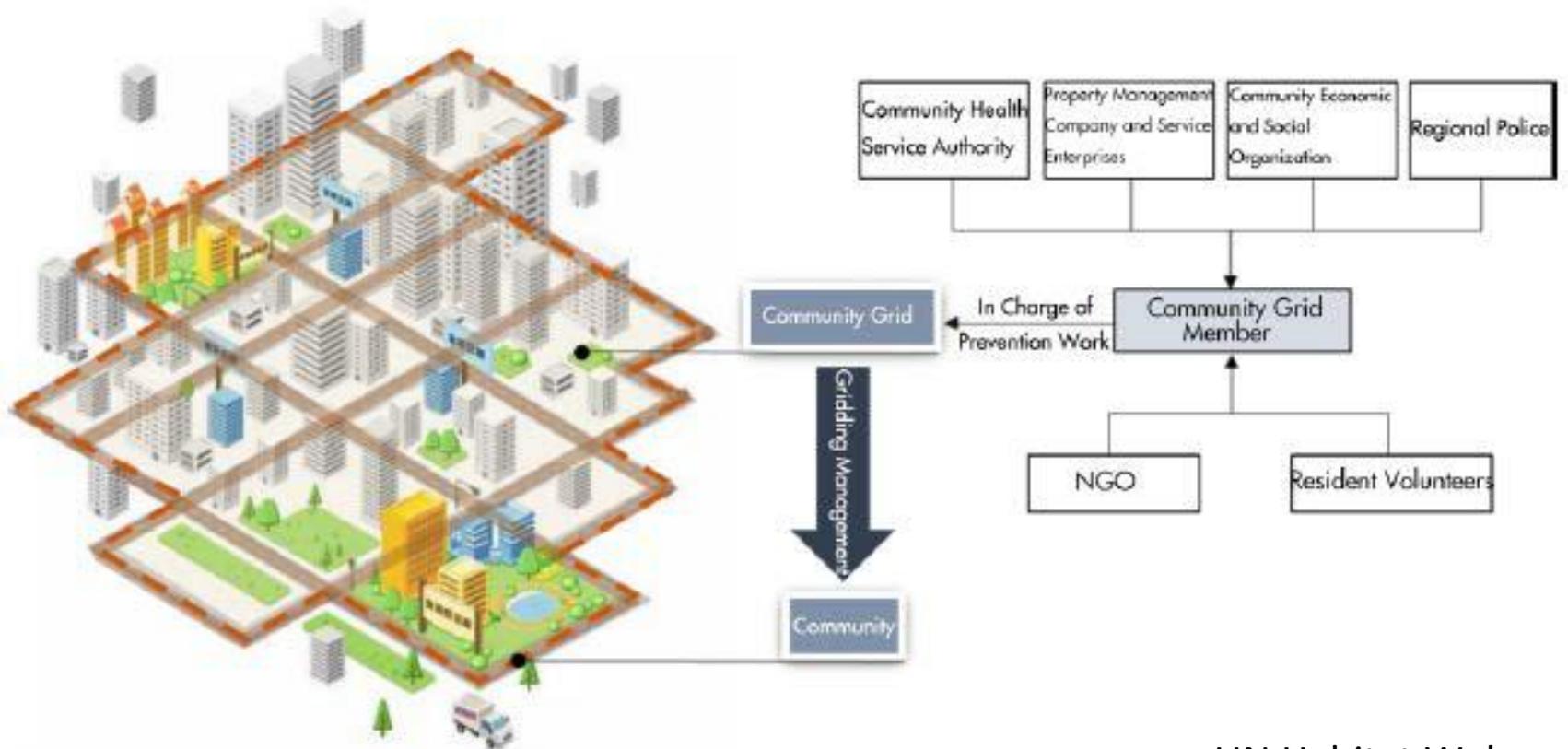


New Normal Mobility

- Unsustainable : loss of public transport, increase of private car, less car sharing, increased congestion
- Sustainable : less commuting, decentralized activity nodes, increase of cycling, increase walking, opportunities for micro mobility, transformation of roads and parking spaces to activities for people

Local Governance

China's Urban Community Grid Management



Will post Covid lifestyles be sustainable?

- Lower personal consumption
- Digital replaces physical accessibility
- Lower commuter journeys
- Lower business flights
- Local neighborhood services
- Universal basic services

- Government promotes personal expenditure to revive economy
- Longer commuter journeys
- Less public transport
- Larger homes for heating/cooling
- Higher domestic energy

Policies for a New and Sustainable Normal

- Broadband as public service everywhere
- Support and encourage remote working, including in public sector
- Remove land use separation between residential and employment
- Bring residential into city centers
- Decentralize services
- Enable micro mobility within neighborhoods
- Strengthen neighborhood community organizational structures

Suggested policies to promote sustainable consumption:

- For the **middle class**: Universal Basic Services; shortening of the working week; C-pricing of goods and services; less expendable income for individual consumption, especially of unnecessary stuff.
- For the **upper class**: wealth tax; steeply progressive income tax; inheritance tax; progressive real estate tax; taxation of stocks and bonds
- For the **low-income groups**: jobs creation; free education; low-cost health, child, and elderly care; financial safety net
- Laws curtailing multinational corporations
- Laws curtailing financial institutions and markets
- Global sustainable trade regime

