

FORECAST 2021

ACCELERATORS, DISRUPTORS, AND CONSTANTS
SHAPING THE BUILT ENVIRONMENT



CRTKL

FOREWORD

2020 is a year for the history books. COVID-19 unveiled and accelerated profound shifts in our society, economies, geopolitics, sustainability, and macro policies. The pandemic shattered commercial markets, and those that were less impacted still took a heavy hit. What 2020 also offered was creative solutions in the threat of survival. From parklets for outdoor dining to technological shifts in retail, these solutions will carry forward into 2021 – a year of recovery and repositioning, underpinned by creative thinking.

This multi-industry outlook offers actionable insights into what is happening globally in the year ahead. It focuses on evolving consumer behaviors, advances in technology, must-have inclusivity, the demand for well-being, and more. Fueled by research, our outlook for the year ahead addresses everything from augmented reality in the workplace to pet amenities in residential buildings.

At CallisonRTKL, our focus is to understand how today's shifts impact the cities, buildings, spaces, and experiences of tomorrow, and we know the traditional design approach will not apply to 2021. Within our outlook, we explore the future realities and global trends across hospitality, workplace, mixed-use, urban design, healthcare, and residential. We utilize our lens as designers, planners, architects, and innovators to examine the trends and transformations across industries and weigh in on what will matter most in the next twelve months.

As a firm, we believe we have a responsibility to forge greater resiliency for the lives of those that inhabit the buildings, neighborhoods, and cities we design – with this year's events only strengthening our resolve. This report reflects that vision, and we hope it inspires you to do the same.

CONTENTS



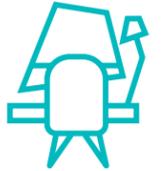
PLUD



Healthcare



Residential



Workplace



SEDs



Retail



Hospitality



Contacts

PLANNING, LANDSCAPE AND URBAN DESIGN (PLUD)



Legacy Town Center | Plano, TX



The pandemic caused us to reassess ourselves, the lives we lead, and our impact on the world around us. Now, that introspective contemplation is filtering through to the urban realm. Now we are at an inflection point and can choose to build something better, more social, more soulful, and more regenerative.

As a reflection of a society and its values, neighborhoods, and communities demonstrate the beauty of democracy in action. They reveal dysfunctional systems, implicit and explicit structures of power, and socio-economic disparities.

With growing debates over gentrification and urban revitalization, profit drivers, such as race, gender, class, and age, need scrutiny.

As cultures and behaviors shift from self-reference to a more collective consciousness, unifying public, private and social enterprise with a common purpose is gaining momentum.

A path cleared by the pandemic, dynamic urban solutions, regenerative designs, and ecological systems is emerging. Bettering both our people and our planet, they bring forward self-sufficient cities that promote life, resilience and [10 key principles](#).

Key to this is an investment in the upgrade of critical infrastructure, including housing, transit, water, energy, healthcare, internet accessibility, natural assets protection, and the reduction of our carbon footprint.

While short-term the priority is economic recovery, these measures will enable more effective management of future disasters, be they natural or biomedical. In the mid and long-term, the priorities shift to protect and promote sustainable growth and opportunities for all.

Recovery will come with a leveling out of the economic base to allow for greater, more accessible job creation, education, healthcare, homeownership, mass transit, alternative modes of transportation, and environmental protection.

In the year to come, definition around new metrics will help guide decision making toward these ambitions, with insights offered into the evolution of ecosystems and their interaction with people. From happiness to cleanliness, the built environment's success will be valued differently as environmental and social performance muscles alongside along-side commercial.



Victory Block G + D | Dallas, TX

SUSTAINABLE URBANIZATION

It has been forecast that urban areas across the world will have expanded by more than 2.5 billion people by 2050.

By 2119, it is only through re-establishing contact with the natural world, particularly trees, that cities will be able to function, be viable, and support their populations.



We should think of the city as a living organism – with its parks and green spaces acting as lungs that give it life, with Transit-Oriented Development (TOD) serving as the connecting arteries.

Noel Aveton

Vice President
Dallas

This model sees all needs met within short walking distance of public transport. Known as the ‘15-minute city’, this brings a mix of residential,

business, leisure, and open green space in closer proximity to cultivate thriving neighborhoods with strong local identities.

"It is about the right management and curation of spaces and places – we're planning and designing the hardware, while the software is the life and soul of the place," says Noel.

Appreciation for open space grew during the pandemic, with civic areas becoming key to our well-being, and sense of self. Now, more than ever, accessible public open spaces are being considered essential infrastructure, where environmental benefits meet public health, ultimately creating places that allow us to come together as a community.

RETHINKING CITY MOBILITY

Nearly half (46%) of consumers globally will use their car more often and public transport less often, post-pandemic.

Traditional mobility infrastructures are pushing their limits, with more active populations and more movement. Optimizing these systems will not do enough to ease the pressure. We still require a significant shift in transportation beyond technical advances to focus on people's experience and quality of life.

"We need to re-think the mobility framework and make it safer, more environmentally respectful, healthier, and socially engaging," says Lily Wei, Vice President of the Planning and Urban Design Practice in the Shanghai office.

"How can we best meet ESG [Environmental, Social, and Corporate Governance] ambitions and safeguard for the future of our cities? Design for the pedestrian and not for the car. Redefine existing infrastructure for alternative modes of mobility, and place greater emphasis on walking, cycling, and mass transit," says Lily.

DIGITAL INFRASTRUCTURE

Today's digital shift influences cities and public space in two main ways:

1. through the rise of data-based decision making, management or design
2. through the extensive and rapid deployment of digital infrastructures in the environment.

Gartner recently predicted that half of the large industrial companies would use digital twin technologies by 2021, and according to Juniper Research, digital twin revenues will rise from US\$9.8 billion this year to US\$13 billion in 2023. Grand View Research predicts the global digital twin market will reach US\$26.07 billion by 2025.

Urban environments are becoming more intertwined with the digital realm. Sensors that capture real-time data and automated transportation operations and management are ubiquitous. Broadband and WIFI have become critical infrastructures, e-Governance is permeating every level, digitizing curbside management is, and digital twins are becoming an essential requirement for new masterplans.

"If we can design systems that effectively blend people's skills with AI, we'll be able to devise disruptive business strategies, empower people to manage increasing complexity, and enhance the human experience," notes Bill Kwon, Vice President and Director of Digital Transformation.

ESG - MAKING IT MEASURABLE AND INVESTABLE

Investing in firms with a better record on social issues pays.

Investment funds tracking the performance of companies with better ratings on ESG issues lost less money than those including worse performers in 94% of cases during the crisis, according to an analysis by BlackRock, the US investment manager handling \$6.5tn (£5.3tn) in assets at the end of March.

ESG pressures and sustainability targets on portfolios are dictating investment decisions.

Shareholder inquiries about the environmental impact of their buildings have gone up five-fold. Many are looking for guidance and support to achieve ESG aspirations, making assets "Paris proof," overriding short-term political and economic concerns.

"If you focus on making a great place, something that helps people and has relevance and nuance, the rest of the mechanics become easier," says Matthew Tribe, EMEA Planning, Landscape and Urban Design Practice Leader, Dubai.



Focus on designing urban areas, not to solve physical problems, but to meet social needs.

Matthew Tribe

EMEA Planning, Landscape and
Urban Design Practice Leader
Dubai



INCREASING OPERATIONAL EFFICIENCY

Ensuring we have the right materials at our disposal is one thing. Still, as the World Green Building Council points out, operational emissions (from energy used to heat, cool and light buildings) account for 28% of total global CO2 emissions.

“We should try to achieve a passive approach and save energy by designing buildings responsive to local climates. Only then implementing sustainable energy generation such as solar, biomass, and wind,” says Pablo La Roche, Performance-Driven Design Leader in Los Angeles.

Data centers could also form part of the solution here. In an increasingly cloud-based world with more people than ever working remotely, the number of data centers is on the rise, and for many years, engineers have battled with how to keep these giant tech hubs cool. However, with modern innovations, the vast heat they produce can be used or recycled to power and heat other buildings, from offices to homes via district heating systems.

“Equally, the creation of urban farms and gardens as part of large-scale commercial projects can provide a sustainable solution to feeding occupiers. This might seem radical, but with the rise in hydroponic and vertical farming techniques, it is yet another way to streamline our footprint,” says Pablo.

“Above all, we must also consider the bigger picture and how new developments fit into their landscape. There is little point in creating ultra-sustainable buildings if everyone that uses them drives there in thirsty fuel-burning cars. As a result, the adoption of transit-oriented design, which seeks to maximize the mix of residential, business, and leisure space within short walking distance of public transport will be vital to the success of our places going forwards,” says Pablo.

THE FUTURE IS MIXED-USE

We must rethink the historical nature of ‘zoning’ our cities. COVID-19 has shown that without the support of office worker communities, our financial districts suffer, as do all the periphery businesses – the market for shops, restaurants, and bars drops away. A more holistic, mixed-use approach to urban design would counteract this and lower the risk. In particular, creating a localized ecosystem that sustains itself and operates more like a circular economy should be the aim. Just as homes bring residents and hotels bring guests, each of these, in turn, provide a ready-made audience to surrounding amenities.

The blending of uses must also be central to future thinking. Buildings can and should have more than one use dependent on the time of day; a yoga studio during the morning, a café during the day, and an auditorium for performances at night. One asset, utilized flexibly, catering for a range of users.

“The world is adapting to flexible ways of living and working, with the lines between all sectors blurring, as blended spaces become the norm and real estate transforms into a service industry that is more responsive and resilient,” says Matthew.

“Ten years from now, there will be new methods of valuation across all property types as single-use buildings merge in to more mixed-use, digital and adaptive environments,” says Matthew.

Repurposing existing assets should be addressed for the next normal. With adaptive reuse, cities will work with what they have, complementing it with new buildings and structures as required, while not losing sight of our changing world and how we use our spaces today.



HEALTHCARE



KUH - Cherry Hill Hospital | Cherry Hill, NJ



The pandemic brought healthcare to the forefront and to the top of both local and global agendas. With the ability to work, travel, and spend all compromised, the commercial impact of health and wellness set in.

The health of the individual and the collective became recognized in the context of an economy's health.

From the frontlines, words like genomic code, vaccine, big data, and artificial intelligence became part of a new lexicon, while links between science, data, technology, and health drew closer, with each fueling the other's advancement.

The industry continues to inform the operations, materials, and practices of other sectors, with residential, workplace, retail, and hospitality alike taking cues from hospitals and medical spaces.

These circumstances, coupled with the rapid biomedical advancements made during the pandemic, will see healthcare remain a durable sector for investing. Set for moderate growth compared to other S&P sectors, as the commitment to the vaccine and associated therapeutics put pharmaceuticals, biotech, and life science at the forefront of investments.

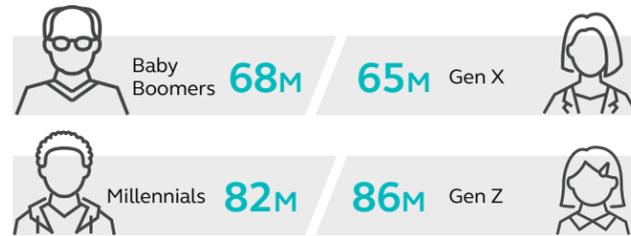
2021 will go beyond a pandemic recovery. The new healthcare landscape necessitates an overhaul of many necessitates initiatives as telemedicine, mental health, and generational care become the focus.

Inpatient care will gradually slow and lead to an overbuilt healthcare system. Tertiary care facilities will treat chronic conditions, and academic medical centers will drive innovation and discovery. Due to the public health crisis surrounding COVID-19, more health systems are consolidating with less capital on hand. Systems will focus on a central "main" facility with outlying hospitals focused on providing less acute care needing less infrastructure and shorter stays.

The balance of power between generations will be critical to this, as will the issue of accessibility.

DESIGNING FOR DIFFERENT DEMOGRAPHICS

The silvering of the world is happening globally, and the demographic shifts will also impact healthcare design. In the US, there is a dwindling number of those representing the silent and greatest generations (25M combined). Baby Boomers represent approximately 68M of the population, and Gen X represents close to 65M, with populations of 82M Millennials and 86M for Gen Z. Around 93M Americans are 55 years and older. A smaller number sits in the middle, and over 168M Americans are less than 40.



*IN THE US

Comparatively, about 26 percent of the world is under 15 years of age, and some nine percent is over 65 years of age. In Europe, the gap is much closer, with 16 percent of the population being under 15 years old and 19 percent being over 65.

How do we design and plan for such shifting demographics? By considering who is making the healthcare decisions for each of these groups. Baby Boomers focusing on making decisions for their parents, and Gen X are starting to make decisions for their Boomer parents. Most hospitals are focusing on the inpatient care for the Baby Boomer and the other aging cohorts. While this makes sense now, given this generation has the most significant chronic illnesses and healthcare dependency, it is important to recognize that Gen X is increasingly taking over aging Boomers while still caring for their Millennial or Gen Z children. This positions Gen to have the greatest influence over the healthcare sector.

These generations are embracing Telemed and the X'ers who see more overlap of technology

and every other aspect of their lives. Convenience and importance of personal time will drive decision making.

We will see a push towards distributed health in communities and an emphasis on telehealth.

Beau Herr

Vice President
Dallas

TELEMEDICINE WILL ALTER THE BUILT ENVIRONMENT

Telehealth encompasses health and health-related services, including medical care, provider and patient education, health information services, and self-care provided via telecommunications and digital communication technologies.

Technology-enabled care models are those facilitated through telecommunications and other mobile technologies, allowing for the practice of remote care for clinical and non-clinical services. Telehealth makes healthcare more accessible and easier to manage, with patients able to understand their long-term care.

Analysis of Medicare fee-for-service (FFS) data showed an increase in Medicare primary care visits from 0.1% of all primary care in February to **43.5%** in April, representing an increase from about 2,000 to 1.28 million telehealth visits per week.

Technology, big data, wearables, and Artificial Intelligence (AI) are the future of gathering data and algorithms to help predict care plans. That, along with genomic codes, will, over time, make medicine even more personalized.

“We see telehealth infiltrate daily life like never before—from healthcare wearables like FitBits to video conference appointments, the disruption of



If mental health issues go untreated, we will not have healthy communities. There is a fundamental connection between physical and mental health, and for too long, we have separated the two. For that reason, more behavioral health treatment centers will be on the rise, alongside community crisis centers and inpatient care facilities that emphasize de-escalation, counseling, rehabilitation, and ongoing condition management. In particular, with the emphasis on de-escalation, counseling, rehabilitation, and ongoing condition management. This presents more opportunities for more people to have access to the care they need.

Jim Henry

Health & Well-being Practice Leader
Dallas

the pandemic has allowed for massive innovation,” says Sarah Wicker, Director of Research.

DESIGNING FOR BEHAVIORAL HEALTH

Mental health and other lifestyle diseases, commonly referred to as behavioral health, are among the significant issues of our time. Nearly one billion people are affected by mental health issues, while more than three-quarters of people with mental health problems in low- and middle-income countries receive no care at all. People with severe mental conditions are found to die

two decades earlier than those without mental illness—with suicide being the second leading cause of death for young people ages 15-29. Behavioral health startups saw over **\$1B (USD) in funding** in H1'20, with investors pouring over \$1B into mental health and wellness startups in 2020—the most of any health category. The mental health and wellness space also lead in deal activity, with 106 deals taking place in H1'20.

The result of this will start to come to light in 2021 when awareness of mental health and recognition of it as an illness leads to its wider de-stigmatization.





BUILDING BETTER – WHAT WILL HOSPITALS LOOK LIKE IN THE FUTURE?

We may not call them hospitals any longer, but interactive healing centers where you align physical care with virtual care, and technology with scientific research. Highly interactive face-to-face activities collocated, with integrative health the focus. Here, labs for specimen collection and testing flank group therapy rooms, health food retail, and stores focused on wearable tech and medical devices that monitor heart rates, blood pressure, steps, sleep, and the like fashionable.

Venture further to find heavy diagnostics like MRIs, CTs, X-rays, and other modalities housed by specialty. Rooms for consultations and physical exams will still be present, only larger and more highly integrated with smart technology. With the care team remaining in control of the clinic, expect to see a weekly schedule regulating operations, with Mondays perhaps given over to oncology, Tuesdays to neurology, and so forth.

Upper levels will bring collaborative spaces to the fore. Taking precedence will be office

studios set up like team-based care units and ‘studios’ designed to take remote consultations or ‘e-appointments.’ The permeability of these spaces making both privacy and idea-sharing possible.

Large command centers will monitor remote care facilities and in-home health while patients are recovering at home after being released from the inpatient stay within the facility. Adjacent offices house other specialty groups, with spaces designed for innovation and lateral thinking bringing teams together in a purely collegiate, off-stage environment. Set back from patients and families, this is the staff’s home base.

They also may begin to look less sterile and more green, with concepts like biophilia (the principle that a person’s connection to nature may improve their physical health) taking over design in the sector. Simple additions like walking trails, zen gardens or [living walls](#) can provide profound relief for patients in need.

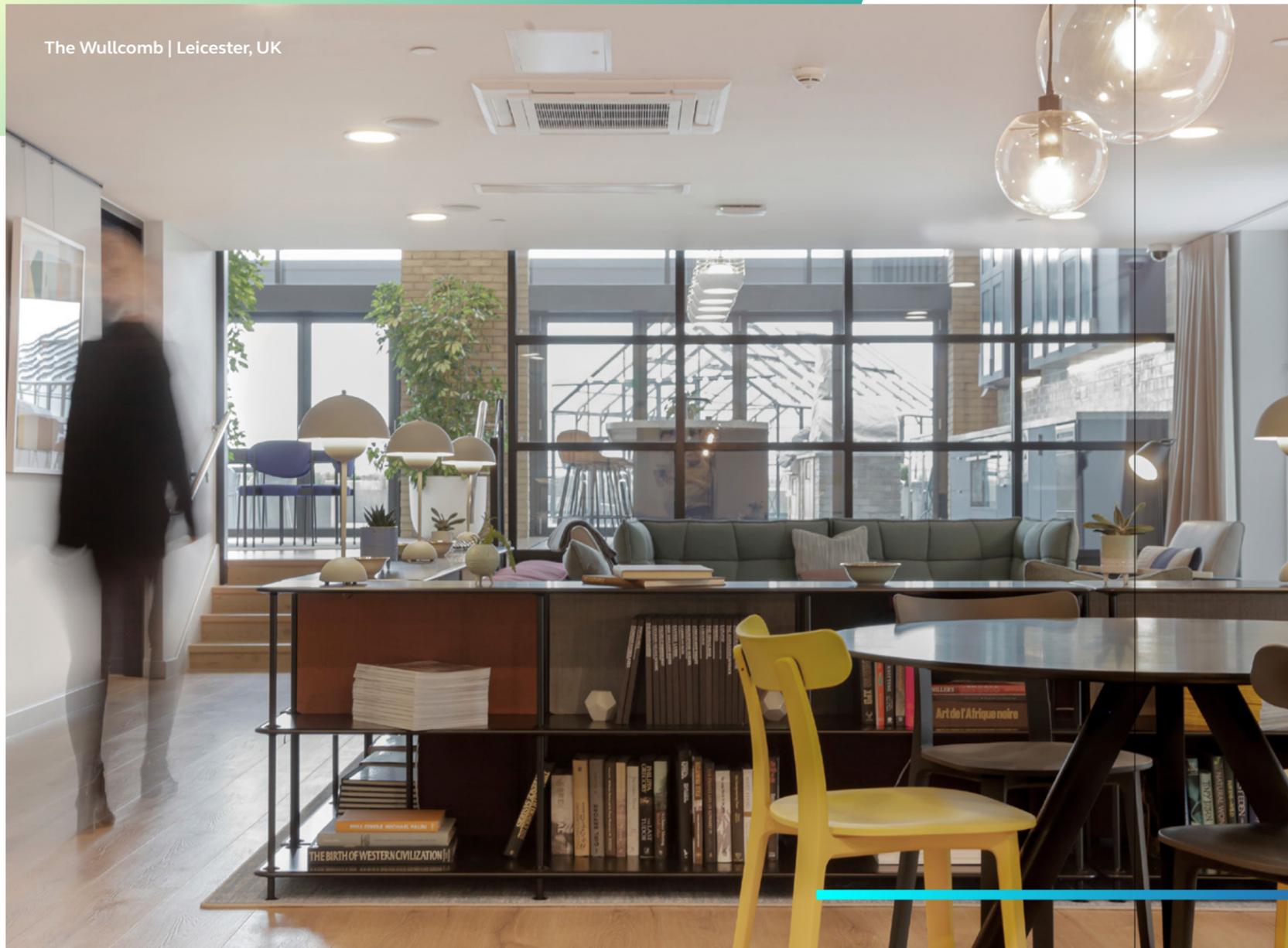
Vassar Brothers Medical Center -
Master Plan | Poughkeepsie, NY





RESIDENTIAL

The Wulcomb | Leicester, UK

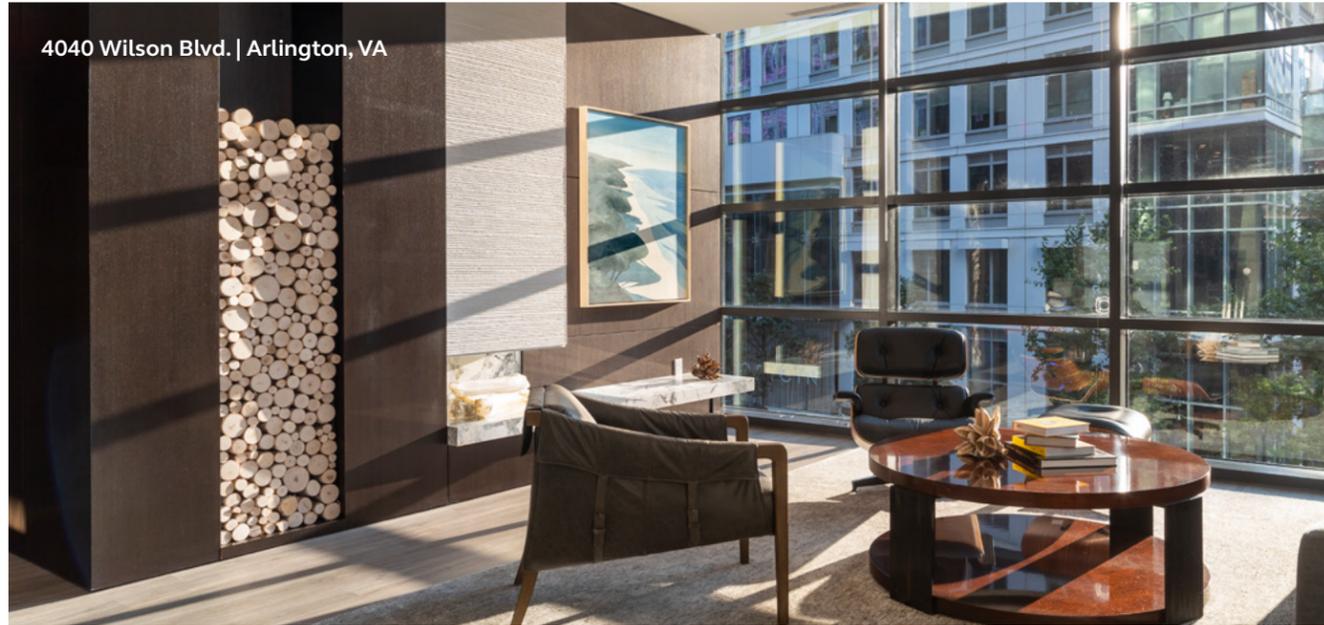


Around the world, urban and suburban areas alike are seeing populations shift, placing more importance than ever on providing solutions that create community and encourage socialization to improve our quality of life.

We have been – and are – using our homes for more than merely sleeping, cooking, washing, eating, dressing, and entertaining. We use them in every aspect of our lives; our homes have become our offices, workout spaces, shops, and retail environments. The pandemic has forced us to do more with the place we call home. However, there are many things that we have enjoyed, appreciated, and will want to hold onto from our lockdown experience.

“As we emerge out of the pandemic, in 2021, we will seek to find a balance in our lives. This may mean spending more time closer to where we live, using local services and suppliers, working from anywhere, buying local and traveling less,” notes John Badman, Residential Practice Leader in CallisonRTKL’s London office. “All these things help improve the social values of a place, and the environmental impact of the users of residential buildings.”

4040 Wilson Blvd. | Arlington, VA



DOUBLING DOWN ON AMENITIES, WITH A TWIST

Socially distant amenities like virtual workouts or portable workspaces are on the multi-family residential rise. Likewise, meaningful-sized balconies and communal, external terraces have also become non-negotiable, with access to nature and biophilic design becoming critical differentiating factors for buyers and renters alike. CRTKL's "[The New Residential Experience – Part 2](#)," explores new ways to position residential amenities.



Not all balconies are created equal – the greatest footprint with electrical and lighting infrastructure win.

Mark Fairbrother

Workplace Practice Leader
Washington, DC

“The trend is for nature to permeate the city. From rooftops to greenhouses, to tree-shaded city sidewalks – as well as on your balcony – greening is happening.”, say Mark.

The benefits to physical wellness and psychological well-being provided by enjoying the outdoors, even in minimal quantities, will become a fundamental expectation. As [Stefano Boeri's buildings in Italy](#) show, having a forest of green outside your windows – even on the 20th floor – is quite feasible.

Additionally, National Multifamily Housing Council's [2020 NMHC/Kingsley Apartment Resident Preferences Report](#) points to an emphasis on back-to-the-basics amenities. These include improved HVAC systems, soundproof walls, garbage disposals, WIFI, and in-unit washer and dryers. CRTKL's "[The Rise of the Plus Space in Apartment Living](#)" offers insight into the ongoing need for additional flexible spaces that can serve as a workspace, classroom, media room, or guest bedroom.

Victory Block G + D | Dallas, TX



SENIOR LIVING — A HEALTHIER FUTURE WITH A FOCUS ON WELLNESS

The senior living market is changing. New attitudes about health, wealth, and family lead the conversation around an industry formerly occupied by medical care and home equity. Development is moving in a new direction to residential environments that inspire, soothe, and create connections to family, community, and amenities, to meet the booming elderly population's need.

According to a [survey by the International Council on Active Aging](#), 60% of respondents said their retirement community would be based on a wellness lifestyle by 2023. From Telehealth to intergenerational programs, senior living will continue to evolve.



Fundamentally, it's about providing choices and creating beginnings. It's about replacing the institutional healthcare model with the best blend of hospitality, residential, and healthcare design. It's about developing an urban character, including retail, cultural and civic uses. It's about connectivity and continuity with the community and city,

Daun St. Amand

Residential Practice Leader
Los Angeles

“And finally, it's about abandoning the “elderly” label for homes and communities that allow the next generation of seniors to live healthy and productive lives – on their terms,” say Daun.

TECHNOLOGY-ENABLED EXPERIENCES BECOME THE NEW NORM

It's simple: Buildings that adapt will survive, and those that don't will slowly decline. “Repurpose and reuse will become more prevalent, and we see the transformation and evolution of single assets (such as offices or shopping centers) into mixed-use, lifestyle environments,” says John.

“For existing residential buildings, the question is, how can we better preserve our buildings now to outlive the change in pace that's needed? The speed at which technology develops leaves little room for our buildings' infrastructure, let alone our cognitive ability, to evolve as rapidly to keep up,” say John.

The lifespan of a building dwarfs modern technology; we design to accommodate for what matters most: connectivity. As long as we build connectivity into the infrastructure, the technology that follows will adapt to the buildings themselves.

RENTING: RENTING BY CHOICE

Despite 13.3% unemployment, the apartment sector has held up quite well. For renters, owning the flexibility that comes with the territory is a big appeal. In Zumper's 2019 State of the American Renter: Homeowner & The American Dream report, 32% of respondents said they don't believe the American Dream includes homeownership, and 20% said they don't plan to buy a home in their lifetime.

32% of respondents **don't believe** the American Dream includes homeownership

*Zumper's 2019 State of the American Renter: Homeowner & The American Dream report

These figures are reflected elsewhere in the world, with those in the United Kingdom and Australia beginning to follow Germany and Dubai's footsteps where renting is the norm.

For those who need a more transient option, apartment living can provide them with today's customization, tomorrow, and beyond. Whether a recent college graduate, a senior looking to downsize or a professional whose career is ever-changing, renting supports evolutionary needs.

CITY REFUGEES AND DIGITAL NOMADS – A SHIFT TO THE SUBURBS

As corporate work from home policies extend into 2021, we will see population shifts. [Global Workplace Analytics estimates](#) that 25% to 30% of the workforce will be working from home multiple days a week by the end of 2021. “People are now staying within a minimal radius of their homes,” says Daun. “Rather than a large shopping center, these smaller, suburban mixed-use developments

help balance the risk. They're more resilient – less car-reliant – and have all the amenities that residents, shoppers, and visitors traditionally looked for in the city centers. Smaller ‘mom-and-pop’ shop owners tend to lead to more confidence following safety protocols.”

In keeping with the small radius concept is the “15-minute neighborhood,” referenced earlier. In this neighborhood, people can access their basic needs (recreation, food, services, and entertainment) within 15-minutes of walking, biking, or public transit. Not only does this model of hyper-proximity and mix of uses help mitigate risk, but it also helps to rebuild areas economically hard-hit by the pandemic.

SUSTAINABILITY

Understanding climate responses and proposing strategies that connect buildings with the environment will continue to be a priority in 2021. “Expect to see pan-European portfolios, with a variance of product and design to suit the climate, the operator, and the future residents as a holistic approach. It will not be copy/paste,” says John. “Each development and developer will be unique in their offer and their environmental approach, recognizing a customer who is conscious of their impact on the planet, will be just as conscious of the sustainable credentials of their home.”

The Markers | Coconut Grove, FL





WORKPLACE



New Appian Headquarters at Tysons Corner | McLean, VA



Pre-pandemic, the workplace was an evolving concept. It continues to be in an evolutionary state; only it is moving that much faster now.

Tenants delay decision-making until there is more clarity on the immediate future. Many are already leveraging flexible space as part of their overall portfolio. Still, the current environment is causing an evaluation of what quantity of flexible space they use and what type is its programmatic purpose.

The need for Class A office space in key locations will remain strong, with stakeholders agreeing that the requirement and demand for workspaces will reduce in scale but not disappear. This demand will see more tenants release their high-quality, often fitted-out spaces, some of which have never been occupied, with the volume and variety of commercial spaces available, making it a tenant-friendly market.

This trend is present in key global cities such as London, New York, Shanghai, Dubai, and Melbourne, where supply is far outpacing demand as the delivery of newly built or comprehensively refurbished space flows. Early indications suggest that unless there is a significant increase in leasing activity, these supply levels are likely to trend upward into the new year.

The opportunity lies in re-imagining existing spaces or repurposing them into other uses with the next-generation office emerging as a hybrid concept for landlords and operators. In the short-to-medium term, there is still significant uncertainty regarding what the future holds. Tenants will increasingly consider flexible workspace as an interim solution while they define a long-term strategy. The trend toward decentralization will play into this and reduce overall demand for traditional leased office space.

The traditional office and its typical business functions will remain pivotal to specific industries. However, moving forward, this model will more commonly co-exist with a range of other spaces that provide alternative working environments as the lines continue to blur between homes, hotels, and offices.

VACANCY RATES HAVE DROPPED — AND WILL LIKELY REMAIN LOW

In the short term, once countries, municipalities, cities, and employers deem that it is safe to return, the office's function will be to support the people who cannot work effectively from home or those who want to be in the office. In the long-term, while some companies may reduce space requirements, job creation and de-densification are likely to balance this out. As a result, at the aggregate level, the impact is minimal.

Additionally, [research firm JLL](#) found that global leasing activity in Q3 was down 46% from a year earlier – while this is an improvement from Q2, demand remains subdued. As the region where COVID-19 first emerged, Asia Pacific seems to be the bright spot, with Q3 activity only down 5% year-on-year, whereas Europe declined 52% and the U.S. 55%. The firm also reports that the United States sublease market – a key barometer for the office market – is now larger than during the dot-com bubble and could feasibly reach 150 million square feet of availability by the end of 2020.

So how do these short- and long-term projections correlate with what is happening both locally and globally?

“This aligns with what we have been seeing from our tenant clients,” says Michael Horton, Associate Vice President in the Dallas office. “Clients are holding on entering new spaces. Those that

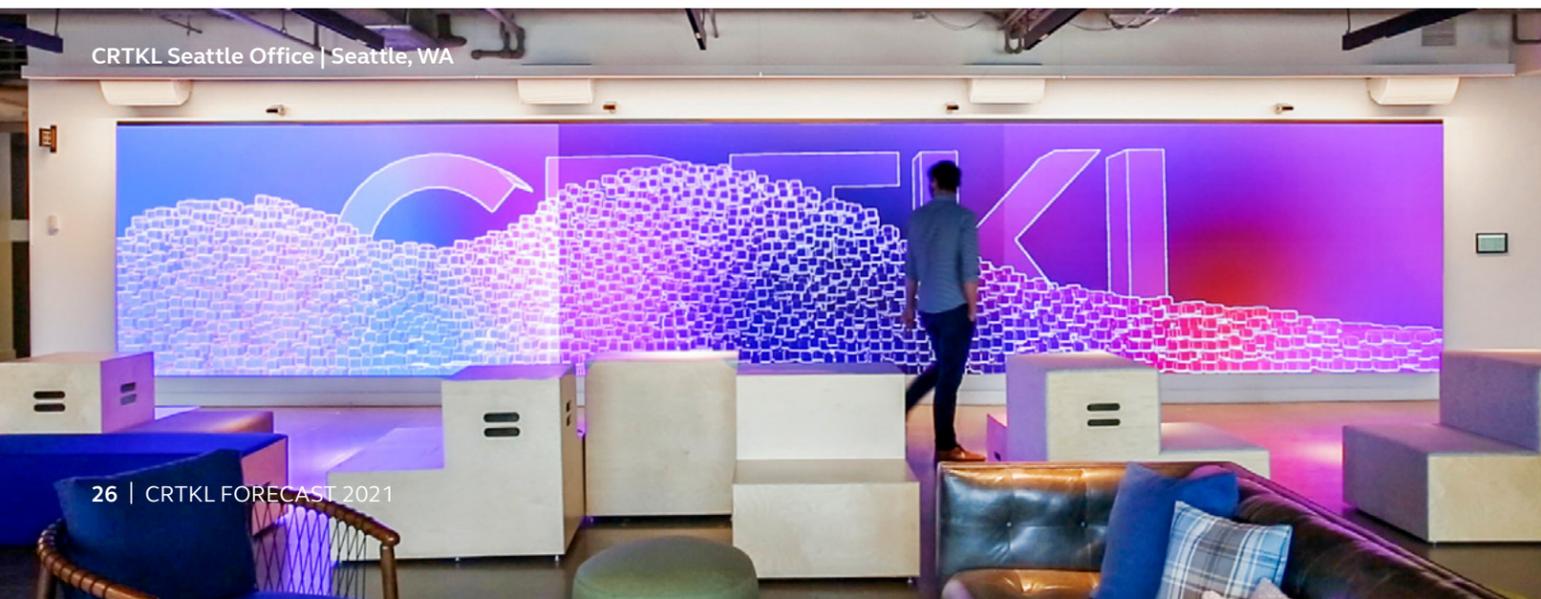
have, do not have consistency in their approach – whether in densification, social distancing or requiring a return to the office.”

WORKPLACE DENSITY AND THE WAY WE TRACK IT WILL DRAMATICALLY CHANGE

In a [PwC CEO Panel Survey](#), CEOs view low-density workplaces as a lasting change in most regions. Yet related to workplace density, regional cultural differences are glaring. In Latin America, CEOs are most likely to view low-density workplaces as an enduring shift (69%) and are correspondingly inclined to be more employee-oriented in the future (19%). By contrast, CEOs in North America are evenly split (at 49% each) about whether low-density workplaces are here to stay.

For 2021, what new metrics and measurements will offices of the future use as a litmus?

Naturally, if density reduces, this opens up new design opportunities. CRTKL Senior Associate Claudia Beruldsen in Munich, Germany, believes these new opportunities depend on footprints and what companies do from a real estate perspective to respond to reduced densities. “From a design perspective, it makes flexibility and connectivity in the work environments important because in-person meetings will likely be intentional or an uptick in hybrid work solutions of in-person with remote meetings connected via technology.”



CRTKL Seattle Office | Seattle, WA



Lenovo Campus Global Headquarters | Beijing, China

Additionally, the advent of 5G technology and new sensor technology will allow portfolio-wide optimization and management to help future proof real estate portfolios.

MORE THAN EVER, OFFICES NEED TO BE THE CULTURAL HUB OF A COMPANY

As work-at-home continues, threats remain to strengthen social collaboration and foster relationships that typically come from gathering in-person. CallisonRTKL administered surveys consistently told us the number one reason employees want to return to an office is an in-person collaboration with team members.

The future hybrid workplace model means offices need to provide a vital cultural hub for employees who make an effort to come in and offer the technology to connect to employees at home easily.

“There needs to be a reason to come to work,” says Jeanne Wood, Workplace Strategist in London. “Having the support – whether it’s technical or operational that helps ease the task or type of work they are doing that day is important to create that hub. Also, creating a place with

more collaborative, specialized uses for sharing, socializing, and learning from others fosters a stronger workplace culture.”

WELLNESS AS THE NEW AMENITY

As in residential spaces, the workplace of 2021 will focus on creating outdoor spaces to enhance wellness and screening at entry points and occupant health monitoring systems. Planning for this enhancement is where flexibility comes in.



We ask, ‘How does this particular moment feel and function for the user?’ and ‘How can we make every moment better, easier, simpler, more delightful, and more human?’ And then we design from those insights.

Dena Yamaguchi
Associate Vice President
Seattle

THE WORKPLACE 2.0 WILL BE DEFINED BY THE THREE P'S:

PEOPLE

Understood as being attuned to and empathetic toward the employee's and client's emotional and functional needs – what do they need to perform well and feel physically and emotionally safe?

PLACE

Work environments need to have flexibility, choice, and non-traditional ways of working to support the company culture. A new variety of settings and services designed specifically for collaborative and decentralized work support the notion of establishing place.

PURPOSE

The “why” of work will be critical to a successful workplace – a focus on unity and community within the workforce, with employers and employees reminded of the end goals, will allow organizations to thrive.



Enjoy.com Electronics Headquarters | Palo Alto, CA

SHOPPING, ENTERTAINMENT & BLENDED-USE DISTRICTS (SEDS)



ICON Outlet | London, UK



Behavioral changes spurred by the pandemic are having a dramatic impact on both neighborhoods and high streets. Each is becoming more self-sustaining and more curated to its communities' needs than those prescribed by historic planning codes. No longer is the concept of one building and one use de rigueur.

While this repurposing is commencing on the high street, many modern applications activated by the pandemic – such as flexible, single-story, permeable structures that accommodate social distancing guidelines and offer multiple circulation paths – are already in use. These methods help to improve the performance of existing large-scale retail destinations. Outdoor, blended-use, and drive-through shopping experiences are the next evolution of this trend.

Embodying the “when one door closes, another opens” mindset, the struggle of traditional department store format is paving the way for new and innovative solutions to meet communities and consumers' needs. In November 2020, Brandon Stephens, entrepreneur and founder of Tortilla, laid out his vision to reinvent former department store sites. Instead, Stephens converts them into hybrid spaces with workspace, meeting rooms, [food halls](#), bars and cafés, [socializing](#) areas, and fitness and well-being facilities. Instead of a homogenous concept rolled out across different cities, he wants to provide “local operators and a recognition of what people there want and need.”

Whether creating a brand-new type of “big box” concept or a wholly adaptive and flexible digital showroom, those who innovate will find a community hungry to engage with intentional and experiential spaces.

Meanwhile, the multifamily residential sector offers the traditional mall new opportunities for reinvention beyond the retail realm. Many commercial developers are exploring and expanding their footprint to residential typologies. Investing in developing a multifamily portfolio, adjacent or above shopping centers, introduces new revenue to aging assets. At the same time, it provides a dynamic community hub for residents looking for a more urban feel in the suburbs.

Retail values have come down to levels that make repurposing a valuable proposition. Momentum has gathered around retail-to-residential opportunities, and retail-to-workplace opportunities are also starting to emerge and will become more prevalent in the future. Shopping and entertainment districts can take advantage of this new momentum; they have the power to stimulate local economies and to become the center of their communities. With a localized and responsive mix of retail and leisure concepts, the mall of 2021 offers a fresh approach to urban living.

We predict that 2021 will look very different for shopping and entertainment districts by incorporating key mixed-use success factors.



HEALTH AND WELLNESS

The well-being and happiness of people are at the heart of what we do and of our projects. In a post-COVID-19 world, shoppers and residents want ways to find community and social outlets that maintain their ability to keep their families safe and healthy. Neighborhood-scale services will become more critical, including access to grocers, pharmacies, and clinics, as well as retail-driven spaces that promote physical and emotional well-being.

SETTING THE STAGE FOR (SUB) URBAN EVOLUTION

Placemaking is connection-building, and public space that provides access and integration is a tool to achieve it and create a sense of character and identity. Connection to transit and a blending of uses within the site creates a space that is both inclusive and serves as a catalyst for future growth.

ADAPTABILITY, FLEXIBILITY AND PHASING

In our experience, transitioning shopping centers to mixed-use environments, we've found that a strategic approach to phasing that transition is vital to maintaining a cohesive project with new uses and the community surrounding them. Thoughtful creativity is needed to ensure that the spaces remain knit together even as the new joins the old.

MALL TO MIXED-USE AND FABRIC OF THE COMMUNITY

Rather than a barrier or divider of the community, retail mixed-use spaces should be inclusive and integrated. The design should focus on carving out spaces for meaningful interaction that blur the boundaries between the site and the public—moving away from acting like a fortress to a living room for the community.

MAPPING THE EXPERIENCE

Curating positive and engaging experiences for end-users is vital to the success of mixed-use destinations. These experiences go beyond the physical space design to encompass services, messaging, and digital experiences. The visitor experiences all these branded aspects at once, and an intuitive and emotional journey should guide their engagement. Aside from the customer experience within the space, this mapping must include the public realm and the places between, often the backbone of urban evolution.

DIGITALLY NATIVE BRANDS AND POP-UPS WILL CONTINUE TO OPTIMIZE VACANT SPACES



We are talking to our clients about digitally native brands being the new era of retail. As some retailers have shuttered, there are also fresh concepts waiting in the wings. A good solution for dark department stores is digital showcases such as brand box and neighborhood goods. As those digital startup brands grow, they could take space within the shopping center.

Jeff Gunning

Shopping, Entertainment & Blended-
Use Districts Practice Leader
Dallas



During the pandemic, direct-to-consumer brands have been taking advantage of pop-ups, alternative formats, or key high street locations for their brands to mitigate acquiring a portfolio of unprofitable locations. According to [Women's Wear Daily](#), fewer in-person events, and more window shopping and demonstrations will mark the way forward for these temporary spaces.

Additionally, the retail as a service (RaaS) leasing model is a new option to the traditional retail contract. It's sometimes talked about as the end of rent – but [Essential Retail](#) reports that RaaS gives retailers the physical spaces to build customer relationships without the substantial investment required to acquire a space. In the future, there may be no need to contract firms, setup fixtures, sign long-term leases, or invest in expensive point-of-sale technology. RaaS also serves as an opportunity for online retailers to follow the success of runaway online-to-offline retailers such as ThirdLove, Warby Parker, Casper, Allbirds, and Away. According to research firm [JLL](#), more than

850 digitally native brands will open stores before [2023](#).

But where do pop-up spaces fit into the mix?

Pop-up spaces can serve as incubators that lead to future stand-alone retailers. Their built-in flexibility and fluidity make them ideal to lead the future of retail. “Pop-ups are a way for owners to build retail traffic and interest without the investment of permanent retail square footage,” notes Michael Lee, Vice President in the Seattle office. “In some spaces, pop-ups appear in department stores, and other times, integrated into public outdoor space, like at the Boston Seaport. The attraction of pop-ups is that they can make a mixed-use development both a digital and physical destination.”



Guadalajara International Airport, Terminal 2 | Guadalajara, Mexico

BEYOND THE TYPICAL ANCHOR: HEALTHCARE/LIFE SCIENCE MIXED-USE

A trend expected to continue to expand in 2021 is an investment in life sciences hubs. For example, in Houston, developer Hines, in partnership with 2ML Real Estate Interests, is working on a 52-acre biotech and mixed-use hub adjacent to the Texas Medical Center – creating the world’s largest cluster of medical facilities and businesses. Another project in Charlotte, North Carolina [will reinvent](#) a former shopping mall adjacent to an acute care campus of Atrium Health. Complementary uses for a life science anchor can reinforce communal well-being. Incorporating features such as public park space with walking and hiking trails, high-tech lab spaces, healthcare providers (creative M.O.B.s), higher education satellites, healthy-focused F&B, and fitness clubs can round out the anchor.

MIXED-USE AIRPORTS

Even before the significant changes to the aviation industry brought on by a global pandemic, air travelers’ desires were on the move. Now more than ever, a laser focus on passenger experience

is required to capture and retain the loyalty of even the most frequent flyers. The design must address every touchpoint the traveler experiences on their journey: approach, ticketing, checkpoint, recompose, concessions, lounging, amenities, arrivals, and the like. The aviation and hospitality industries are blending more than ever. The values (both for the traveler and the airline) at play in these types of projects are paramount, taking into account the five key passenger typologies’ varying needs and preferences. The airport should be a place of experience, not just a facilitator of travel.

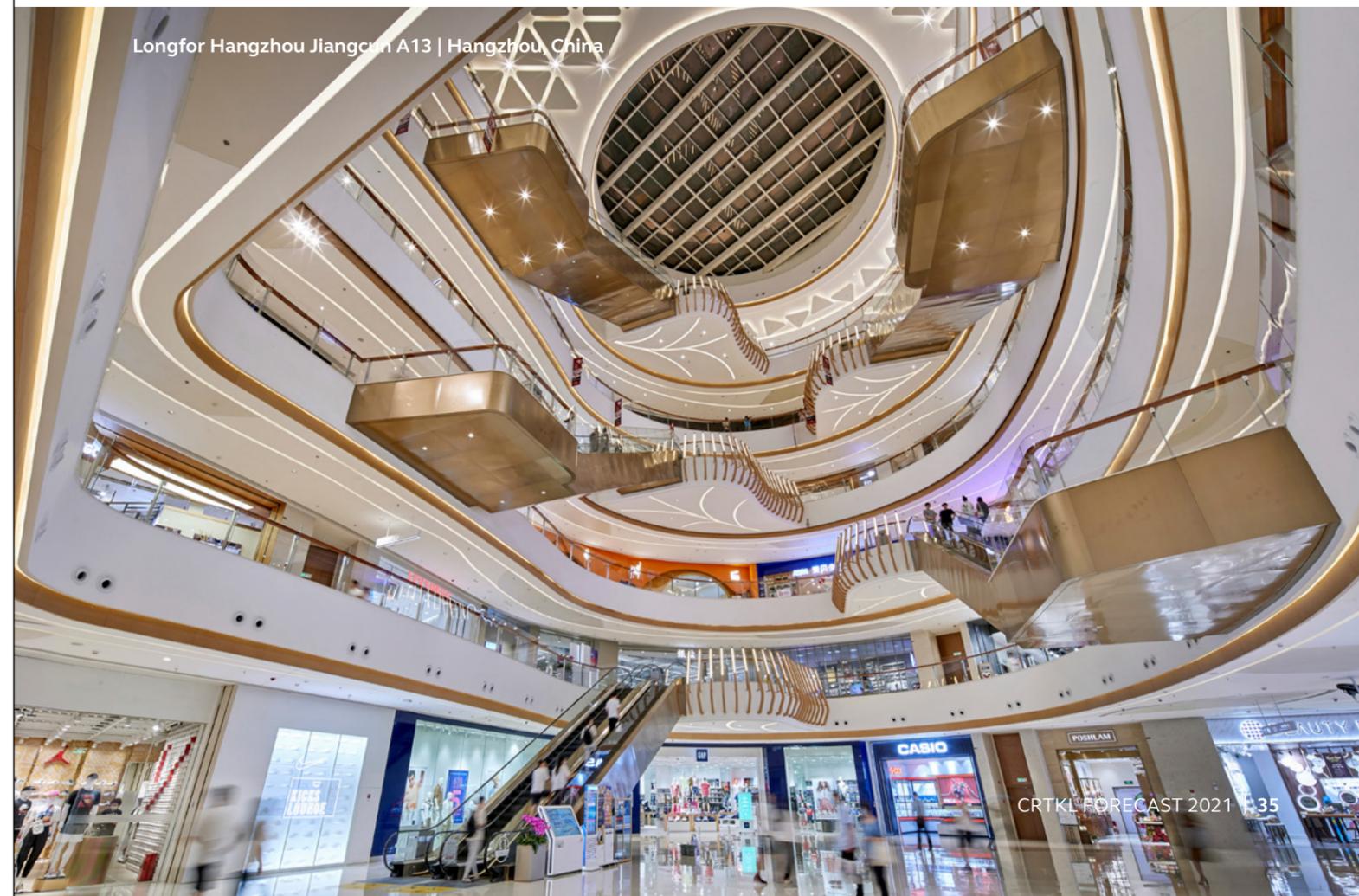
By prioritizing placemaking, hospitality, arts and culture, health and well-being, sustainability and technology, airports become a destination that excites passengers and airline staff alike. “The pandemic has taught us that clean, efficient, and safe airports – where people can socially distance and quickly pass through security and temperature checkpoints – are must-haves. Throughout it all, there will be an improved focus on the passenger experience from the curb to the jetway that combines expertise in mixed-use, entertainment, and retail,” says Kap Malik, Aviation Practice Leader in the Los Angeles office.

ANCHORING THE CITY WITH SPORTS MIXED-USE

New “arena districts” can activate the neighborhood and bring in significant sources of revenue. The stadiums serve as catalysts for urban redevelopment, spurring downtown areas’ revitalization, new housing, entertainment, and office spaces. The impact of sports mixed-use projects goes far beyond sports. Research firm JLL conducted a feasibility study to assist the Atlanta Braves and the county in locating the ideal property for the development of an adjacent 1.2 million-SF mixed-use “micro-neighborhood” called The Battery Atlanta. Last fall, the Center for Economic Development Research, a unit of Georgia Tech’s Enterprise Innovation Institute, analyzed the economic impact of the ballpark and The Battery Atlanta. The center calculated a net fiscal impact for the county of \$18.9 million per year over 20 years.

Along with the fiscal impact of these sports-anchored destinations, the community impact is paramount. More and more, sports teams and city governments are looking to utilize these environments to further engage with – rather than alienate – the communities in which they serve. Creative and round-the-clock programming, partnerships with community organizations and youth programs, and a focus on activation and experience planning pivots the role of sports venues from a barrier to inclusive gathering space.

CallisonRTKL has a long history of designing some of the most successful shopping and mixed-use environments globally. Of the top ten most valuable shopping centers in the US, CRTKL has designed five. The depth of our experience in both store and shopping center design provides us with the unique understanding of the landlord, the retailer, and the shopper point of view.



Longfor Hangzhou Jiangnan A13 | Hangzhou, China

The retail industry has been experiencing a transformational change in recent years. Consumer desires of both inclusion and exclusivity, connection and authenticity, have renewed focus on experience planning. The always available online retailing presence has divided the weak from the strong and sparked a slew of new concepts to capture the end-user in an omnichannel world. The urgent need to diversify offerings has led our clients and us to find new and creative ways to turn the shopping center into a vibrant and beating community heart.

For several years, CRTKL has forecasted where the retail industry and consumer needs are going. Our intelligence shows us that shoppers are savvy and crave an authentic connection over manufactured interactivity. Planning for the human experience is paramount, and there should be equal time curating the journey as we do the spaces in which it takes place. Shopping centers cannot be an island, but rather must be a gathering place that enmeshes in its community and reflects its values. Retail is a connective tissue that blends the environments from the various components of life.

Now more than ever, evolution is not only necessary; it is vital to the health of our people, the health of our businesses, and the health of our world. The blending of uses creates environments that promote wellness and focus on quality over quantity for engagement, offerings, and even FAR [floor to area ratio].

Hubindao Shopping Center | Shanghai, China



BRANDS ARE EXPECTED TO DO MORE FOR THEIR LOCAL COMMUNITIES – AND THE WORLD

Clients with internal brand awareness and dedication to their mission have a significantly stronger foundation to leverage. Regardless of whether a brand's mission is to help the environment or support their community, their dedication must be intrinsic to every employee- and customer-facing touchpoint. According to a Markstein Survey 2019, 70% of consumers say they want to know how the brands they support and address social and environmental issues. "Everlane is a brand that has done a great job of integrating digital and physical retail while maintaining a strong message of radical transparency permeating every interaction," says Michelle Decker, Retail Strategist in New York. "When we work with clients, we build upon their mission-driven enthusiasm and transform branded retail experiences for purpose-driven consumers of every generation." Brands that are taking a holistic view of long-lasting impact are the clear leaders in corporate social responsibility. While running a short-term campaign may gain attention for a brand without generating significant change, establishing long-term cause-related goals showcases a more profound commitment from brands to their community. This commitment reassures the 74% of customers who are skeptical of corporate giving marketing ploys that the brand takes corporate social responsibility seriously, strengthening their initiatives' effectiveness.

70% of consumers say they want to know how the brands they support and address social and environmental issues

*Markstein Survey 2019

For instance, Nordstrom has publicly announced its goals for 2025 centered around Environmental Sustainability, Human Rights, and Corporate Philanthropy. Another brand, Apolis, has embedded its ethos and message into its corporate operations. "It [Nordstrom] sources their products to empower people and tell the stories of all their factory workers around the world, including giving fair wages, on product tags," notes David Cassidy, Retail Practice Leader, based in Dallas. Brands that embed these missions into strategies at the organizational level will have far more impact than a quick-fire campaign in building consumer loyalty and positive retail growth.

FOOD AND BEVERAGE IS THE NEXT NEW ANCHOR OPTION

75% food halls were able to stay open during lockdowns

*Cushman & Wakefield Food Hall Report

The 15-MinuteCity, focuses on a local and more blended offering of retail, entertainment, and hospitality for residents as a driving force for change. There is a tremendous opportunity for more integrated experiences in those struggling anchors with suburban malls and development properties suffering because of the shift to online shopping. "Many of our department store and developer clients are working with us to envision the best offering for this new model," notes Cassidy. "Food halls are a critical part of this. The reduced footprint, short-term leases, and high potential for increased foot traffic to adjacent properties are big payoffs for the developer. At the same time, the variety, communal atmosphere, and flexible open spaces give customers a vibrant, convenient, and safe option for food and beverage experiences." Regarding safety and adaptability, 75% of food halls were able to stay open during lockdowns by pivot and reset quickly, according to the latest [Cushman & Wakefield Food Hall Report](#).



Additionally, hybrid experiences in retail have been growing in popularity with positive results since the early 2000s. Food halls certainly have been – and will continue to be – an essential part of this growth. As customers shift to online shopping, brands have sought to right-size their use of spaces while experimenting with partnerships between retail and food and beverage. Cassidy sees the ability of spaces to flex into alternate uses can overcome many challenges and allow for temporary solutions. "With the dining spaces of food halls naturally having larger gathering spaces, a simple and effective strategy is to transform use temporarily into pop-up markets, performance, and event spaces, in addition to dining. The intrinsic flexibility adds an opportunity to adjust for new formats of customer events quickly," he says.

DELIVERY OF A TOP-NOTCH BLENDED PHYSICAL AND DIGITAL EXPERIENCE

We used to think of retail as being only stores. We now think of retail as an ecosystem of brand touchpoints – some physical, some digital, some face to face, some automated. In fact, according to [PwC's Global Consumer Insights Survey 2020](#),

45% of consumers say they're using their mobile phone more as a shopping channel since the COVID-19 outbreak.

As a result, it is no longer about what a store looks like for designers – it is about the customer and what is relevant to them. While some physical retail stores have disappeared during this unprecedented time, we see many new opportunities to deliver a great retail customer experience.

A key innovator in using physical retail as part of their toolbox is Nike. The brand excels at delivering alternate physical retail formats to support its traditional retail. The House of Innovation experiential flagships, Nike Live – which uses data to provide only the most relevant merchandise for local customers – and Nike Rise, which encourages utilizing the loyalty app in-store to unlock city-wide events access, are exemplary models for alternative formats. The collection of Nike retail experiences showcases the brand's understanding that the store can represent more than a place to buy products. Instead, they provide a unique user-centric vehicle for their brand by leveraging a combination of product, design, experience, and



technology. Moving forward, we can creatively embrace technology as an enhancement tool to increase the physical shopping experience without numbing it and reverting solely to online purchasing.

Personalization will be especially valuable to consumers and brands as we give up more privacy in exchange for more meaningful and effortless interactions with brands and the products they provide. Another trend we expect to continue to grow is the buy online pick up in-store or BOPIS [Buy Online, Pick Up in Store]. Creating a seamless and personalized experience for customers within the short span of a BOPIS experience is an incredible retail design challenge. “Let’s be clear, some product purchases are more efficient and enjoyable online, but many others require a hands-on customer experience and skilled in-person customer service,” says Cassidy. [82% of consumers say](#) that seeing, holding or demoing a product in-person makes them more inclined to purchase at the counter. “The future of retail depends on understanding which products require the physical space to experience them and how those spaces enrich the brand touchpoint.”

ADJUST TO THE DRAMATIC SHIFT OF CONSUMER SHOPPING BEHAVIORS – RETAILERS ANYWHERE AND EVERYWHERE

So how can we design to meet consumers where they are today? “We’ve seen the fundamental shift towards online customer activity. Customer expectation is high, and technology enables us to meet their demands,” says Lily Olsson, Customer Experience Designer, in the New York office. “The key to designing for the evolving customer is to understand their behaviors.”

CallisonRTKL developed a Test Lab Branch for New York-based Ponce Bank. The lab allowed Ponce Bank to listen to customers’ needs and discover how operations needed to adapt. It also included a mock-up space to deploy new digital

tech and test where new service models could be co-created by staff and a sample group of customers. Service design iteration occurred daily. After a month of testing, deployment of a new validated, digitally-enabled customer flow launched in the branches, along with a fresh new interior design. “The more we understand the customer, the more we can anticipate those future behaviors and validate them through testing,” says Olsson.

Consumer behaviors will continue to be influenced by technology in 2021 – and beyond. Personalization and the ability to connect with brands and each other 24/7 has made our world smaller and more intimate. Consumer impatience and high expectations on seamless experiences drive rapid innovation in retail beyond the look and feel. According to consumers surveyed by JLL, more than two-thirds indicated that a retailer must remember their preferences.



We consider the customer experience before thinking about the design of a space, and we see most brands are making this shift too.

Paul Conder

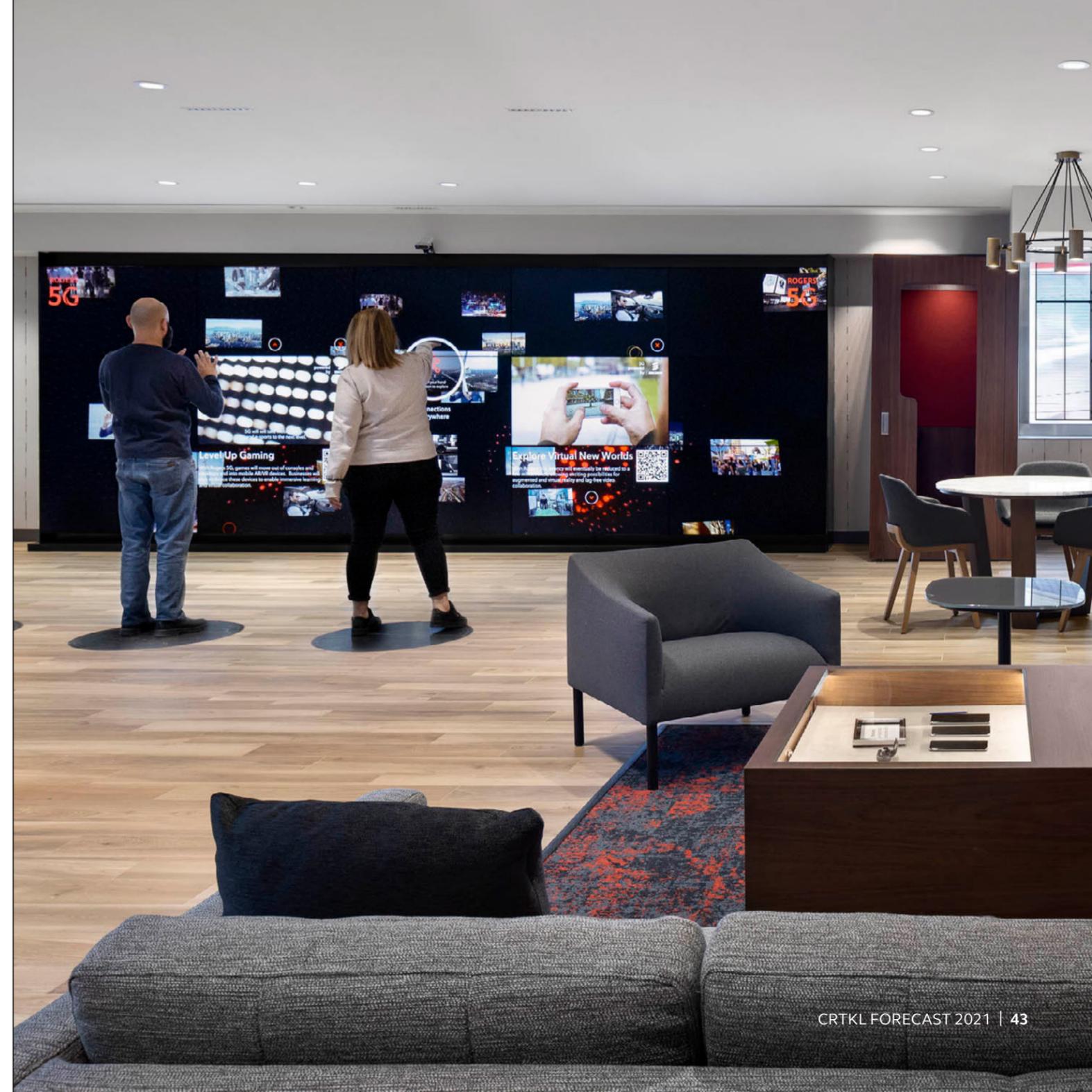
Customer Experience
Practice Leader
New York

“Additionally, the customer experience space has become a lot more sophisticated over the past few years. Retailers used to defer to a ‘surprise, delight, and share’ approach to experience design. Now they focus on deep personalization, effortless, seamless cross-channel services, and digital-use to

deepen face-to-face service. This focus goes a long way to improving customer expenditure and long-term loyalty, and the store is a central touchpoint in that experience.” In 2021, store design remains

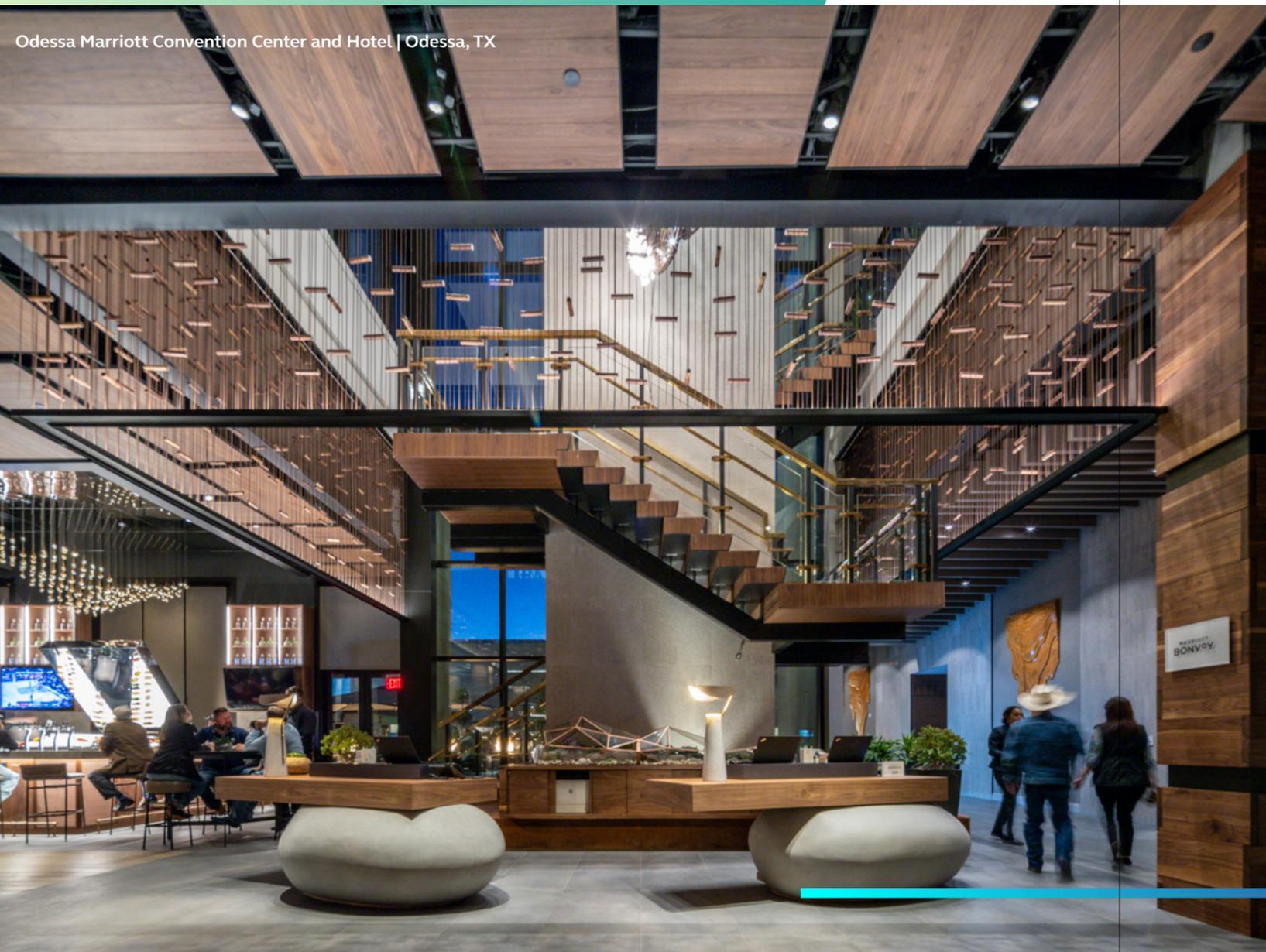
just as important as ever, but it joins digital, service design, and channel strategy to stay relevant to today’s customers, regardless of their changing behaviors.

Rogers - Toronto Flagship | Toronto, Canada





HOSPITALITY



With a potential [US\\$5.5 trillion wiped off the global tourism & travel sector's GDP](#), the implications to the hospitality sector, brought on by the pandemic, have been severe, with no traveler, business, workforce, or community left untouched.

Before the industry had shifted from an inclusive, closed space to an open, decentralized, urban layout, post-COVID, it turned to a more protected, controlled, and wellness-focused model. With continuity and response plans now in place, the focus shifted to recovering the millions of jobs impacted, rebuilding traveler confidence, creating experiences that are at once memorable and safe yet still profitable, and mitigating the risk of future devastation.

The operational efficiencies gained throughout this experience will be carried forward, with many now capable of operating far leaner and breaking even with 50% occupancy, instead of the standard 60-70% rates of previous years. Similar efficiencies will be sought at a spatial level as a different overall approach emerges to driving revenue for the various spaces within hotels.

Hotel design will become much more flexible and inclusive of the community, rather than just the guest. Expect to see more co-working spaces being integrated into the hotel common areas and monetize these spaces on a mutually beneficial basis as the flexible and hybrid working revolution booms. Many are already circling expansive conferencing and meeting facilities looking to capitalize on the underutilized space and the transferable hospitality resources that come ready-made to service them.

The interior will not be the only thing that transforms, though, with the repurposing and conversion of hotels taking over new builds as savvy investors recognize the potential of distressed assets and ownership continues to change hands. Indeed, owners are testing the water with sales now, perhaps looking to stem their losses while pondering burgeoning alternative asset classes.

Next year, those that can afford may focus on planning and tending to new projects, with advantages gained from the declining construction costs brought on by firms seeking to secure new business. Local authorities will also look more favorably on proposals that bring energy and economic prosperity back to their communities, with wins still to be had and mixed-use interventions presenting bold new opportunities.

Couple this with the pent-up demand for travel and nonprice factors becoming more important to guests and the hospitality landscape of 2021 looks set for a shake-up.



CLEAN AND WELL – THE CERTIFICATIONS OF 2021

Healthcare once looked to hospitality to focus on patron/patient experience; the roles have reversed with hotels taking notes on cleaning protocols, sanitization, and reassuring encounters.

The health and wellness trend had begun changing perceptions of “sick care” to “preventative care,” with the pandemic then serving to enhance the focus on personal wellbeing and safety.

Within the tourism sector, in 2017, wellness tourism was worth US\$639B. By 2022 growth is predicted to at 44%. It is the fastest-growing segment, inflating by 6.5% annually.

By 2020, wellness tourism is predicted to grow at

44%

Wellness travelers spend more per trip than the average tourist – and this is true both domestically and internationally.

Grand Hyatt Shenzhen | Shenzhen, China



Wellness in hospitality will become a more predominant overlay to the hotel’s attitude, not just as a response in the form of cleaning protocols or health checks

Clay Markham

Hospitality Practice Leader,
Dallas

To capture this market, wellness in the new hospitality space needs to be more than a juice bar, spa, or mediation room.

Beyond the integration of wellness-oriented products, produce, and amenities, hotels will look to biophilic design, natural materials, daylighting, and local suppliers to fit the expanded definition of wellness that now encapsulates environmental and ethical choices.

“Where we have the LEED standard for sustainability in architecture, the WELL building



Utilizing [WELL building standards](#) ensures a commitment to wellbeing — as individual wellbeing is intrinsically tied to environmental wellbeing. This also has the potential to strengthen the overall value proposition and brand loyalty.

standard will now prevail as well, and soon to come will be a CLEAN standard that can provide the post-pandemic traveler with greater levels of assurance,” says Clay.

HIGH-TECH, LOW-TOUCH – A CUSTOMIZABLE EXPERIENCE

The willingness to travel is returning. Evidence of this intent is in the increased searches and advanced bookings. The ability to capture and convert this is now a matter of fine-tuning the guest experience to manage varying degrees of anxiety.

While not everyone is looking for high-tech accommodation, technology does hold the key to a post-pandemic hotel offering that provides the element of choice guests need to feel comfortable now.

“Guests will have the power to choose the level of human interaction and service provided to them during their stay,” says Todd Lundgren, Hospitality Leader for EMEA, based in London.

“Completely contactless experiences will be an option, while the more high-touch offering that is customary in the luxury market will remain for those that want it,” says Todd.

Whether it takes the form of an app or other, this same technology will also facilitate information exchange. This exchange allows guest profiling ahead of arrival. This data enriches their experience and builds a more rewarding journey that affords them control over their safety and socializing.

The potential to simultaneously save on labor and simplify the guest experience will drive much of the industry’s technological advancement, primarily as the cost associated with its onboarding measures against demand. Lower and mid-market tiers will likely see the most penetration as a result.

Though this might suggest that fully automated guest experiences will saturate every corner of the market within a few years, this is not the case. The distribution of technology will vary in the market, with the luxury end continuing to differentiate itself with a more personal touch.

“The pandemic has not diminished the desire for human connection, the guests of tomorrow still finding cause for the attentive porter, the well-connected concierge, and the quirky mixologist,” says Lundgren.



THE NEW REALITIES OF TRAVEL

The repositioning, repurposing, and refurbishment of existing hotels will far outpace new builds in 2021 as owners and operators strive to recoup lost value by introducing new uses, doing away with the nightly rental model, and servicing their communities as much as their guests.

Staycations and daycations are just the beginning of an upheaval that will see traditional hotels pivot in response to the Future Traveler Tribes of 2030. Offers will be re-aligned with the new realities of travel; less reliant on business travel, more focus on leisure and wellness, smaller group business, more flexibility and resilience in operations and revenue streams, and how they might drive adaptations their pre-pandemic brand standards.

Cross over will occur with the hospitality industry looking to co-working and multifamily residential for new opportunities.

The hotel room will become multi-dimensional as well. “No longer just a base between daily adventures or a place to rest your head, the hotel room can be a destination within itself,” says Markham.

Beauty treatments will more commonly be offered in-room, with massage tables and dining tables on easy order for guests wanting to avoid the masses and have the spa or restaurant come to them.

“The expectation is delivering the same experience, more safely, making it feel special rather than sterile,” says Clay.

Hotels lacking these in-house services will find supplements in local businesses, with partnerships formed and new revenue streams identified.



CONTACTS



PLUD

Matthew Tribe

PLUD & Resiliency Practice Leader | Dubai
matthew.tribe@crtkl.com

Noel Aveton

Vice President | Dallas
noel.aveton@crtkl.com

Lily Wei

Vice President | Shanghai
lily.wei@crtkl.com

HEALTHCARE

Jim Henry

Health & Well-being Practice Leader | Dallas
jim.henry@crtkl.com

Beau Herr

Vice President | Dallas
beau.herr@crtkl.com

RESIDENTIAL

Daun St. Amand

Practice Leader for APAC & N. America | Los Angeles
daun.stamand@crtkl.com

John Badman

Practice Leader for EMEA | London
john.badman@crtkl.com

WORKPLACE

Mark Fairbrother

Practice Leader | Washington, DC
mark.fairbrother@crtkl.com

Jeanne Wood

Workplace Strategist | London
jeanne.wood@crtkl.com

Dena Yamaguchi

Associate Vice President | Seattle
dena.yamaguchi@crtkl.com

Michael Horton

Associate Vice President | Dallas
michael.horton@crtkl.com

SEDS

Jeff Gunning

Practice Leader | Dallas
jeff.gunning@crtkl.com

Michael Lee

Vice President | Seattle
michael.lee@crtkl.com

RETAIL

David Cassidy

Retail & Tech & Mobility Practice Leader | Dallas
david.cassidy@crtkl.com

Michelle Decker

Retail Strategist | New York
michelle.decker@crtkl.com

HOSPITALITY

Todd Lundgren

Practice Leader for EMEA | London
todd.lundgren@crtkl.com

Clay Markham

Practice Leader for N. America | Dallas
clay.markham@crtkl.com

AVIATION

Kap Malik

Practice Leader | Los Angeles
kap.malik@crtkl.com

CUSTOMER EXPERIENCE

Paul Conder

Practice Leader | New York
paul.conder@crtkl.com

Lily Olsson

Associate Vice President | New York
lily.olsson@crtkl.com

DIGITAL TRANSFORMATION

Bill Kwon

Vice President and Director of Digital Transformation | Chicago
bill.kwon@crtkl.com

RESEARCH

Sarah Wicker

Director of Research | Chicago
sarah.wicker@crtkl.com

PERFORMANCE-DRIVEN DESIGN

Pablo La Roche

Practice Leader | Los Angeles
pablo.laroche@crtkl.com

CallisonRTKL, a global architecture, planning and design practice, began over seven decades ago and has evolved into a cultural agency to advance positive outcomes in our local and global communities. Through a human-centric design approach, our team addresses the imperatives of resiliency, well-being, mobility and technology and their influence in the built environment.

callisonrtkl.com



CRTKL