

Adapting to the New Normal as Society Changes with the COVID-19 Pandemic

Interview

New Lifestyle Creation Responding to the Arrival of the Digital Society

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The impact of the COVID-19 pandemic is giving rise to major changes in values with respect to distance, location and time. With the widespread adoption of telework and e-commerce, the digitalization of all manner of transactions will surely progress going forward, including movements towards deregulation. While differentiation between the use of online and offline methods progresses, both for individuals and organizations, I think that a fusion will also progress.

Recently, there has been an increase in the number of media reports regarding the state of office usage and changes in demand in due to the spread of telework. I think that the role of offices as places offering chance realizations and new ideas, and for increasing employee engagement will become more clear, and that this process will also generate new demand. Moving forward, I think that workplaces will become more diverse and differentiated according to people's various job types and lifestyles, falling into categories such as company, home, co-working space and resort. The Tokyu Fudosan Holdings Group has offered its Business-Airport membership-based satellite office service from an early stage. We believe that identifying this kind of new demand and continuing to offer new and improved versions of conventional offices to match changes is part of our role as a developer.

In terms of changes in the post-COVID era, we predict trends such as an increase in demand for working from home, and the digitalization of all manner of consumer behaviors. In each of our business segments, during the pandemic, we are seeking to strike a balance between precautionary measures against infection and maintaining business continuity, and working to provide new products and services as we regard these changes as a business opportunity. Since before the pandemic, e-commerce in the retail sector has expanded year by year. Now the digitalization of consumer behaviors such as experiential and extraordinary consumption which were previously completed primarily in reality



is progressing, and the boundaries for customers between online and offline are now being removed. Moving forward, we will accelerate the pace of initiatives in our various businesses that respond to these kinds of changes in values and lifestyles.

In this modern society, where importance is placed on diversity and individuality, I think that the arrival of this full-blown digital society will make it easier for people to achieve lifestyles in which they can stay true to themselves. As the Group with extensive contact points with customers, I hope that we can support people in living lives that suit them in fields such as home, work and play, and link this to the creation of new lifestyles by understanding individual consumers.

Moreover, as the Group is involved with diverse assets, until now we have aimed to increase the value of real spaces, areas and communities. Even as digitalization progresses, this major direction will remain unchanged.

By utilizing digital technologies to increase convenience and user experience (UX) for customers, we aim to maximize the value of related assets and contribute to creating appealing urban lifestyles.

► Predicted changes to society and related businesses

Trends	Behavioral changes	Main related businesses
Irreversible spread of telework	<ul style="list-style-type: none"> Firm establishment of telework and online meetings System design and assessment systems to respond to telework Changes to functions and roles of offices 	<ul style="list-style-type: none"> Urban Development (office buildings and shared offices) Residential Wellness (hotels and resorts)
Expansion of at-home demand / Increase in awareness of promoting better health	<ul style="list-style-type: none"> Decrease in movement, increase in time spent staying at home Increase in time spent exercising 	<ul style="list-style-type: none"> Residential Property Management Wellness (healthcare)
Digitalization of all manner of consumer behaviors	<ul style="list-style-type: none"> Irreversible spread of e-commerce Digitalization and shift to online sources for extraordinary consumption Increase in Internet use and online interaction Shift to online transactions and contracts 	<ul style="list-style-type: none"> All businesses (Especially commercial facilities, logistics facilities and TOKYU HANDS)
Widespread adoption of remote learning and healthcare, etc. / Expanded use of data	<ul style="list-style-type: none"> Deregulation, abandonment of old social customs Advancement of smart city developments Establishment of remote job seeking and penetration of online class 	<ul style="list-style-type: none"> Urban Development (office buildings, commercial facilities) Residential, Property Management (renovation construction) Wellness (healthcare)

Continuing Provision of Services to Customers

Operation, sales and management-related businesses carry many opportunities for direct interaction with customers. At the same time as implementing measures to prevent the spread of infection, we are also working to ensure the continuity of business operations with contact-less solutions, such as seeking to promote the utilization of IoT devices using telework environments.

- **TOKYU COMMUNITY:** gradually releasing web versions of directors' meetings and parking contracts online on its Life Time Portal site aimed at condominium residents and unions
- **TOKYU LIVABLE:** introducing online customer service and conducting non face to face sales
- **TOKYU HANDS:** investing energies into e-commerce, and expanding sales of items for stay-at-home consumption
- **NATIONAL STUDENTS INFORMATION CENTER:** conducting explanations of important IT-related matters online, VR property viewings without actual attendance, and providing online workshops for student tenants
- **TOKYU SPORTS OASIS:** providing 24-hour online fitness app WEBGYM and free online lessons for a fixed period

Examples of measures to prevent the spread of infection



Regular sterilization of fitness machines and equipment (TOKYU SPORTS OASIS Shinjuku 24Plus)



Customer service at a reception counter with an acrylic panel installed (Tateshina Tokyu Hotel)

Protecting the Safety of Group Employees

Since the declaration of a state of emergency in Japan in April 2020, the Tokyu Fudosan Holdings Group has taken swift and flexible measures seeking to secure the safety of its employees and their families, and to ensure business continuity.

The head offices of many of the Group's operating companies are located in Tokyo. During the state of emergency, as a general rule, employees who are able to work from home avoided attending work at the office, and refrained from unnecessary, non-urgent meetings or business trips. We have also sought to reduce the risk of infection, such as by making proactive use of online meetings and recommending staggered commuting when attendance at the office is necessary.

In particular, since the relocation of their head office in August 2019, Tokyu Fudosan Holdings Corporation and TOKYU LAND CORPORATION have worked to develop their IT environment and work schemes, such as by using the relocation as an opportunity to switch to lightweight PCs, in order to facilitate diverse and flexible ways of working and new work styles. As a result of advancing preparations for telework, we were able to shift smoothly to working from home when the state of emergency was declared.

We have also engaged in recruitment activities and HR training not constrained by time or location, such as by conducting recruitment interviews and training for new employees remotely.

Since the lifting of the state of emergency, we have continued to implement New Normal measures across the entire Group. At the head offices of each Group company, we have reduced em-

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From the Front Line of Senior Residences

(TOKYU E-LIFE DESIGN Inc.)



Head of Nursing, Grancree Setagaya Nakamachi Care Residence

Ikue Tanaka

At our care residences, staff are on duty 24 hours a day to provide close lifestyle assistance for residents who require various forms of support. We have a strong sense of duty to protect our residents. During the COVID-19 pandemic, we have toughened our measures to prevent infections, and are maintaining a sense of crisis awareness when interacting with our residents, based on our guideline of not bringing the virus into the residence, and not allowing it to spread. We have also launched limited-time online visitations and lobby visitations. Seeing the happy faces of our residents leads to greater energy and teamwork among our staff.



A tenant enjoys an online visitation with family (Grancree Azamino)

ployee attendance rates to avoid the Three Cs (Confined spaces, Crowded places, Close contact), and are implementing thorough measures to prevent infection, including temperature checks, seating records, and installation of hand sanitizer.

In operation, sales and management workplaces, too, we have toughened hygiene management measures. We also ensure thorough implementation of temperature checks on arrival at work, wearing of masks, gloves, face shields and other protective clothing, social distancing, proper ventilation and disinfection of indoor spaces and equipment.

► Support for employees with childcare commitments (until June 30)

In response to the temporary closure of nursery schools and elementary schools as a measure to prevent the spread of COVID-19 infections, the Group has provided support to enable flexible workstyles for employees caring for children, making use of schemes such as working from home, flextime and break times outside of regular hours. We have also established a system that enables employees to work with greater peace of mind, allocating special paid leave when it is unavoidable to have employees take a leave of absence.