

Key findings

Iconic destination	London is one of the world's global cities, which attracts over 15 million annual visitors with iconic cultural, historical and entertainment events.
Olympic feel good factor	London 2012 was an overwhelming success. Its legacy to the city has yet to be seen, but the feel good factor in the city, plus a rise in tourism spending provide a solid start.
Europe remains key	European visitors are the most frequent visitors to London, with travellers from France, Germany, Italy and Spain accounting for over 4 million in 2011.
Looking to the BRICs	Visitors from the economically strong BRIC nations are increasing in number, with competition for them among European cities becoming fierce.
Growth in hotel supply matched by demand	2011 and 2012 saw a number of hotel openings throughout the capital. This increase in supply has not yet witnessed a drop in demand as visitors keep coming; however a post-event slump is likely at some point.
Transportation improving	Investments in infrastructure were fast-tracked due to London 2012, and while congestion is still an issue, the city has a solid public transport network.
Paralympics highlighted accessibility	The Paralympics improved London's facilities for disabled travellers and initiated improvements towards making London a top accessibility destination.
Top attractions remain free	The leading attractions in London are the city's museums and galleries, most of which are free for the public to enter, although exhibitions may charge.

London tourism strategy

Strategy	Action	Assessment	Impact 2012	Future impact
Move towards sustainability and accessibility	A major focus for London 2012 was to ensure that the city was accessible to all, particularly for disabled travellers. Additionally, London 2012 had the stated aim of being the first “sustainable” Olympic Games.	The launch of the inclusivelondon website has enabled disabled visitors to London to plan their trips. November 2012 saw a review by the Commission for a Sustainable London confirming the Games were the most sustainable yet.		
Focus on Chinese visitors	Aiming to treble existing numbers of Chinese visitors to reach 500,000 by 2015.	Ongoing visa issues mean Paris still attracts 25-50% more Chinese visitors.		
Competitive positioning	London is positioned as a leisure and business destination, offering both budget and luxury options for visitors. The city competes against most European capitals, particularly Paris.	London performed strongly in 2012, with the Olympics showcasing the best the city can offer. Recent infrastructure projects have widened the budget options.		

Inbound arrivals

London Arrivals by Country 2010/2011

	'000 trips 2011	% growth 2010/2011
US	1,840	4.2
France	1,595	-1.8
Germany	1,208	-3.9
Italy	999	7.1
Spain	887	1.3
Australia	679	8.8
Netherlands	625	0.6
Ireland	620	-5.5
Others	6,653	5.6
TOTAL	15,106	2.7

Source: London & Partners 2011 Visitor Fact Sheet, Euromonitor International Research

- The US remains the number one source country for visitors to London, with strong historical connections combined with good flight options boosting arrivals.
- Europe remains the top source region, but numbers are down from France and Germany, with the continued economic uncertainty impacting travel decisions.
- Brazil is one of the fastest-growing inbound source countries, with 210,000 arrivals in 2011, an increase of 41% over 2010. There are a growing number of direct flights between London and Brazil, with visitors opting to stay in the capital and not travel further afield.
- Chinese and Russian visitors to the capital also increased dramatically, up by 42% and 28% from 2010 respectively. Actual numbers remain modest at 80,000 for China and 152,000 for Russia, but these rapidly-expanding economies are a key target for tourism professionals throughout the capital.
- The growth in Australian visitors can be attributed to favourable exchange rates, making London a relatively affordable trip.

Business versus leisure

Business demand remains strong

- London is one of the world's top business destinations, ensuring year-round visitors.
- The city has been voted Europe's top destination for international and national transport links for 21 years in a row by the European Cities Monitor.
- London is seen as one of the "command centres" of the global economy, and together with its rival New York, vies for the title as the most globally connected business city.
- There are over 1,000 conference venues, some of which are in the city's historical sites.
- The first half of 2011 saw London attract 138 foreign direct investment (FDI) projects, second only to Singapore. The majority of projects are in financial services, creative industries, and sales and marketing.
- London & Partners claims that the annual total spend by business tourists is around £3.1 billion, with 70% of this coming from overseas visitors who tend to stay longer and spend more than domestic business visitors.

Leisure

- Leisure visitors account for at least half of all visitors to London. 2011 saw the total spend for leisure travellers rise to £5.7 billion, an increase of 8% on the previous year. Visits to friends and relatives is a growing category with an estimated 6 million British citizens living overseas in 2010 (IPPR report 2010).

Domestic tourism

- Domestic tourism in London performed strongly during the Olympic period of August 2012, showing an increase of 37% compared to August 2011. However, when year-to-date figures are examined, the increase in number of trips is much less at 6.5%, as domestic tourists saved their trips for the Games.
- Spend was up by 25.8% during August 2012 for domestic tourists, but again this rise has been compensated by less spend overall in the year-to-date figures with expenditure increasing by less than 1%.
- London remains the top domestic tourism destination in the UK with over 11 million visitors in 2011. Visitor numbers declined by 2% from the previous year, whereas other popular cities such as Manchester and Bristol have shown growth. However total 2012 domestic visitor numbers are likely to show an increase due to the Olympics, with the majority of spectators at events coming from the UK.
- The average domestic visitor to the capital stays for 2.4 days and spends £216 according to London & Partners key visitor statistics 2011. Over a third of this spend is due to business travellers, who will be more likely to need accommodation.

London Domestic Tourism Trips

	Trips	Bednights	Spend
(% growth Aug 2011 vs Aug 2012)			
London	37.0%	18.3%	25.8%
(% growth Sep 11-Aug 12)			
London	6.5%	6.5%	0.3%

Top Cities for Domestic Tourism England 2011

City	'000 visitors	% growth
London	11,093	-2%
Manchester	2,613	20%
Birmingham	2,251	10%
Bristol	1,828	24%
Scarborough	1,645	10%

Source: VisitBritain Survey

Olympic review

Overall international arrivals down, but spending up

- Despite some initial security issues and ticket availability problems, London 2012 was a major success.
- Official inbound arrival figures in London for June, July and August 2012, however, were down by 7% on the previous year. This averages out as 7,000 fewer tourists each day compared to 2011.
- While wet weather can be partly to blame for the drop in June, it is clear that there was visitor displacement due to the Olympic Games. Hit hard by this were retailers and tourist attractions, as visitors focused on the Games and not necessarily visiting traditional sites or shopping locations.
- Visa was one of the companies to benefit from the Games with international visitors to the UK spending more than £450 million during the first week, according to Visa Europe. This was an increase of 8% on the same time period in 2011, with Visa being the only credit card accepted at Olympic outlets.

Feel good factor undeniable

- With London as the backdrop to many of the Olympic events, a visit is now hoped to be on the wish list of many overseas travellers. VisitLondon launched a marketing campaign “The Post Games Push” the day after the Games ended as part of the effort to realise the expected gains over the next two years.
- It is hoped that the visitor displacement will be merely a short-term loss for the city, and that the long-term benefits will compensate.

