LONDON™
TOURISM REPORT 2012/13

LONDON™
& PARTNERS

REPORT CONTENTS

HEADLINES FOR LONDON

IN 2012 LONDON WELCOMED

27.6 million
STAYING OVERSEAS AND DOMESTIC VISITORS, GENERATING ALMOST

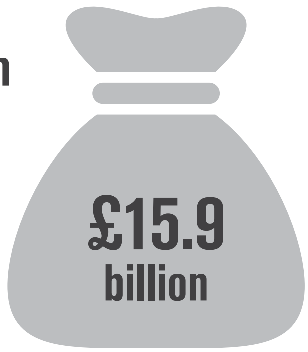
£12.9 billion
IN EXPENDITURE

This equated to **15.5 million** overseas visitors in 2012 spending a total of **£10.1 billion** over **94.3 million** nights

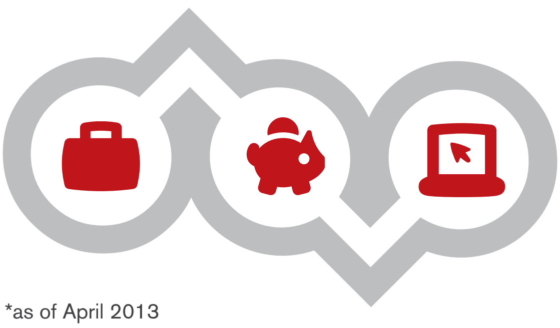
1,218 hotels
providing nearly
117,000 rooms

12.2 million
visitors from within the UK in 2012, spending a total of
£2.8 billion
over 27.7 million nights

London's tourism economy is estimated at **£15.9 billion**, supporting **304,000** jobs

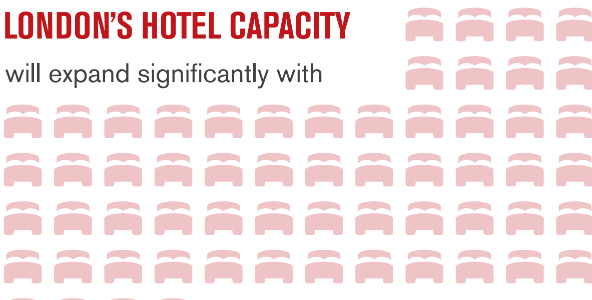


One of the best connected cities in the world with
330 direct links
to a wide range of source markets*



*as of April 2013

LONDON'S HOTEL CAPACITY
will expand significantly with



42,300 additional bedrooms in the development pipeline by 2017

1.0
OVERVIEW OF TOURISM TRENDS IN LONDON

In 2012, London welcomed 27.6 million staying overseas and domestic visitors, generating almost £12.9 billion in expenditure. For the year ending June 2013, the market performed even more strongly, with a total of 28.6 million visitors and £13.5 billion in expenditure.

Like many destinations, London experienced a recessionary downturn in 2008/2009. Since then the market has recovered strongly, to the extent that London's visitor numbers are 3.7 million higher than in 2009.

The city's visitor economy is dominated by overseas visitors.

Table 1. **London overnight visits, nights & expenditure 2008–2013**

	2008	2009	2010	2011	2012	12 mths to June 2013
Visits (million)						
Domestic*	11.02	10.65	11.37	11.09	12.15	12.51
Overseas	14.75	14.21	14.71	15.29	15.46	16.03
TOTAL VISITS	**25.77**	**24.86**	**26.08**	**26.38**	**27.61**	**28.54**
Nights (million)						
Domestic*	32.75	27.87	28.00	33.82	31.81	28.44
Overseas	90.82	85.69	90.32	91.50	94.30	95.53
TOTAL NIGHTS	**123.57**	**113.55**	**118.32**	**125.32**	**126.11**	**123.94**
Spend (£billion)						
Domestic*	2.23	2.18	2.41	2.40	2.78	2.88
Overseas	8.13	8.24	8.74	9.41	10.08	10.62
TOTAL SPEND	**10.35**	**10.42**	**11.16**	**11.81**	**12.86**	**13.48**

Source: Office for National Statistics/International Panssenger Survey; GB Tourism Survey

London is the UK's major destination for overseas visitors, accounting for 50% of all visits from overseas. However, London accounts for less than 10% of domestic visits.

Table 2. **Total volume of UK, England and London tourism 2012**

Visits (million)	UK	England	London
Overseas	31.08	26.8	15.46
Domestic	126.02	104.46	12.15
Tourism Day Trips	1,712	1,467	297

Source: Office for National Statistics/International Passenger Survey; GB Tourism Survey

As well as the 27.6 million overnight visits, London received an estimated 297 million day visits in 2012 – or a daily average across the year of 800,000.

Overseas visitors spent over £10 billion in London in 2012, almost 55% of the UK total, while domestic visitor spent £2.8 billion. It means that about 78 pence of every tourist pound spent in London comes from overseas visitors.

Table 3. **Total value of UK, England and London tourism 2012**

Value (£billion)	UK	England	London
Overseas	18.51	16.26	10.08
Domestic	23.98	19.5	2.78
Tourism Day Trips	57.05	48.46	10.9

Source: Office for National Statistics/International Passenger Survey; GB Tourism Survey

1.1
LONDON IN A GLOBAL CONTEXT

London is the third most visited city in the world, well ahead of its main rivals such as New York, Paris, Amsterdam, Barcelona and Rome.

Table 4. Top city destinations ranking 2011–2012

Rank	Country	2011/2012 Arrivals (million)	Percent (%) Change on 2011
1	Hong Kong	21.83	8.8
2	Singapore	19.82	8.7
3	London	15.29	4.0
4	Kuala Lumpur	13.32	16.0
5	Macau	12.93	8.4
6	Bangkok	12.36	12.5
7	Antalya	12.05	13.3
8	Shenzhen	10.89	6.8
9	New York City	10.04	3.5
10	Istanbul	9.77	20.2
11	Guangzhou	8.88	8.9
12	Paris	8.40	3.5
13	Dubai	7.74	-0.1
14	Shanghai	6.91	-5.8
15	Miami	6.46	7.1
16	Mecca	6.41	4.7
17	Pattaya	6.00	10.5
18	Rome	5.97	4.5
19	Las Vegas	5.39	4.2
20	Barcelona	5.37	4.0
21	Taipei	5.26	51.3
22	Beijing	5.15	5.1
23	Los Angeles	4.92	8.1
24	Phuket	4.89	9.5
25	Budapest	4.38	8.5
26	Amsterdam	4.20	12.8
27	Moscow	4.17	11.5
28	Orlando	3.83	4.1
29	Prague	3.76	0.0
30	Berlin	3.71	7.5

Source: Euromonitor International Top 100 Cities Destination rankings 2013

1.1
LONDON IN A GLOBAL CONTEXT

In the last ten years global tourism demand has increased by 50%, pushing the number of arrivals in 2012 past the 1 billion mark for the first time.

Table 5. **London overseas visitor growth vs global international arrivals**

	London (million)	Index	World (million)	Index	**London %**
2003	11.70	100	689	100	**1.7**
2004	13.39	114	760	110	**1.8**
2005	13.89	119	805	117	**1.7**
2006	15.59	133	851	124	**1.8**
2007	15.34	131	911	132	**1.7**
2008	14.75	126	929	135	**1.6**
2009	14.21	122	894	130	**1.6**
2010	14.71	126	952	138	**1.5**
2011	15.29	131	996	145	**1.5**
2012	15.46	132	1035	150	**1.5**

Source: United Nations World Tourism Organisation; Office for National Statistics/International Passenger Survey

1.2
PROFILE OF VISITORS TO LONDON

Leisure visitors to London totalled 11.8 million in 2012 and represented 43% of all arrivals. Most of the growth in London visitor demand in the last five years has been from leisure tourists, with overseas visitors providing the major part of this increase.

Table 6. **London visits by purpose (volume) 2008–2013**

Visits (thousand)	2008	2009	2010	2011	2012	12 mths to June 2013
Holiday						
Domestic	3,516	3,501	3,902	3,704	4,168	n/a
Overseas	6,544	7,055	7,325	7,616	7,649	7,950
TOTAL	**10,060**	**10,556**	**11,227**	**11,320**	**11,817**	**n/a**
Business						
Domestic	2,704	2,676	3,020	2,860	3,248	n/a
Overseas	3,099	2,556	2,775	2,997	3,068	3,173
TOTAL	**5,803**	**5,232**	**5,795**	**5,857**	**6,316**	**n/a**
VFR						
Domestic	4,573	4,135	4,090	4,215	4,322	n/a
Overseas	3,693	3,250	3,219	3,409	3,529	3,641
TOTAL	**8,266**	**7,385**	**7,309**	**7,624**	**7,851**	**n/a**
Other						
Domestic	227	341	359	314	414	n/a
Overseas	1,417	1,350	1,386	1,268	1,214	1,262
TOTAL	**1,644**	**1,691**	**1,745**	**1,582**	**1,628**	**n/a**
Total						
Domestic	11,020	10,653	11,371	11,093	12,152	**n/a**
Overseas	14,753	14,211	14,705	15,290	15,460	16,026
TOTAL	**25,773**	**24,864**	**26,076**	**26,383**	**27,612**	**n/a**

Source: Office for National Statistics/International Passenger Survey; GB Tourism Survey

1.2
PROFILE OF VISITORS TO LONDON

The value of London's visitor economy (measured in receipts) has increased by £2.5 billion in the period between 2008 and 2012, from £10.35 billion to £12.86 billion, a rise of 24%. With inflation running at about 12% over this period, this represents substantial real growth in tourist expenditure.

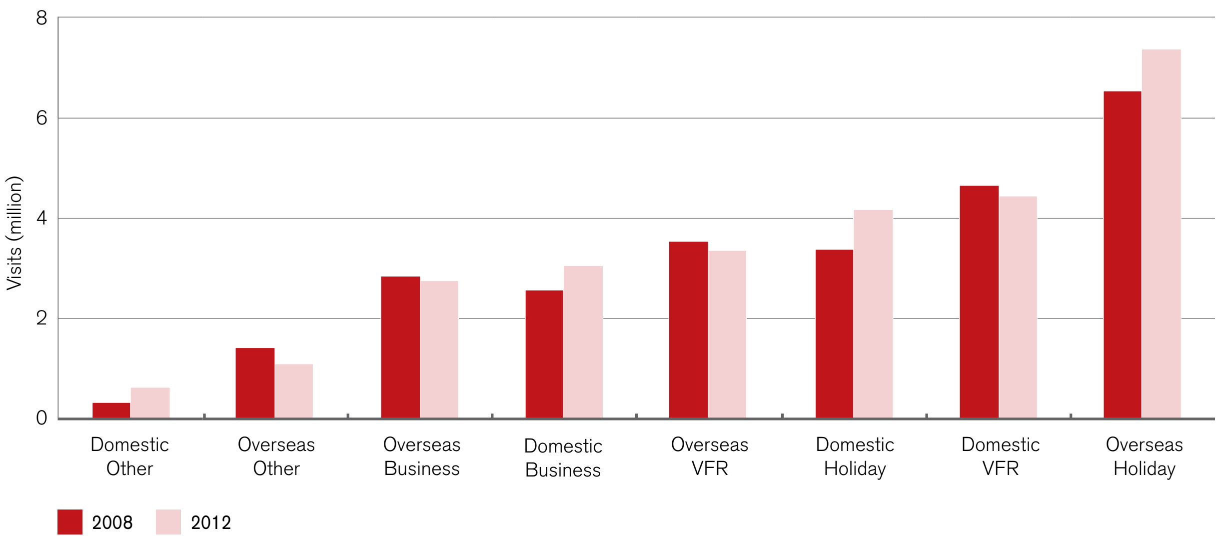
In the 12 months to June 2013, expenditure from overseas visitors has grown 5.6%.

Table 7. **London expenditure by purpose (value) 2008–2013**

Expenditure in £million	2008	2009	2010	2011	2012	12 mths to June 2013
Holiday						
Domestic	921	916	1,033	981	1,225	n/a
Overseas	3,128	3,784	3,945	4,133	4,688	5,088
TOTAL	**4,049**	**4,700**	**4,978**	**5,114**	**5,913**	**n/a**
Business						
Domestic	729	779	844	883	954	n/a
Overseas	2,556	1,930	2,242	2,605	2,671	2,801
TOTAL	**3,285**	**2,709**	**3,086**	**3,488**	**3,625**	**n/a**
VFR						
Domestic	546	427	470	474	518	n/a
Overseas	1,476	1,377	1,321	1,565	1,586	1,647
TOTAL	**2,022**	**1,804**	**1,791**	**2,039**	**2,104**	**n/a**
Other						
Domestic	30	57	67	60	87	n/a
Overseas	966	1,147	1,234	1,109	1,129	1,079
TOTAL	**996**	**1,204**	**1,301**	**1,169**	**1,216**	**n/a**
Total						
Domestic	2,226	2,179	2,414	2,398	2,784	n/a
Overseas	8,126	8,238	8,742	9,412	10,074	10,615
TOTAL	**10,352**	**10,417**	**11,156**	**11,810**	**12,858**	**n/a**

Source: Office for National Statistics/International Passenger Survey; GB Tourism Survey

Chart 1.
Ranking of London visits by purpose (volume) 2008/2012



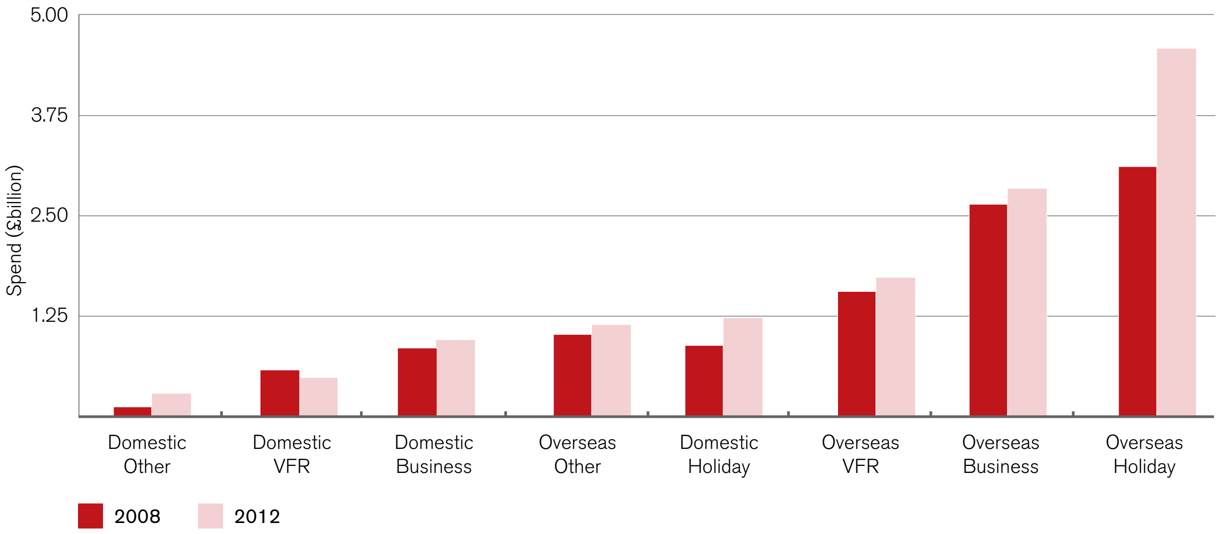
Source: Office for National Statistics/International Passenger Survey; GB Tourism Survey

1.2

PROFILE OF VISITORS TO LONDON

Chart 2.

Ranking of London expenditure by purpose (value) 2008/2012



Source: Office for National Statistics/International Passenger Survey; GB Tourism Survey

While business visitors make up a lower proportion of London arrivals than either holiday visitors or those visiting friends and relations (VFR), they are the second most valuable segment after overseas holidayers. This reflects their much higher average spend per visit, almost double that of a leisure visitor. VFR visitors tend to have a lower spend because they are usually not paying for hotel accommodation.

The average spend per visit to London climbed by £64 to £466 in 2012, an increase of 16%.

Overseas visitors spend on average almost three times as much as domestic visitors. The main factor behind this difference is that overseas visitors stay on average for 6.1 days compared to 2.3 days for domestic visitors.

Table 8. **London average spend and trip length 2008–2012**

	2008	2009	2010	2011	2012
Average spend per visit					
Domestic	£202	£205	£212	£209	£229
Overseas	£551	£580	£594	£616	£652
TOTAL	**£402**	**£419**	**£428**	**£441**	**£466**
Average spend per day					
Domestic	£84	£93	£99	£89	£101
Overseas	£89	£96	£97	£103	£107
TOTAL	**£88**	**£95**	**£97**	**£100**	**£105**
Average length of stay					
Domestic	2.4	2.2	2.1	2.4	2.3
Overseas	6.2	6.0	6.1	6.0	6.1
TOTAL	**4.6**	**4.4**	**4.4**	**4.4**	**4.4**

Source: Office for National Statistics/International Passenger Survey; GB Tourism Survey

2.0
INTERNATIONAL VISITORS TO LONDON

In the 12 months to June 2013, London received 16 million visitors from overseas, spending a total of £10.6 billion over 95.5 million nights. In comparison to the full year 2012, these figures represent a further 570,000 visitors and an additional £550 million in spend.

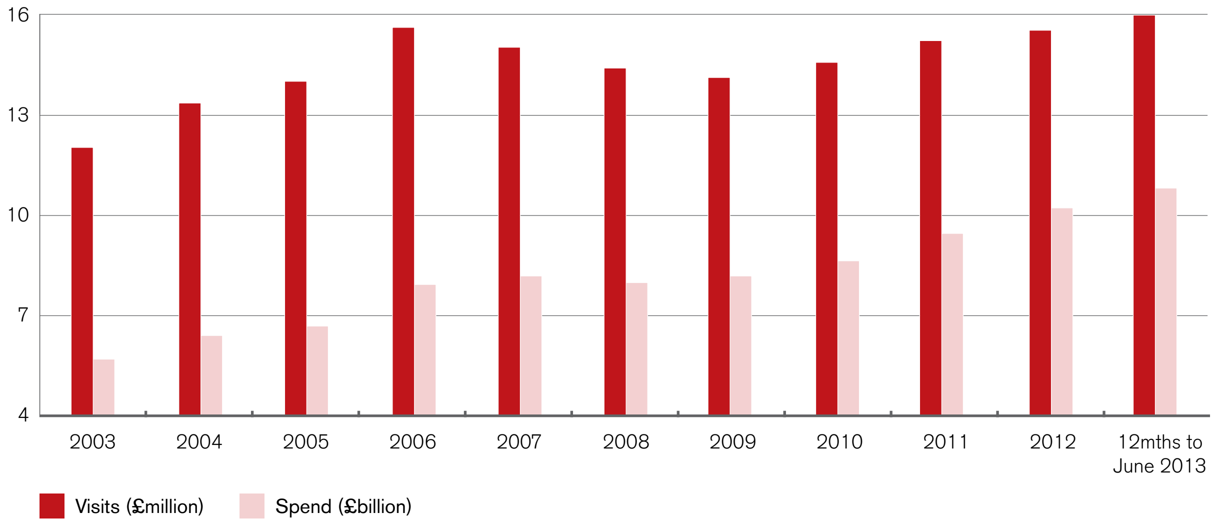
The 10–year trend for London overseas tourism paints a picture of a sustained growth in visitor numbers, expenditure and nights spent in the city.

Table 9. **London overseas visits, nights and spend 2005–2013**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	12 mths to July 2013
Visits (million)	11.70	13.39	13.89	15.59	15.34	14.75	14.21	14.71	15.29	15.46	16.03
Index (2003=100)	100	114	119	133	131	126	122	126	131	132	137
Nights (million)	78.95	90.24	91.84	101.07	95.85	90.81	85.69	90.32	91.50	94.30	95.53
Index (2003=100)	100	114	116	128	121	115	109	114	116	119	121
Spend £billion	5.87	6.44	6.86	7.82	8.19	8.13	8.24	8.74	9.41	10.07	10.62
Index (2003=100)	100	110	117	133	140	138	140	149	160	172	181

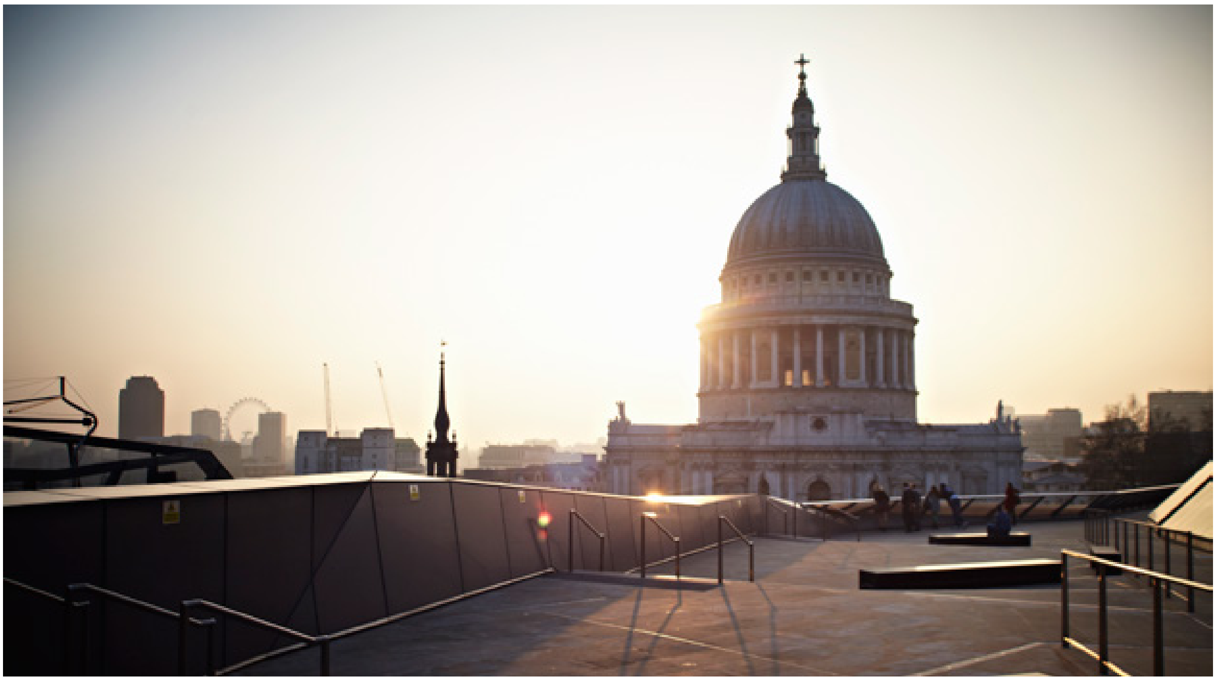
Source: Office for National Statistics/International Passenger Survey

Chart 3.
London overseas visits and spend 2003–2013



Source: Office for National Statistics/International Passenger Survey

2.0
INTERNATIONAL VISITORS TO LONDON



Europe and North America together account for 80% of all visits. European tourists are very much the majority, with two thirds of all visitors to London originating from the continent.

Table 10. **Leading overseas markets by geographical region 2012 and 4 year trend**

	Million visits 2012	4 year & trend (%)
Europe	10.05	8
North America	2.27	2
Asia	1.10	30
Australasia	0.70	3
Africa	0.50	-3
Central & South America	0.48	52
Middle East	0.37	6
TOTAL VISITS	**15.46**	**9**

Source: Office for National Statistics/International Passenger Survey

2.0
INTERNATIONAL VISITORS TO LONDON

London's Top 10 markets account for 60% of all arrivals into the capital. The USA is London's largest individual market, its 1.86 million arrivals in 2012 representing 12% of all visits.

French visitors account for almost 11% of London's visitor market, its proximity and comprehensive travel connections generating high demand for city breaks in particular. The major Eurozone economies of Germany, Italy, Spain and Netherlands are collectively responsible for almost one third of London visitors.

The only other non–European country in the Top 10 is Australia. Visitor numbers from Australia have increased significantly in the three years leading up to 2012 as a result of the 40% appreciation in the Australian Dollar.

The list of source markets for London is characterised by a long tail of small markets (many of them long–haul emerging economies), several of which have been growing at a rapid rate. China is making its way rapidly up the rankings, although with only 100,000 visitors in 2012, Chinese visitors represented less than 1% of the total.

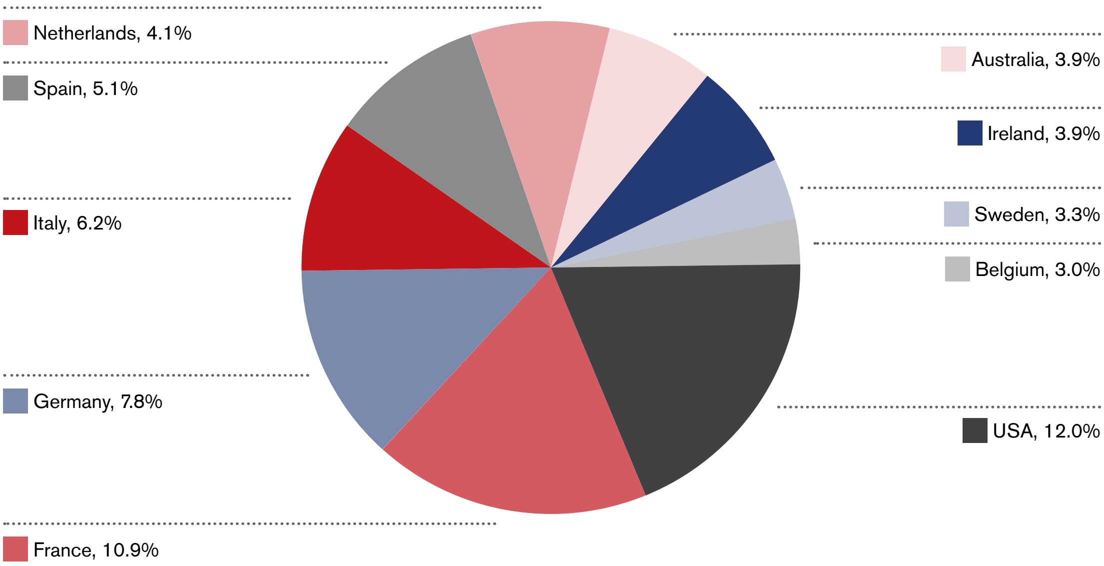
Table 11. **Leading overseas markets by volume 2012 and 5 year trend**

Rank	Country	Million visits	5 year trend, 2008=100
1	USA	1.86	98
2	France	1.68	119
3	Germany	1.20	114
4	Italy	0.96	98
5	Spain	0.80	89
6	Netherlands	0.64	98
7	Australia	0.60	102
8	Ireland	0.60	81
9	Sweden	0.50	120
10	Belgium	0.47	153
11	Switzerland	0.43	122
12	Canada	0.40	81
13	Norway	0.40	118
14	Poland	0.40	88
15	Denmark	0.33	109
16	India	0.23	96
17	Brazil	0.22	143
18	Japan	0.18	106
19	Russia	0.16	124
20	Austria	0.15	108
21	Portugal	0.15	114
22	UAE	0.13	108
23	Finland	0.13	138
24	South Africa	0.12	72
25	Singapore	0.11	139
26	New Zealand	0.10	101
27	China	0.10	173
28	Argentina	0.09	466
29	Hong Kong	0.09	110
30	Saudi Arabia	0.07	117
	TOTAL MARKET	**15.46**	**105**

Source: Office for National Statistics/International Passenger Survey

2.0
INTERNATIONAL VISITORS TO LONDON

Chart 4.
Origin of London overseas visitors 2012



Source: Office for National Statistics/International Passenger Survey

As well as being London's largest market by volume, the USA is also the biggest market in terms of visitor spend. Spending by American visitors in 2012 totalled £1.49 billion (14.8% of overseas receipts), twice as much as France which is the second most valuable market.

One half of all visitor receipts are concentrated in the Top 10 source markets, and this is split evenly between Europe and the long haul markets of the USA, Australia, UAE and Canada.

A few markets are characterised by very high levels of average spend, such as Saudi Arabia which contributes 2% of expenditure while only representing 0.5% of visitor numbers. The Chinese market is similar, with its share of receipts (1.4%) being more than twice that its 0.6% volume share.

2.0
INTERNATIONAL VISITORS TO LONDON

Table 12. **Leading overseas markets by value 2012 and 5 year trend**

Rank	Country	Spend, £billion	5 year trend, 2008=100
1	USA	1.49	112
2	France	0.74	167
3	Germany	0.48	116
4	Australia	0.47	133
5	Italy	0.45	95
6	Spain	0.37	96
7	Switzerland	0.34	214
8	UAE	0.29	165
9	Canada	0.27	106
10	Netherlands	0.25	116
11	Sweden	0.24	122
12	Norway	0.24	109
13	Ireland	0.23	92
14	Saudi Arabia	0.20	147
15	Denmark	0.18	133
16	Brazil	0.18	168
17	Japan	0.18	178
18	India	0.18	119
19	Russia	0.16	145
20	Belgium	0.16	161
21	China	0.14	210
22	Poland	0.14	68
23	Singapore	0.13	202
24	South Africa	0.12	91
25	Hong Kong	0.09	118
26	Argentina	0.09	806
27	Portugal	0.08	117
28	Finland	0.07	158
29	Austria	0.07	105
30	New Zealand	0.07	136
	TOTAL MARKET	**10.08**	**124**

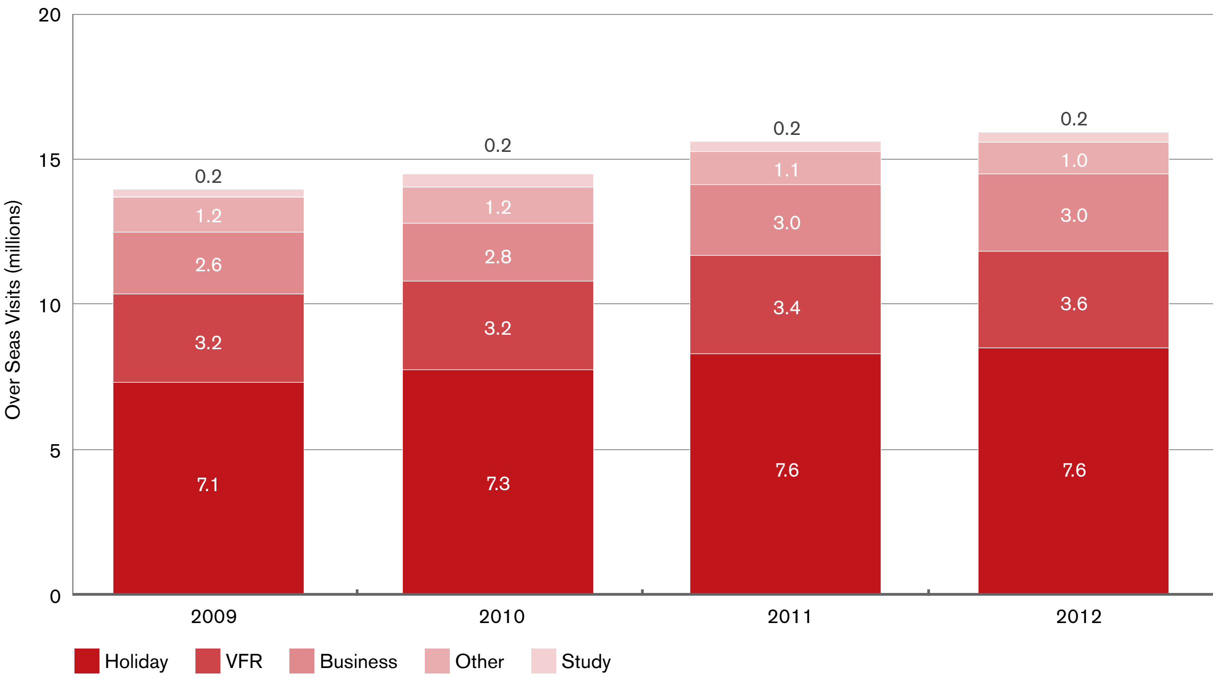
Source: Office for National Statistics/International Passenger Survey

2.1
OVERSEAS VISITORS' REASONS FOR VISITING

Approximately half of London's overseas visitor profile is made up of 'pure' holiday arrivals, and their number (7.6 million) has increased by half a million in the past four years.

London's business visitor sector has also seen solid growth in the same period, although it was temporarily disrupted by the Olympics. In spite of its strong recovery path, the market is still about half a million short of the levels it achieved in 2006 prior to the financial crisis.

Chart 5.
Profile of London visitors by purpose of visit, 2009–2012

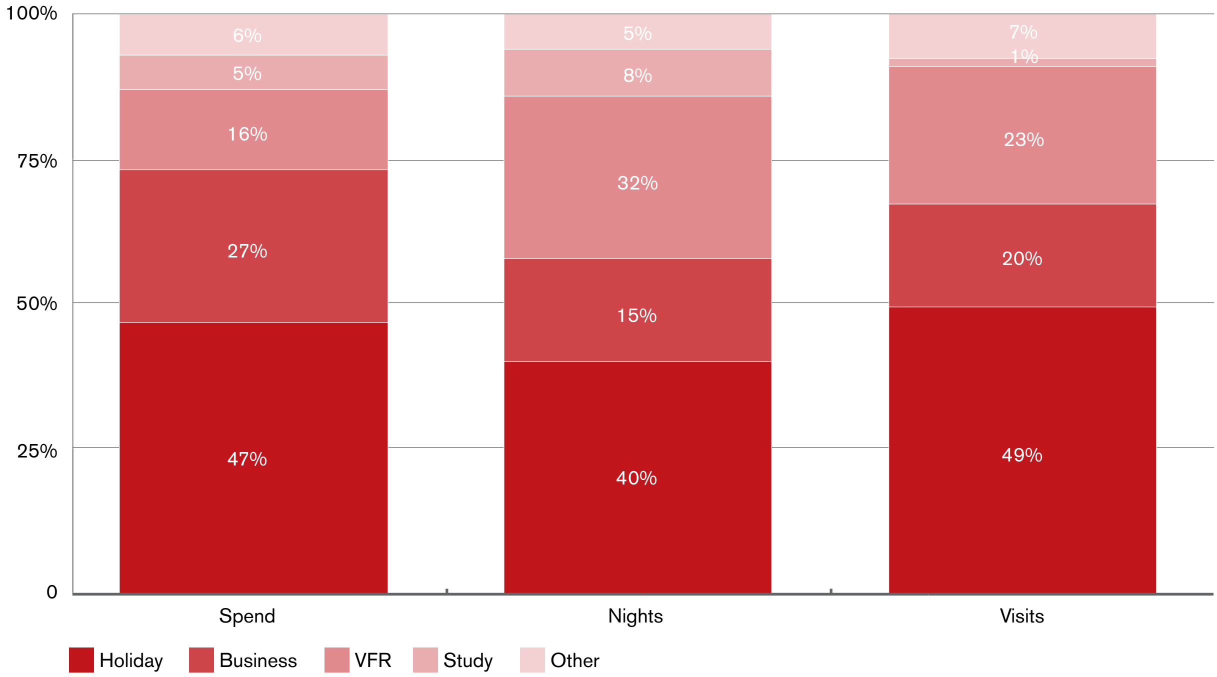


Source: Office for National Statistics/International Passenger Survey

2.1
OVERSEAS VISITOR'S REASONS FOR VISITING

Chart 6.

London overseas visits, nights and spend by purpose of visit 2012



Source: Office for National Statistics/International Passenger Survey

Business visitors to London account for 27% of expenditure, their high daily expenditure being twice the level of holiday visitors. The sector is also characterised by a relatively low average length of stay (4.7 nights vs. all average of 6.1 days), meaning they contribute a relatively modest 15% of London's 94.3 million nights.

The average stay of VFR visitors (8.6 days) is much longer than the average, hence their one–third contribution to the nights total. It's a low value category, with the majority of VFR visitors excluding hotel accommodation, and therefore its associated cost, from their itineraries.

2.2
OVERSEAS VISITORS' AGE PROFILE

London enjoys strong appeal throughout all age groups from 16 through to 64, although the 25–44 year old age group accounts for one half of all overseas visitors.

Even at the extremities of the age spectrum, there are still significant volumes of tourists. There were approximately 750,000 visitors aged over 65 in 2012, while there were around half a million visitors aged under 15.

Table 13. **Overseas visitor profile by age and purpose 2012**

	0–15	16–24	25–34	35–44	45–54	55–64	65+
Business	n/a	2%	25%	36%	27%	8%	2%
Holiday	4%	17%	25%	22%	19%	9%	4%
Other	2%	15%	25%	21%	21%	11%	6%
Study	5%	55%	25%	9%	4%	1%	n/a
VFR	2%	13%	26%	18%	17%	16%	8%
Total visitors	**3%**	**13%**	**25%**	**24%**	**20%**	**10%**	**5%**

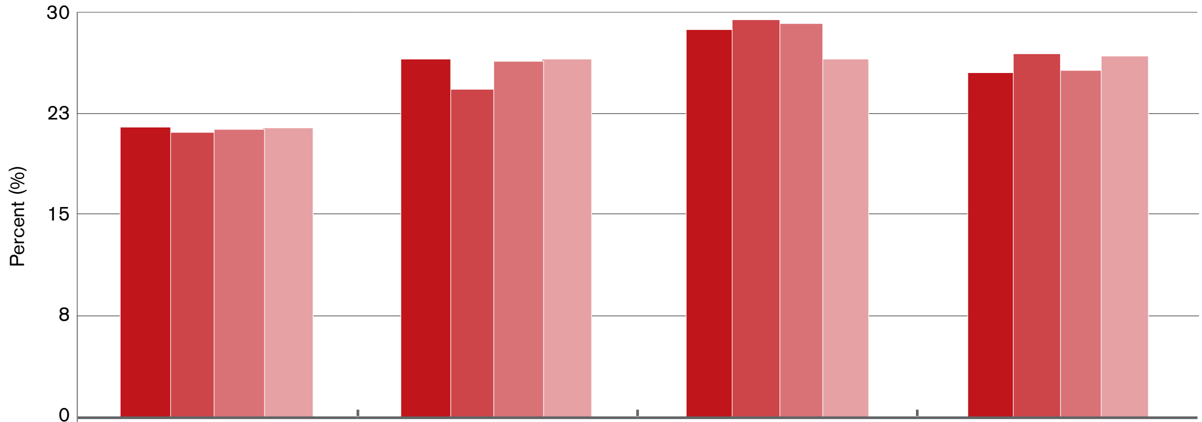
Source: Office for National Statistics/International Passenger Survey

2.3
VISITOR FLOWS THROUGHOUT THE YEAR

Visitor numbers to London are at their peak in the summer months of July and August (included in Q3), and at their lowest in the winter months of Q1.

In the past four years, there have been some disruptions to London's market, most notably in 2012 when the volume of visitors in Q3 was fewer than in the prior quarter. The Olympic Games 'displaced' overseas visitors from that quarter, although it can be seen that visitor numbers in Q4 were higher than in 2011.

Chart 7.
Quarterly distribution of London visitors



	Q1	Q2	Q3	Q4
2009	21%	26%	28%	24%
2010	20%	24%	29%	26%
2011	21%	26%	29%	24%
2012	21%	27%	26%	26%

Source: Office for National Statistics/International Passenger Survey

2.4
TRANSPORT USED BY OVERSEAS VISITORS TO REACH LONDON

With five airport options available to overseas visitors, serving 330 destinations around the world, air is the arrival method of choice for 77% of visitors. There has been a 4% reduction in the proportion arriving by air in the last five years; although in absolute numbers, the volume has grown.

Arrivals via the Channel Tunnel (combining Eurostar rail and shuttle–based services) have increased their share to 16%. This mode of transport is most popular for French and Belgian visitors. With the prospect of additional routes being added (for example to Cologne and Amsterdam), train travel to London is set to increase in popularity.

Table 14. **London visitors mode of arrival 2008–2012**

	2008	2009	2010	2011	2012
Air	81%	79%	77%	78%	77%
Sea	8%	8%	8%	8%	7%
Tunnel	11%	13%	15%	14%	16%

Source: United Nations World Tourism Organisation; Office for National Statistics/International Passenger Survey

Holiday visitors are more likely to travel via sea/ferry and Channel Tunnel. This mainly reflects the significance of European visitors in the holiday visitor profile, especially those from France.

Table 15. **London visitors mode of arrival by purpose 2012**

	Business	Holiday	Other	Study	VFR
Air	84%	70%	88%	89%	81%
Sea	6%	10%	3%	6%	5%
Tunnel	10%	20%	9%	4%	14%

Source: United Nations World Tourism Organisation; Office for National Statistics/International Passenger Survey

3.0
DOMESTIC VISITORS TO LONDON

In the six months to June 2013, London received 12.5 million visitors from within the UK, spending a total of £2.9 billion over 28.4 million nights. In comparison to calendar year 2012, these figures represented a further 300,000 visitors and £100 million in additional spend.

2012 was a particularly strong year for London's domestic market; buoyed by the Olympic Games, the city welcomed 1.2 million more domestic visitors than in 2011, with £400 million in additional spend.

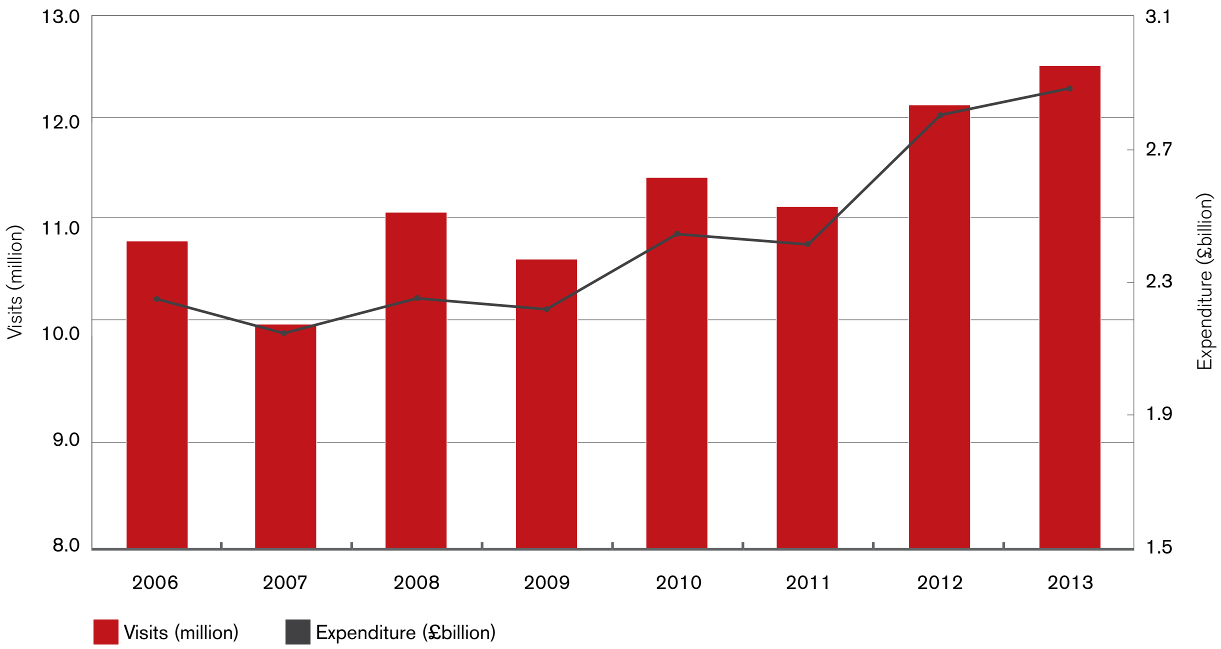
A large part of the 2012 boost in domestic visitors was generated in the second half of the year, coinciding with the London 2012 Olympic Games.

Table 16. **Domestic visits, nights and expenditure in London 2006–2013**

	2006	2007	2008	2009	2010	2011	2012	6 mths to June 2013
Visits (million)	10.8	9.9	11.0	10.7	11.4	11.1	12.2	12.5
Expenditure (£billion)	2.2	2.1	2.2	2.2	2.4	2.4	2.8	2.9
Nights (million)	24.0	22.7	26.5	23.5	24.3	27.1	27.7	28.4
TOTAL								

Source: Great Britain Tourism Survey

Chart 8.
Domestic visits and expenditure in London 2006–2013



Source: Great Britain Tourism Survey

3.0
DOMESTIC VISITORS TO LONDON

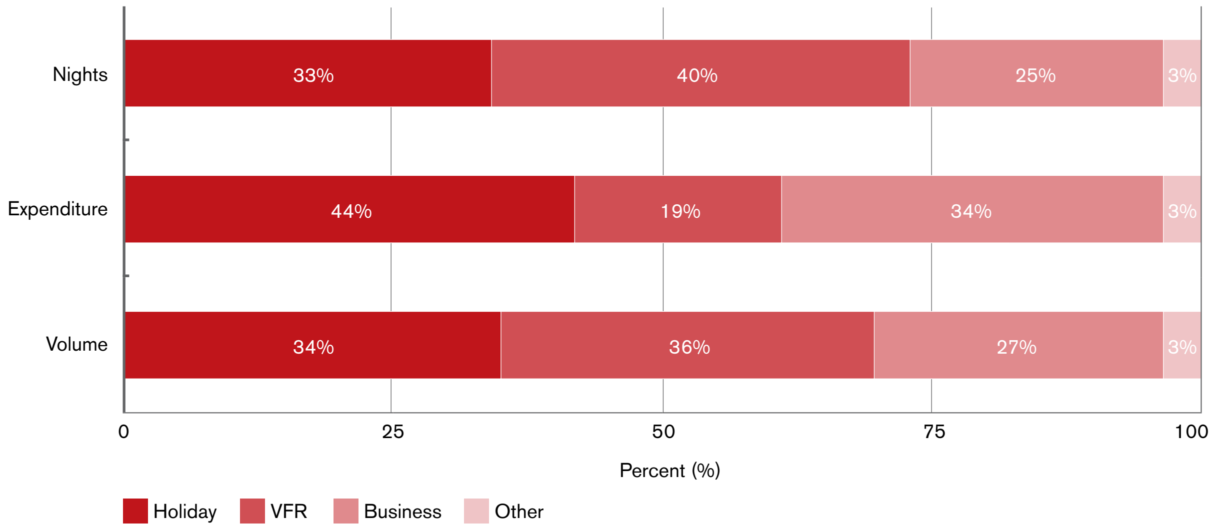
VFR visitors formed the largest segment of domestic visitors in 2012, although their total spend was significantly lower than either business visitors or holidayers.

Table 17. **London domestic visits, nights and spend by purpose, 2012**

	2006	2007	2008	2009	2010	2011	2012
Holiday							
Visits (millions)	3.14	3.18	3.52	3.50	3.90	3.70	4.17
Expenditure (£billion)	0.85	0.95	0.92	0.92	1.03	0.98	1.23
Nights (million)	7.01	6.42	8.11	7.65	8.17	7.47	9.04
VFR							
Visits (millions)	4.37	4.00	4.57	4.14	4.09	4.22	4.32
Expenditure (£billion)	0.44	0.44	0.55	0.43	0.47	0.47	0.52
Nights (million)	10.44	10.39	12.11	9.81	9.59	12.48	11.00
Business							
Visits (millions)	2.59	2.52	2.70	2.68	3.02	2.86	3.25
Expenditure (£billion)	0.85	0.66	0.73	0.78	0.84	0.88	0.95
Nights (million)	5.62	5.40	5.86	5.40	5.90	5.72	6.87

Source: Great Britain Tourism Survey

Chart 9.
London domestic visits, nights and spend by purpose, 2012



Source: Great Britain Tourism Survey

3.1
DOMESTIC VISITORS: SPEND AND STAY CHARACTERISTICS

Domestic visitors to London stayed an average of 2.3 nights in 2012; this figure has remained largely unchanged in the past few years.

While the average daily spend of domestic visitors (£101) is on a par with that of overseas, their much shorter length of stay means that spend per trip is correspondingly lower (£229 in 2012 while overseas visitors spent £652).

Table 18. **Pattern of spending and average length of stay by domestic London visitors, 2006–2013**

	2006	2007	2008	2009	2010	2011	2012
Average stay	2.2	2.3	2.4	2.2	2.1	2.4	2.3
Spend per trip	£205	£210	£202	£205	£212	£216	£229
Spend per day	£92	£92	£84	£93	£99	£89	£101

Source: Great Britain Tourism Survey

Across all purposes of visit in the domestic market, the average stay is consistently between 2 and 2.5 days.

Relative to the regions of UK, visitors staying in London have a lower trip length in all categories of visit purpose. For instance holiday visitors spend 2.2 days in London, but 3.4 days in the rest of the UK.

Table 19. **Pattern of spending and average length of stay by purpose of visit, 2006–2012**

	Average Stay		Average spend per trip		Average spend per day	
	2006	2012	2006	2012	2006	2012
Holiday	2.2	2.2	£269	£294	£121	£136
Business	2.2	2.1	£328	£294	£151	£139
VFR	2.4	2.5	£99	£120	£42	£47

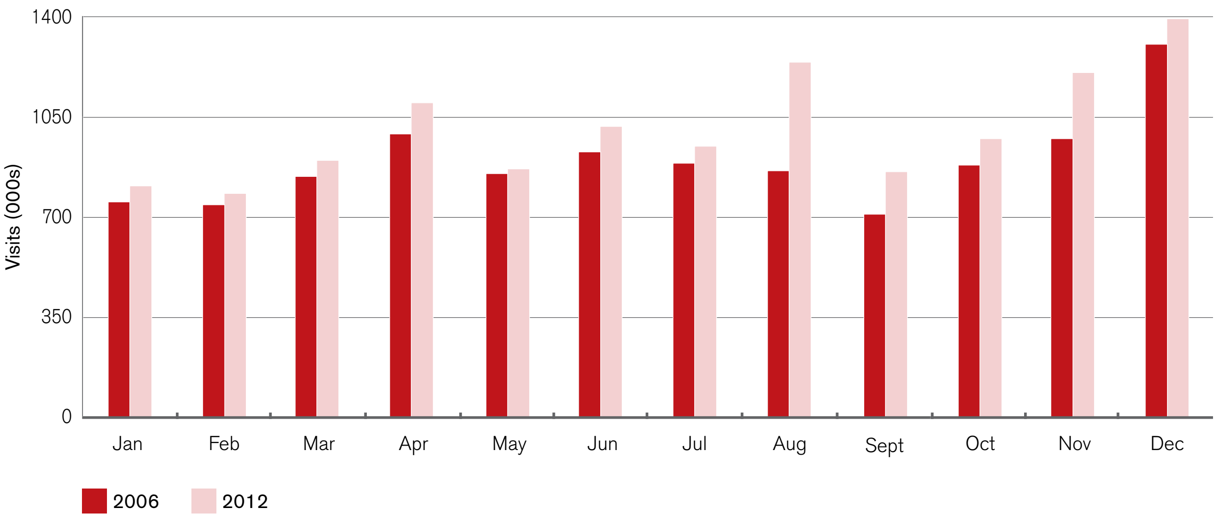
Source: Great Britain Tourism Survey

3.2
DOMESTIC VISITORS: VISIT PATTERNS BY SEASON

About half of visits to London are made in the spring and summer period spanning the six months from April to September. However it is not unusual for December to be the most popular month for domestic arrivals to London.

In 2012 there was a particular peak in August, with domestic visitors arriving in London to watch the Olympic Games. Subsequent months also appear to have benefited from the Olympic 'halo' effect, with robust levels of domestic visits.

Chart 10.
Monthly distribution of domestic visits to London, 2006 and 2012



Source: Great Britain Tourism Survey

4.0
LONDON'S CONNECTIVITY

London is one of the best connected cities in the world, with 330 direct links (April 2013) to a wide range of markets.

Heathrow is the dominant London airport, its 70 million annual passengers representing 52% of London's total. The airport is a European hub for many national carriers and alliances, and is the main entry point for most long haul traffic into the UK. It accounted for nearly 32% of all UK air passenger traffic in 2012, and has a strong skewing towards premium air traffic.

Gatwick's 34 million passengers represent 25% of London's total. There are a number of low–cost carriers and charter operators at Gatwick with route networks throughout Europe, so the passenger mix is skewed towards leisure visitors

London City is the capital's newest airport, with 2.2% of London volumes in 2012. Its close proximity to the centre of London means that business travellers form its core catchment, although its small scale means it can only accommodate relatively small, short–range aircraft on mainly European routes.

Stansted and Luton are the main bases for the UK's leading low–cost airlines, ryanair and easyJet, and have also successfully attracted low cost operators based in continental Europe. The mix of their combined annual 27 million passengers is strongly leisure–oriented.

4.1

LONDON'S LINKS TO THE REST OF THE WORLD

Table 20. **Summary of destinations served, weekly flights and seat capacity, April 2013**

	No. of Destinations	No. of Weekly Flights	Seat Capacity
UK	14	1,203	150,226
Europe	200	6,387	997,918
Asia/Australia	28	407	131,773
North America	30	812	235,021
Latin America/Caribbean	18	109	35,752
Middle East	9	239	79,711
Africa	31	282	68,493
TOTAL	**330**	**9,439**	**1,698,894**

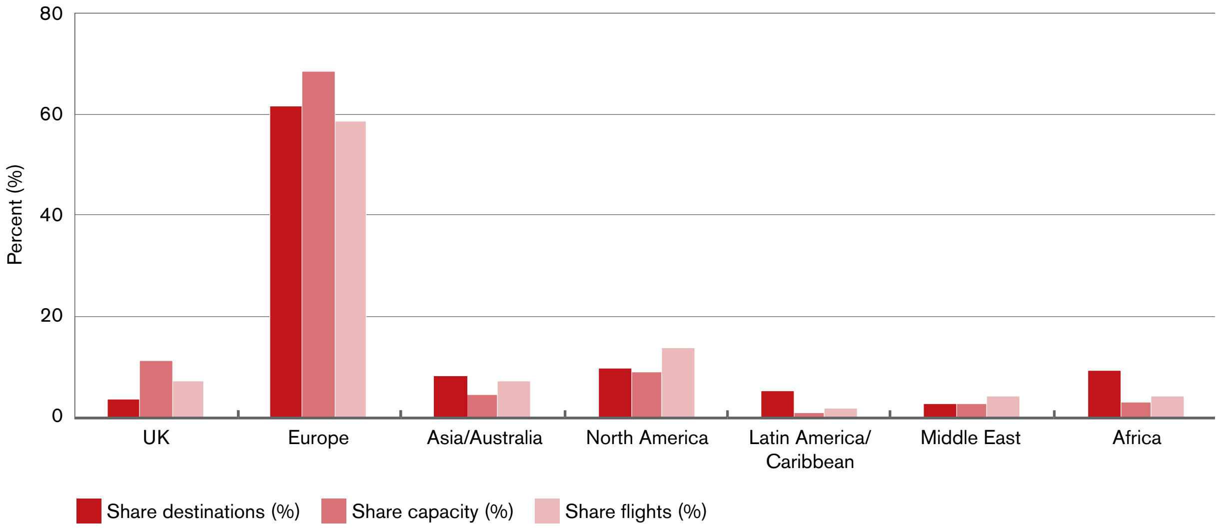
Source: OAG

In April 2013, London had direct connections to 200 European cities and towns. Amsterdam and Dublin are the most frequently served, but most capital and second cities in Europe's main economies are served by over 100 flights a week.

London has direct flights to 30 American cities. There are nearly 200 departures a week to New York alone, as well as a further 90 flights a week to Washington and Boston. Chicago is a major mid–west hub for the Star Alliance group of airlines, with an average of 7 flights day from London. Flights to the West coast are dominated by the 56 weekly flights to Los Angeles. Asian route networks to/from London are still dominated by links into the main Hong Kong and Singapore hubs, as well as Japan and the Indian sub–continent.

Middle Eastern networks are dominated by Dubai, the destination for 40% of flights into this region. While this has been a major boon for inwards visitors from the UAE, Dubai's major hub status also means that it is helping to connect London with destinations that aren't being served direct.

Chart 11. **Summary of destinations served, weekly flights and seat capacity, April 2013**



Source: OAG

4.1
LONDON'S LINKS TO THE REST OF THE WORLD

Table 21. **Top 20 connections from London to Europe, weekly flights and seat capacity, April 2013**

	Weekly flights	Seat capacity
Amsterdam	317	39,865
Dublin	306	47,201
Geneva	214	30,109
Milan	186	28,114
Frankfurt	185	27,315
Barcelona	184	29,039
Paris	175	23,257
Madrid	173	30,231
Zurich	172	21,416
Stockholm	132	20,934
Copenhagen	131	20,879
Munich	131	20,995
Rome	126	20,873
Nice	121	16,879
Oslo	120	19,341
Malaga	120	19,502
Dusseldorf	113	15,851
Berlin	109	17,891
Alicante	97	16,375
Lisbon	86	12,497

Source: OAG

4.1
LONDON'S LINKS TO THE REST OF THE WORLD

Table 22. Top 10 connections from London to North America, weekly flights and seat capacity, April 2013

	Weekly flights	Seat capacity
New York	199	57,211
Chicago	63	15,439
Los Angeles	56	18,494
Toronto	48	13,494
Washington	48	12,959
Boston	41	12,359
Houston	35	8,121
Miami	35	11,016
San Francisco	33	11,740
Orlando	29	10,241

Source: OAG

Table 23. Top 10 connections from London to Asia/Australia, weekly flights and seat capacity, April 2013

	Weekly flights	Seat capacity
Hong Kong	49	15,953
Mumbai	42	13,883
Singapore	42	16,152
Delhi	41	12,728
Tokyo	33	9,153
Bangkok	27	9,742
Sydney	21	7,637
Seoul	20	5,938
Beijing	18	5,022
Shanghai	18	5,305

Source: OAG

Table 24. Top 10 connections from London to Latin America/Caribbean, weekly flights and seat capacity, April 2013

	Weekly flights	Seat capacity
Barbados	15	5,576
Sao Paulo	14	4,949
Cancun	10	3,554
Rio de Janeiro	10	2,762
St Lucia	8	2,696
Antigua	7	2,397
Mexico City	8	2,238
Buenos Aires	7	2,093
Bermuda	7	2,093
Montego Bay	5	2,005

Source: OAG

4.1
LONDON'S LINKS TO THE REST OF THE WORLD

Table 25. Top 10 connections from London to Africa, weekly flights and seat capacity, April 2013

	Weekly flights	Seat capacity
Johannesburg	35	11,040
Sharm El–Sheikh	31	7,497
Marrakech	31	5,517
Cairo	21	5,100
Lagos	21	6,230
Nairobi	14	4,347
Casablanca	13	2,056
Algiers	12	1,788
Accra	12	3,367
Cape Town	10	3,135

Source: OAG

Table 26. Top 10 connections from London to Middle East, weekly flights and seat capacity, April 2013

	Weekly flights	Seat capacity
Dubai	98	39,072
Doha	28	8,155
Abu Dhabi	28	10,625
Bahrain	21	5,103
Beirut	15	3,254
Kuwait	14	4,322
Jeddah	14	3,531
Riyadh	14	4,039
Muscat	7	1,610

Source: OAG

5.0
LONDON'S HOTEL INDUSTRY

The London hotels census recorded 1,218 hotel establishments (defined as 10+ rooms) in autumn 2013. These provided approximately 117,000 rooms, which means that London offers about 42.6 million room nights a year.

Based on an average of 1.75 beds per hotel room, this converts to approximately 75 million bed spaces to cater for a current demand level from holiday and business visitors totalling 68 million nights.

Table 27. **London hotels breakdown by category**

	Rooms Total	* Percent (%) Total rooms	Establishments Total	Percent (%) Establishments
Economy	26,282	22.5	449	36.9
Midscale	11,236	9.6	117	9.6
Upper Midscale	13,321	11.4	132	10.8
Upscale	33,576	28.8	289	23.7
Upper upscale	20,488	17.5	149	12.2
Luxury Class	11,869	10.2	82	6.7
TOTAL	**116772**	**100**	**1218**	**100**

* (includes hotels of 10 rooms or more)
NB. Hotels are graded on the basis of Average Daily Rates.
Source: STR Global

5.0
LONDON'S HOTEL INDUSTRY

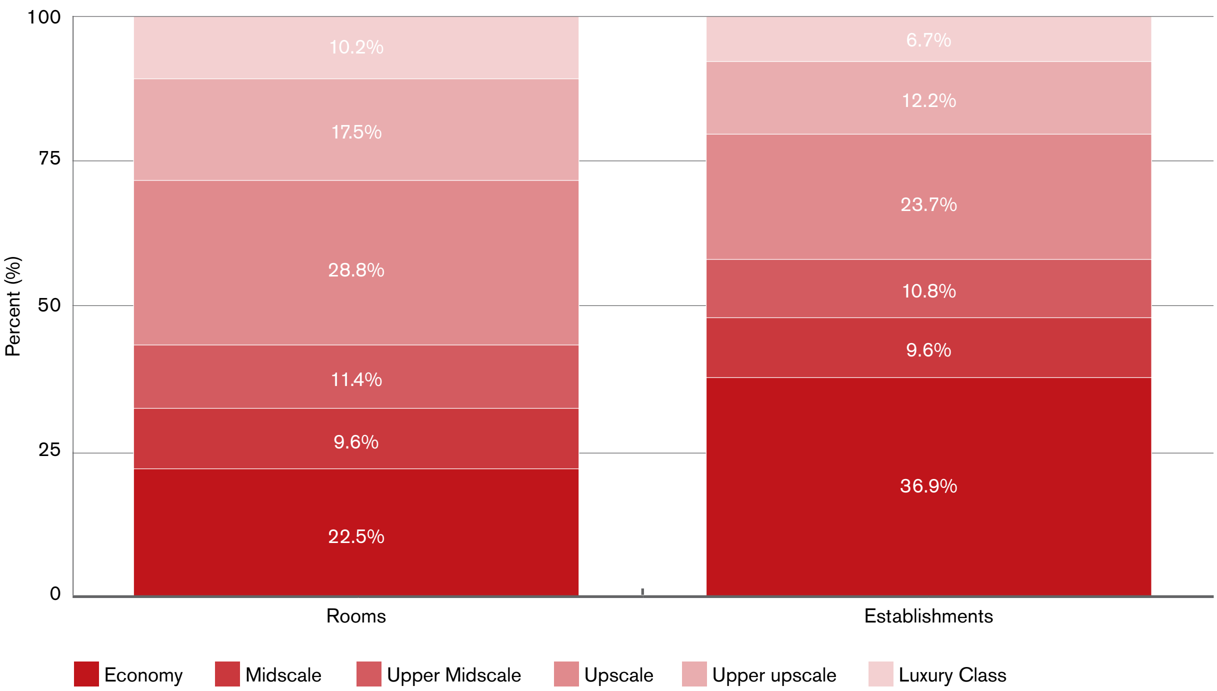
Ten per cent of the city's room stock is at the top–end Luxury Class bracket (broadly comparable to the 5–star grading). This sector has attracted significant development in the last three years.

Slightly lower down the price spectrum, Upscale properties (roughly comparable to 4–star/upper 3–star) number 438. These provide 46% of London's room stock.

Midscale hotels are broadly comparable with a 3–star designation. Just over one–fifth of hotels are in this category, providing 24,500 rooms.

At the lowest end of the price offer, the Economy category is the most populous in terms of establishments (449 hotels representing 36.9%). A large number of these are small guest–house style properties, many with less than 20 rooms. However, in the past five years, leading budget chains have driven growth in the category, making low–cost accommodation more accessible to larger numbers of visitors closer to the centre of London.

Chart 12.
London hotels breakdown by category



NB. Hotels are graded on the basis of Average Daily Rates.
Source: STR Global

5.1
LONDON'S HOTELS BY SIZE

London's hotel portfolio now includes 20 properties with more than 500 rooms, including four properties with over 1,000 rooms. It means that these 20 hotels alone control 13% of London's room stock.

The largest hotel in the capital is the independently owned Royal National Hotel in Bloomsbury, a Midscale hotel with 1,630 rooms. Hilton's London Metropole in Paddington provides 1,054 rooms in the Upper Upscale banding. The Guoman owned Cumberland Hotel, close to Marble Arch, makes a significant contribution of the West End's hotel supply with 1,019 Luxury Class rooms. The most recent addition to the ranks of 1000+ room hotels is the Park Plaza Westminster, with 1,019 rooms in the Upscale category.

Almost half of London's hotels have 50 rooms or less, with 90% of these being independently owned, and 50% having an Economy designation. Within the ranks of the smallest hotels, however, there are a small number of Luxury Class properties such as the Firmdale hotels, as well as 45 Park Lane.

Table 28. **Breakdown of hotels by room size**

	Establishment		Rooms	
	Total	Percent (%)	Total	Percent (%)
1000+	4	0.3	4,722	4.0
750–999	5	0.4	4,217	3.6
500–724	11	0.9	6,615	5.7
250–499	76	6.2	25,752	22.1
100–249	259	21.3	40,796	34.9
50–99	272	22.3	19,253	16.5
Less than 50	591	48.5	15,417	13.2
TOTAL	**1,218**	**100**	**116,772**	**100.0**

Source: STR Global

5.1
GEOGRAPHICAL PROFILE OF HOTELS

New areas of the city such as The City of London, Southwark, Lambeth and boroughs to the East are supplementing traditional accommodation hot spots such as Bloomsbury, Mayfair, Victoria and Kensington.

The West End provides 25% of London's hotel stock, with a strong cluster of Luxury Class properties in the Park Lane/Mayfair area. A westerly corridor in the direction of Paddington/Bayswater provides for more cost–conscious visitors, as does a neighbouring south–western axis around Earls Court/Kensington. Between them these areas account for 24% of London rooms.

One tenth of rooms are located in the North Central zone, anchored around Bloomsbury/Russell Square, with a number of very large properties catering primarily for leisure tourists. The proximity of attractions such as the British Museum, as well as easy access to the most popular tourist zones, makes the area an attractive base. It is also convenient for the increasing number of visitors arriving in London at St Pancras.

The City of London has traditionally been under–supplied with hotel accommodation, with most business visitors to the square–mile using facilities in adjacent districts. Along with the additional impetus from the re–generation of the neighbouring Shoreditch area, that has changed, and there are now 62 hotels offering 9,758 rooms.

Much of London's visitor activity has traditionally been centred north of the river. But the gravitational pull of major visitor attractions on the South Bank, and the enhanced business infrastructure in the area has seen a raft of hotel development in the boroughs of Lambeth/Southwark and along the river frontage. The South Central zone provides nearly 9,000 rooms, while 2013 sees the opening of London's first 6–star hotel, the Shangri–La at The Shard.

Elsewhere, developers have been improving the availability of hotel amenities around Canary Wharf and Docklands, so that this zone accounts for 5% of rooms. Further growth opportunities have come from the recently enlarged ExCeL convention centre, a significant draw for event business visitors to London.

Table 29. **Breakdown of hotels by district**

	Establishment		Rooms	
	Total	Percent (%)	Total	Percent (%)
London West End	191	15.7	25,217	21.6
Earls Court, Kensington, Chelsea	184	15.1	15,160	13.0
Paddington, Bayswater, Notting Hill	175	14.4	12,857	11.0
North Central London	108	8.9	11,975	10.3
The City, Shoreditch	62	5.1	9,758	8.4
South Central London	58	4.8	8,816	7.5
Knightsbridge, Pimlico, Victoria	100	8.2	7,065	6.1
Outer London South	98	8.0	6,366	5.5
Docklands, Greenwich	34	2.8	5,700	4.9
Outer London West	78	6.4	5,073	4.3
Outer London North	63	5.2	4,681	4.0
Outer London East	67	5.5	4,104	3.5
TOTAL	**1218**	**100**	**116772**	**100**

Source: STR Global

5.1
OCCUPANCY AND ROOM RATES

Since 2009, hotel occupancy levels for London hotels have averaged 82%.

Average room rates for London hotels have increased since 2009, and after allowing for inflation of 13%, these increases represent real increases in room rates. In 2012, the average room price in London reached £150.23.

Table 30. **London and UK regions hotel performance 2009–2012**

	2009	2010	2011	2012
London				
Occupancy (%)	81.4	83.0	82.8	81.6
Average room rate (£)	119.52	131.36	140.09	150.23
Room Yield (£)	97.27	109.04	115.99	122.59
Regions				
Occupancy (%)	67.0	69.7	70.8	70.7
Average room rate (£)	62.70	62.76	59.61	60.00
Room Yield (£)	42.22	53.79	42.24	42.43

Source: PKF Consulting

Chart 13.
London hotel performance 2009–2012

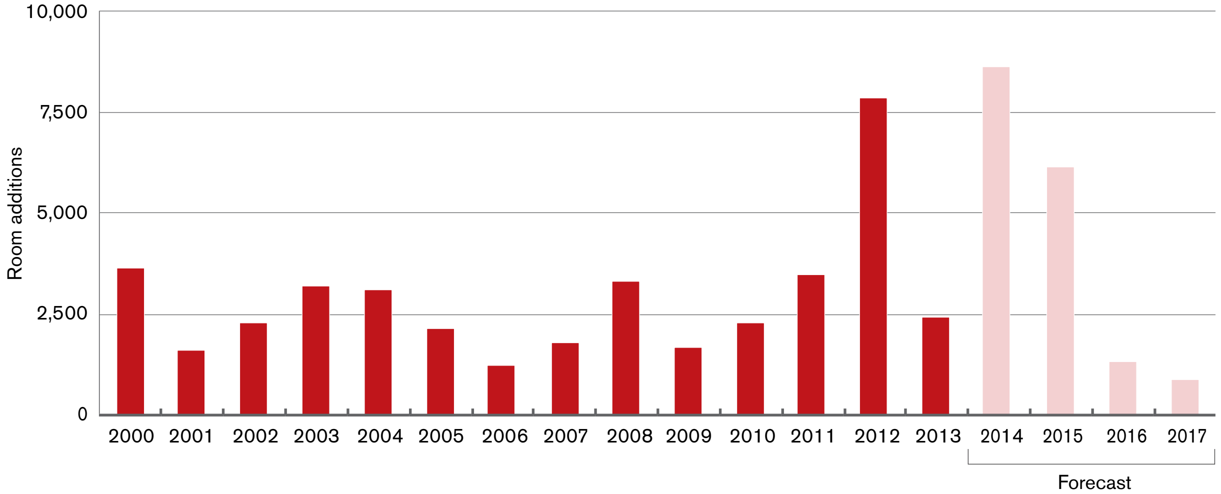
Source: PFK Consulting

5.2
FUTURE HOTEL DEVELOPMENTS AND PIPELINE

There was a significant period of hotel development in the period leading up to the 2012 Olympics Games. About 7,500 new rooms opened in the 3–year period between 2009 and 2011, with a further boost of 7,800 rooms in 2012.

Around 2,500 additional rooms are expected to come to market in 2013, and then another big boost of up to 15,000 further rooms over 2014–2015.

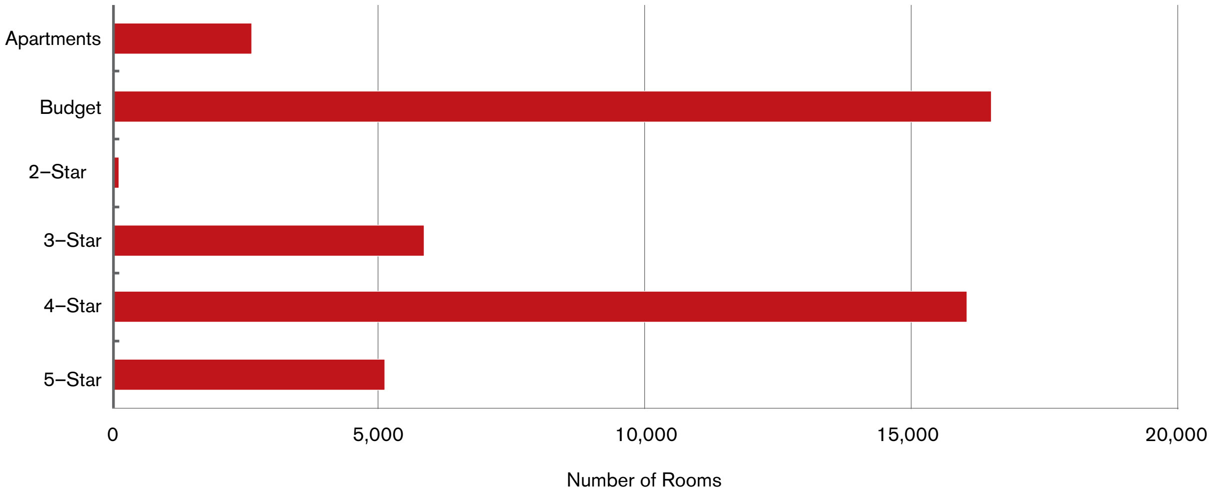
Chart 14.
London hotel development measured in room additions 2000–2017



Source: CBRE Hotels/London & Partners London Hotel Development Monitor

The development pipeline for the five years to 2017 is substantial, with approximately 21,600 bedrooms (182 hotels) categorised in the "probable" stage (i.e. hotels with detailed planning permission granted). In addition, a further 20,700 bedrooms (190 hotels) are categorised as "possible" (i.e. hotels with outline planning permission that are likely to be constructed, or hotels likely to gain permission) for the next five years to 2017.

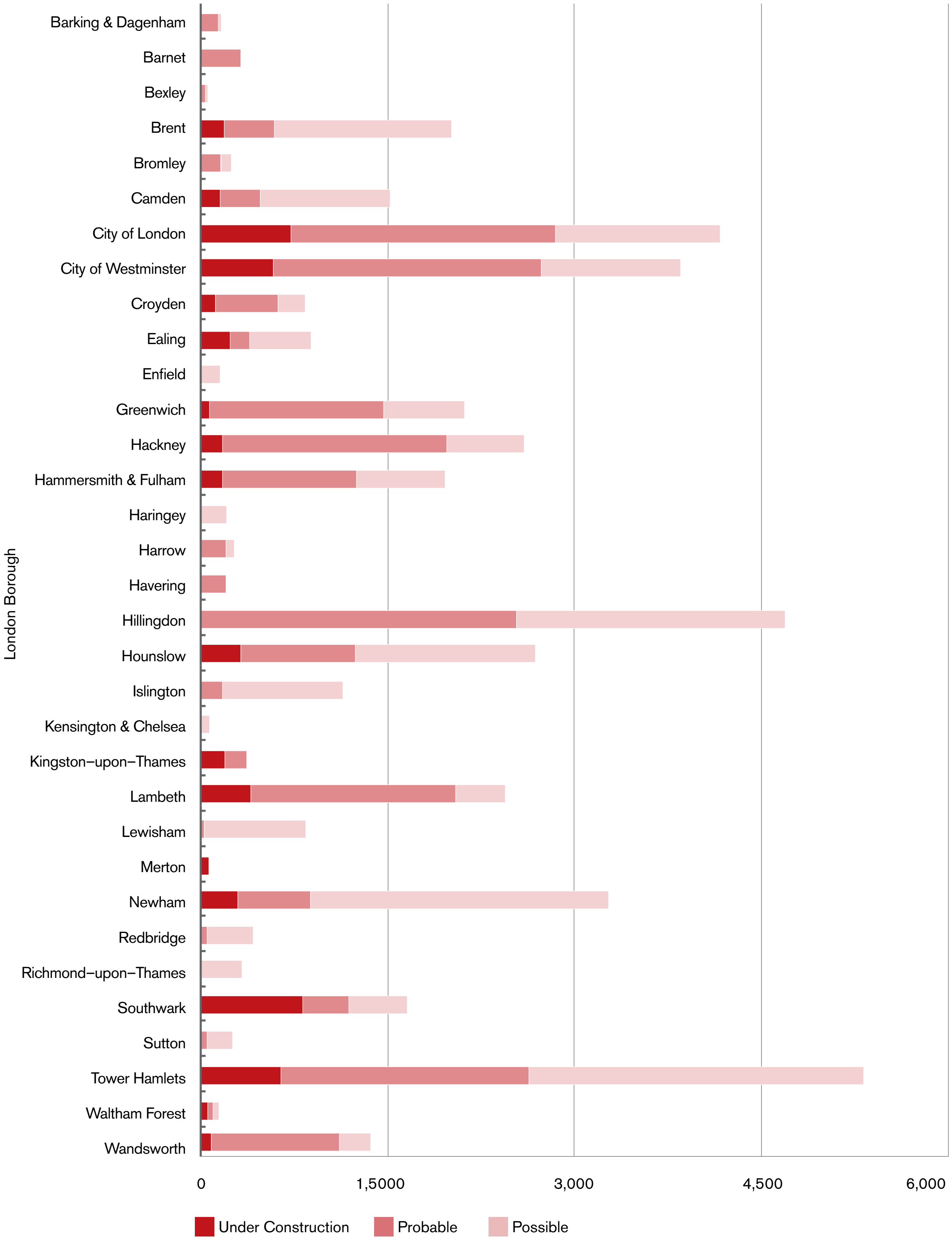
Chart 15.
London hotel pipeline by room grade, 2013–2017



Source: CBRE Hotels/ London & Partners London Hotel Development Monitor

FUTURE HOTEL DEVELOPMENTS AND PIPELINE

Chart 16.
London hotel pipeline by borough and planning status 2013–2017



Source: CBRE Hotels/ London & Partners London Hotel Development Monitor

6.0
LONDON VISITOR ATTRACTIONS AND THEATRES

London's iconic attractions are a major draw for visitors, the city's rich mix of built heritage, world class museums, galleries and royal attractions providing a compelling motivation to visit.

The capital's free museums and galleries are undoubtedly the big draw for many visitors, with four venues collectively receiving in excess of 5 million visitors a year – the British Museum, Tate Modern, National Gallery, and Natural History Museum. In the past five years, these four have grown in collective popularity by 11%, adding a further 210,000 visitors between them.

Beyond these four, the list of popular free venues includes the Victoria & Albert (one of London's fastest growing major attractions in the last five years); the Science Museum and the National Portrait Gallery, all with in excess of 2 million visitors in 2012.

In the paid–for category, London's leading attraction is the EDF London Eye. London's historic properties are dominated by the paid–for Tower of London, while the city's two landmark cathedrals, St Paul's and Westminster Abbey, both attracted 1.78 million visitors in 2012.

While most of London's leading attractions are in the central area of the city, the Top 20 attractions in 2012 also included the trio of Greenwich venues – the Old Royal Naval Hospital, National Maritime Museum, and Royal Observatory – between them attracting 3.54 million visitors in 2012. To the west of the capital, Kew Gardens is London's world class botanical attraction, with just over 1 million visitors.

6.0
LONDON VISITOR ATTRACTIONS AND THEATRES

Table 31. **Top 30 London attractions 2012**

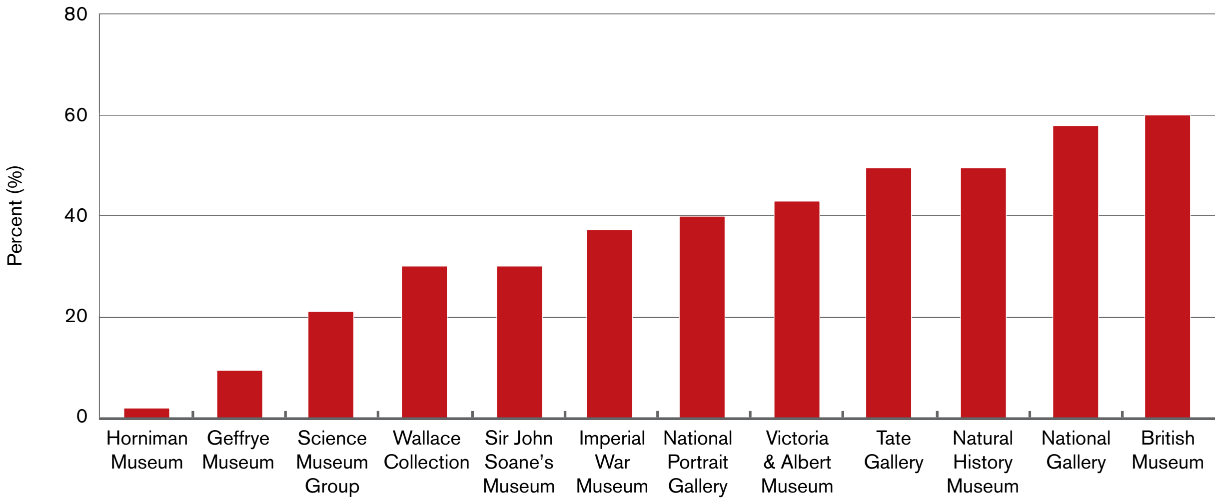
		Charge	Million visitors	vs. 2011 (%)
British Museum	Museum/art gallery	Free	5.58	-4.7
Tate Modern	Museum/art gallery	Free	5.32	9.9
National Gallery	Museum/art gallery	Free	5.16	-1.8
Natural History Museum	Museum/art gallery	Free	5.02	3.1
Victoria and Albert Museum	Museum/art gallery	Free	3.23	15.9
Science Museum	Museum/art gallery	Free	2.99	3.5
Tower of London	Historic Property	Paid	2.44	-4.1
National Portrait Gallery	Museum/art gallery	Free	2.10	11.5
St Paul's Cathedral	Place of worship	Paid	1.79	-1.6
Old Royal Naval College	Historic Property	Free	1.78	6.2
Westminster Abbey	Place of worship	Paid	1.78	-6.5
British Library	Museum/art gallery	Free	1.41	-4.6
Royal Academy of Arts	Museum/art gallery	Paid	1.20	n/a
National Maritime Museum	Museum/art gallery	Free	1.13	31.6
Houses of Parliament and Big Ben	Historic Property	Paid	1.02	-2.8
Royal Botanic Gardens, Kew Gardens	Garden	Paid	1.02	-13.9
The Fusiliers Museum London	Museum/art gallery	Paid	1.00	16.3
ZSL London Zoo	Wildlife	Paid	0.97	-9.7
Imperial War Museum	Museum/art gallery	Free	0.97	0.0
Royal Observatory Greenwich	Museum/art gallery	Free	0.63	-28.5
Horniman Museum and Gardens	Museum/art gallery	Free	0.56	11.0
Hampton Court Palace	Historic Property	Paid	0.53	-9.9
Serpentine Gallery	Museum/art gallery	Free	0.51	-41.7
Tower Bridge Exhibition	Historic Property	Paid	0.51	3.4
Museum of Childhood at Bethnal Green	Museum/art gallery	Free	0.43	-3.8
Wallace Collection	Museum/art gallery	Free	0.36	-3.5
Kensington Palace	Historic Property	Paid	0.36	69.5
Churchill Museum and Cabinet War Rooms	Museum/art gallery	Paid	0.34	-5.7
National Army Museum	Museum/art gallery	Free	0.25	-2.9
Monument	Historic Property	Paid	0.23	2.3

Source: Visit England Annual Survey of Visits to Visitor Attractions

6.1 ATTRACTIONS AND THEIR POPULARITY WITH OVERSEAS VISITORS

London's four most popular attractions welcomed substantial volumes of international visitors in 2011/12. Sixty percent of the British Museum's visitors were from overseas, with a similar proportion at the National Gallery. Just over 50% of visitors at the Natural History Museum and Tate Modern were from overseas.

Chart 17.
Proportion of overseas visitors at leading London attractions, 2011–2012



Source: Department for Culture, Media and Sport

Table 32. Overseas visitors to leading London attractions, 2008–2009 & 2011–2012

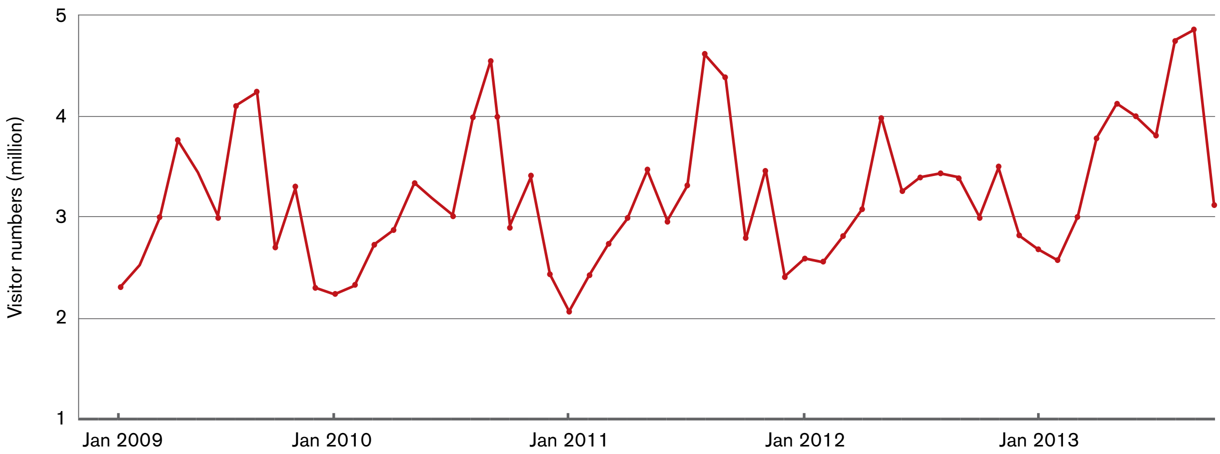
	2008–2009	2011–2012	Percent (%) change
Tate Gallery	2,967,000	3,601,000	21.4
British Museum	3,228,234	3,504,995	8.6
National Gallery	1,553,600	3,101,807	99.7
Natural History Museum	1,264,959	2,556,544	102.1
Victoria and Albert Museum	817,800	1,444,400	76.6
Science Museum Group	981,295	1,077,229	9.8
Imperial War Museum	634,702	836,546	31.8
National Portrait Gallery	680,000	820,542	20.7
Wallace Collection	140,074	127,780	-8.8
Sir John Soane's Museum	24,112	34,529	43.2
Horniman Museum	9,092	15,272	68.0
Geffrye Museum	9,000	11,718	30.2
TOTAL	**12,309,868**	**17,132,362**	**39.2**

Source: Department for Culture, Media and Sport

6.2
ATTRACTION ATTENDANCE

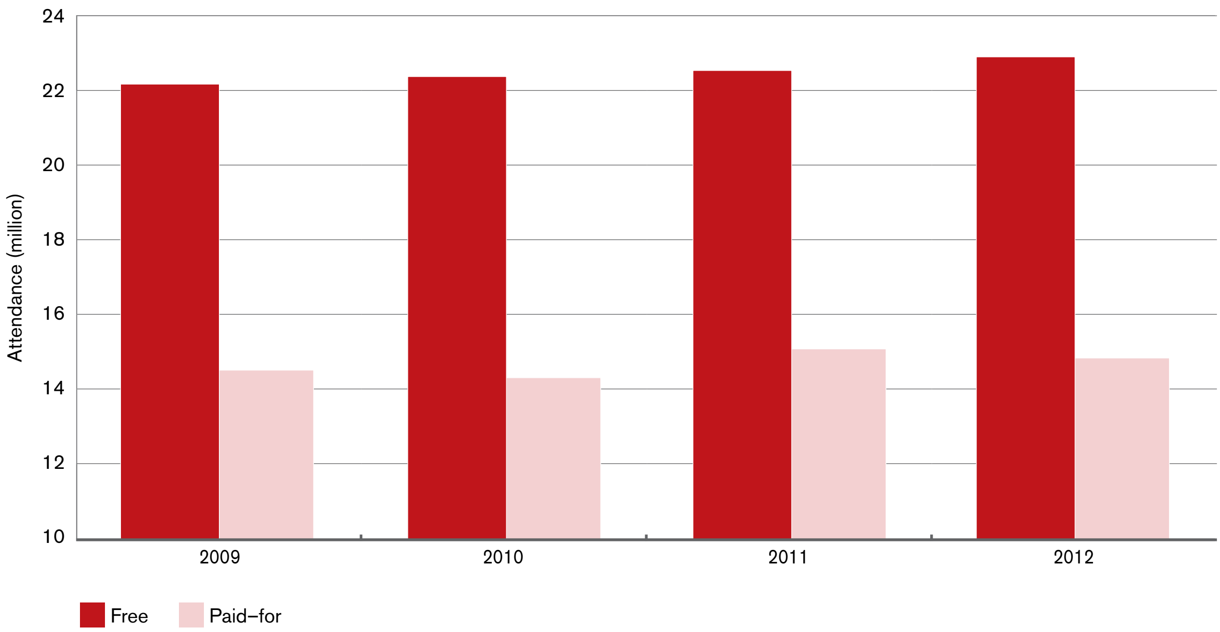
Following the Olympics (which resulted in a temporary downturn in visitor numbers) attractions have reported positive growth in 2013. In the first six months of 2013, attractions in the survey reported 9.5% higher attendances than in the corresponding period in 2012.

Chart 18.
Monthly attendance trends in London attractions, 2009–2013



Source: London & Partners' Visitor Attraction Monitor

Chart 19.
Attendance trends in free and paid for visitor attractions



Source: London & Partners' Visitor Attraction Monitor

6.3
LONDON'S THEATRES

In a survey conducted in 2012, one third of overseas visitors had visited a theatre during their stay in London. This figure was as high as 50% for US visitors, while for other English speaking markets such as Canada and Australia, 40% is typical.

The Society of London Theatre's (SOLT) 2012 figures show that both attendance figures and ticket revenue were slightly up compared to 2011. Attendances increased 0.56% to just under 14 million, while gross sales of £529.8 million were marginally up 0.27% on the previous year.

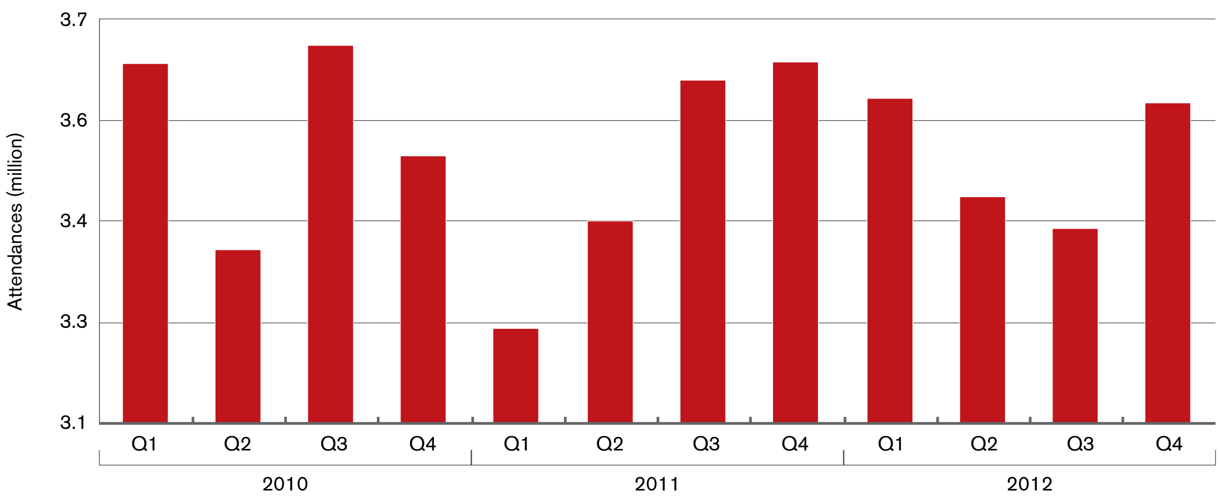
Among the 45 West End theatres that comprise the membership of SOLT, there were nearly 18,500 performances in 2012 with 305 new productions. The leading shows in London's line up included established productions such as Les Miserables, The Mousetrap, Phantom of the Opera, Lion King, Billy Elliot, and Mamma Mia. In 2012, new productions of Singin' In The Rain, Spamalot, Sweeney Todd and The Bodyguard made their debuts on the London stage.

Table 33. **London's top 10 theatres by seating capacity**

Theatre	Seating Capacity
London Palladium	2,291
Drury Lane, Theatre Royal	2,188
Dominion	2,137
Lyceum Theatre	2,107
Apollo Victoria	1,832
Prince Edward	1,625
Victoria Palace	1,575
Adelphi	1,500
Shaftesbury	1,405
Palace	1,390

Source: Society of London Theatres

Chart 20.
Attendances at the West End theatres 2010–2012



Source: Society of London Theatres

6.3
LONDON'S THEATRES

Musicals are very much the mainstay of London's West End theatre offering. In 2012, although their attendance figures were down 3%, these accounted for 57% of West End theatre volumes, and 60% of revenues. Plays contribute 30% to the West End's attendance mix and 24% of revenues.

2012 was a particularly strong year for West End plays. Buoyed by the popularity of productions such as Noises Off, Constellations, Richard III and Twelfth Night, audiences were up 9% on the previous year.

Table 34. **Attendance and revenue at the West End theatres split by performance category, 2012**

	Attendances (million)	Percent (%) attendances	Revenue (£million)	Percent (%) revenue
Musicals	7.97	57	322.2	61
Plays	4.11	29	125.1	24
Others	1.91	14	82.5	16
TOTAL	**13.99**	**100**	**529.8**	**100**

Source: Society of London Theatres

7.0
THE VALUE OF LONDON'S TOURISM ECONOMY

Tourism makes a substantial contribution to London's economy and is a major source of employment in the capital.

In November 2013, Visit Britain published its review of the economic contribution of the tourism economy, which measures economic performance in three ways:

Direct industry
The contribution made by visitor spending (expenditure on hotels, attractions, airports, spend with UK air carriers, etc.), as well as tourism related government spending. The direct industry contribution from London tourism is estimated at £15.9 billion, supporting 304,000 jobs. By 2025, this is forecast to increase to £35.4 billion and 391,000 jobs.

Tourism economy
This is a broader definition including 'indirect' inputs. These are the many supply chains providing goods and services to the direct industry (for example, food/drink suppliers, retailers, ancillary and professional services). On this measure, London's tourism economy is valued at £36 billion, and supports 700,000 jobs. By 2025, these numbers are estimated to reach £77.4 billion and 698,000 jobs.

Total contribution
This measure also includes 'induced inputs' which refer to the purchases made by people employed in the industry and its supply chains. Total contribution from London tourism is estimated at £45.5 billion for 2013, supporting 852,000 jobs. By 2025, estimated levels are a contribution of £97.4 billion, supporting 852,000 jobs.

London's tourism economy represents 11.6% of its GDP, and 13.6% of jobs.

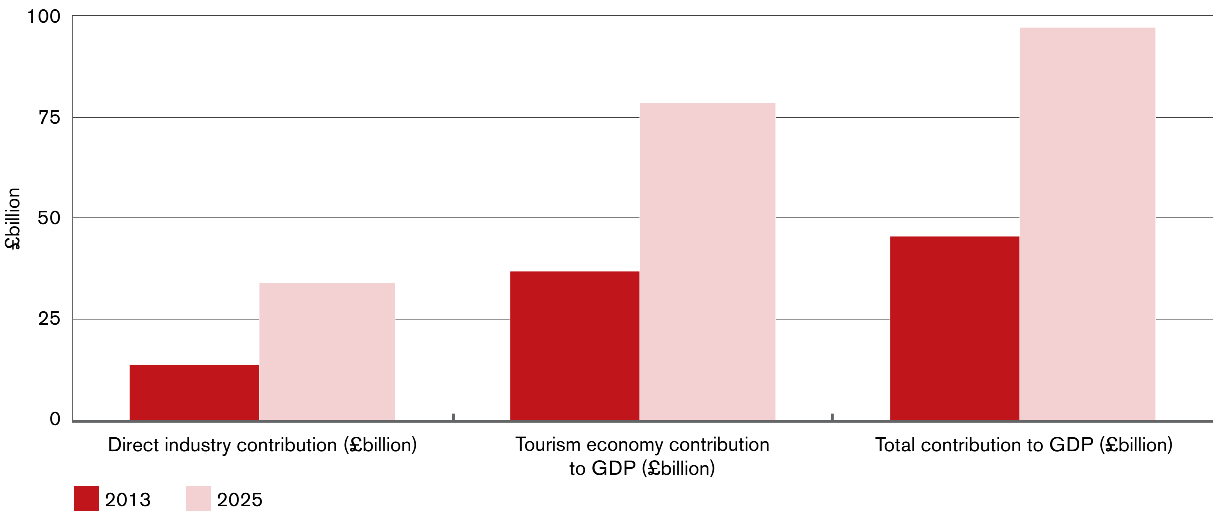
Table 35. **The value of tourism to the UK and London economies, 2013**

	UK	London	London share of UK (%)
Direct industry contribution (£billion)	58.0	15.9	27.6
Tourism economy contribution to GDP (£billion)	126.9	36.0	28.5
Total contribution to GDP (£billion)	160.5	45.5	28.5
Direct industry employment (000 jobs)	1,748	304	17.4
Tourism economy employment (000 jobs)	3,116	700	22.5
Total employment (000 jobs)	3,787	852	22.5

Source: Tourism: Jobs and Growth published by Visit Britain/Deloitte

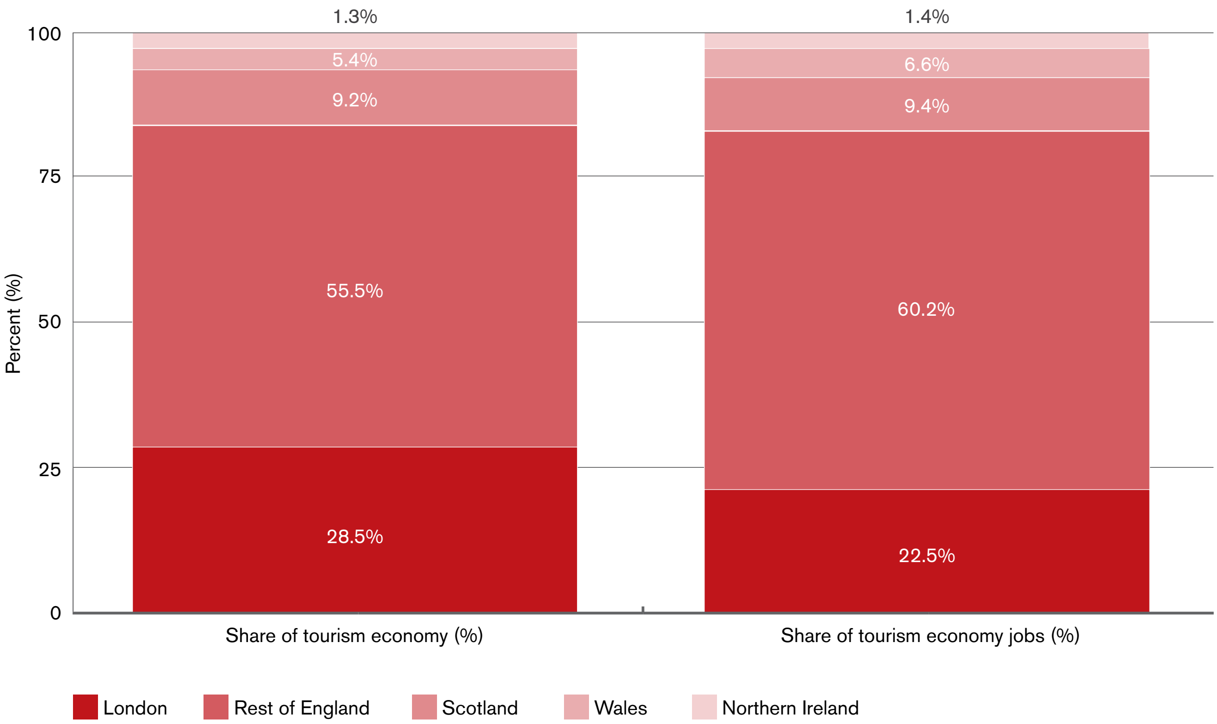
7.0
THE VALUE OF LONDON'S TOURISM ECONOMY

Chart 21.
Value of tourism to the UK and London economies in 2025, at current prices



Source: Tourism: Jobs and Growth published by Visit Britain/Deloitte

Chart 22.
London and the regions' contribution to the tourism economy, 2013



Source: Tourism: Jobs and Growth published by Visit Britain/Deloitte

8.0
THE FORECAST FOR TOURISM IN LONDON

The outlook for London's tourism economy is strong. London visitor numbers are forecast to rise by 6.3% for 2013, driven by robust demand (+9.3%) from international markets.

For the next two years slightly lower levels of growth are forecast, owing to improving economic conditions in London's core European markets. At these rates of growth, London will be welcoming just over 4 million more international and domestic visitors in 2015 compared to 2012, equivalent to consolidated growth of almost 15%.

Table 36. **London tourism forecasts 2012–2015**

	2012	2013	2014	2015
TOTAL	**27,834**	**29,580**	**30,524**	**32,055**
Percent (%) change	4.7	6.3	3.2	5.0
By origin				
INTERNATIONAL	**15,461**	**16,896**	**17,492**	**18,352**
Percent (%) change	1.1	9.3	3.5	4.9
DOMESTIC	**12,373**	**12,684**	**13,033**	**13,703**
Percent (%) change	9.5	2.5	2.7	5.1
By purpose				
BUSINESS	**6,348**	**6,868**	**7,164**	**7,585**
Percent (%) change	7.9	8.2	4.3	5.9
LEISURE	**12,122**	**13,064**	**13,570**	**14,460**
Percent (%) change	4.6	7.8	3.9	6.6
VFR	**9,364**	**9,648**	**9,790**	**10,010**
Percent (%) change	2.8	3.0	1.5	2.2

Source: London & Partners forecast produced by Tourism Economics

London's overseas markets are expected to generate about 68% of the additional volume. Visitor numbers are forecast to grow 9.3% in 2013, but with subsequent growth slowing to 3.5% in 2014 and 4.9% in 2015.

Table 37. **London overseas tourism forecasts by origin market 2012–2015**

	2012	2013	2014	2015
TOTAL	**15,461**	**16,896**	**17,492**	**18,352**
Percent (%) change	1.1	9.3	3.5	4.9
By origin				
NORTH AMERICA	**2,265**	**2,331**	**2,444**	**2,608**
Percent (%) change	-0.3	2.9	4.9	6.7
EU-15	**7,710**	**8,519**	**8,712**	**9,047**
Percent (%) change	-0.6	10.5	2.3	3.8
NON-EU EUROPE	**2,193**	**2,434**	**2,504**	**2,609**
Percent (%) change	5.6	11.0	2.8	4.2
MIDDLE EAST/N. AFRICA	**544**	**616**	**626**	**635**
Percent (%) change	9.4	13.3	1.6	1.5
LATIN AMERICA	**492**	**506**	**564**	**620**
Percent (%) change	11.3	2.8	11.6	9.8
AFRICA	**338**	**366**	**371**	**384**
Percent (%) change	13.1	8.4	1.1	3.8
ASIA PACIFIC	**1,783**	**1,987**	**2,133**	**2,307**
Percent (%) change	-1.1	11.5	7.3	8.2

Source: London & Partners forecast produced by Tourism Economics

8.1
SOLID PROSPECTS IN LONG HAUL MARKETS

As the prospects for the USA's consumer and business economies brighten, demand conditions in London's biggest market look positive for 2013 (+2.9%). By 2015 visitor numbers from North America to London are forecast to have increased 17%, an additional 340,000 visitors.

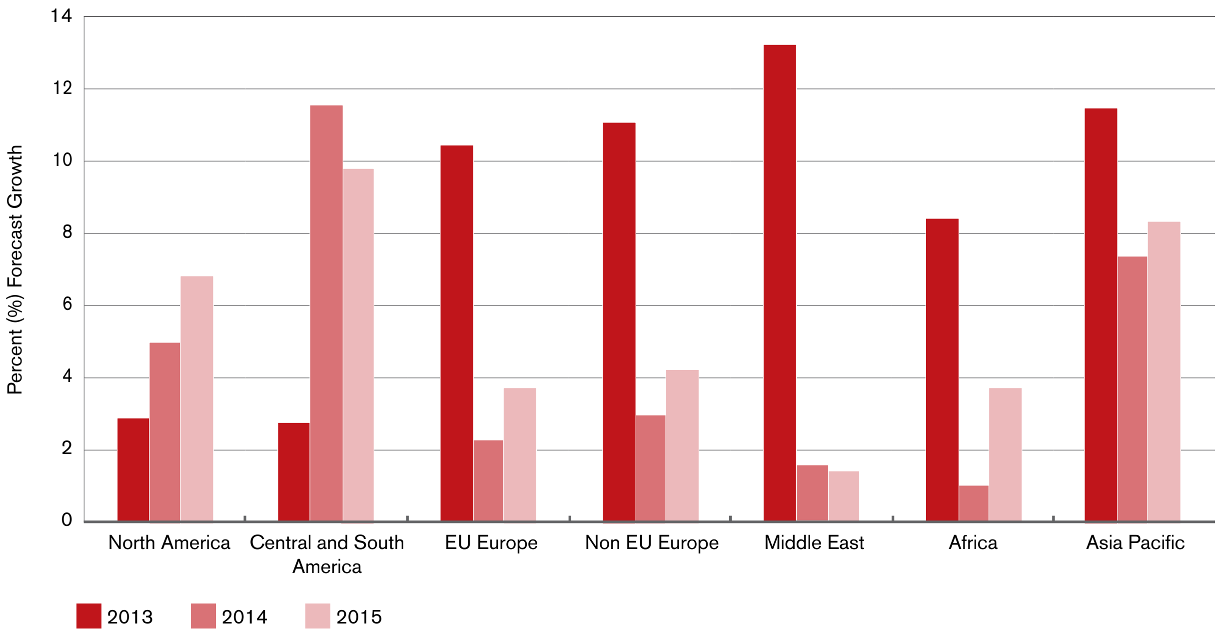
The prospects for Europe look very strong for 2013, with a marked increase in visitors in the post–Olympics period. Growth will slow, but as the economies of the region stabilise and their prospects improve, the region can be expected to yield further modest gains.

Currently the Asian Pacific countries comprise about 11.6% of all visitors, but growth from this region is predicted (+18%). This will be led by strong growth from Australia, China and Japan, Japanese, as well as rapid increases in visitors from smaller markets such as Thailand, Indonesia and Malaysia.

Latin American visitors make up 3.2% of London's total, having grown 57% since 2009. Brazil has been mainly responsible for fuelling tourism growth. By 2015, London could be welcoming a further 130,000 visitors from this region, representing 26% growth. Countries such as Mexico and Argentina are beginning to be represented in London's visitor economy, and these can be expected to make a growing contribution to regional growth.

The Middle East trend is dominated by the performance of the UAE. The country has now recovered from the 2009 Dubai financial crisis, and strong growth in 2012 is expected to be followed by a further robust advance in 2013. However, the impact of the escalating political tensions in Syria may have wider repercussions for the region, which may in turn slow growth rates in subsequent years.

Chart 23.
London tourism forecasts by origin market 2013–2015



Source: London & Partners forecast produced by Tourism Economics

Disclaimer

London & Partners has used a wide range of information and data sources from third party suppliers when compiling the London Tourism Review. London & Partners cannot be held responsible for the accuracy and timeliness of this information and data.

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- Supports event organisers, helping them host business events and major sporting and cultural events in London
- Promotes London to international leisure visitors and provides information to help them discover the city
- Positions London as the best place for higher education and encourages overseas students to study in the capital.

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