

# LONDON VISITOR INDEX



## SUMMARY

- Activity across the visitor economy in London remained subdued in January, with the London Visitor Index down -1 point compared to December 2007.
- Although general footfall levels were higher than last year, with many retailers reporting robust trade, most attractions only witnessed a modest visitor upturn.
- Hotel occupancy and passenger throughput at London's five main airports decreased, while fragile consumer confidence negatively impacted domestic trips to the capital.
- On the plus side, sterling continued to weaken against most other major currencies during January making London a cheaper holiday destination for many overseas visitors.

## OVERALL PERFORMANCE LEVELS

Jan 2008: 52/100      Dec 2007: 53/100      Nov 2007: 37/100

Average 2003-08: 56/100

Max: 88/100 (April 2004)

Min: 13/100 (March 2003)

### What is the London Visitor Index?

The London Visitor Index is a monthly composite index of leading visitor surveys. This index gives a quick indication of current trading conditions and is based upon a basket ten individual surveys.

### How it works

The monthly year-on-year percentage change for each indicator is given a score between 1-10 depending on the change. For example, a +10% monthly change gets 10 points, while -8% change gets 0 points. These scores are then added together to get an overall tally up to a maximum of 100. **A score over 50 indicates growth.**

### VISIT LONDON

6<sup>TH</sup> FLOOR  
 2 MORE LONDON RIVERSIDE  
 LONDON  
 SE1 2RR  
 TELEPHONE: 020 7234 5800  
[www.visitlondon.com/corporate](http://www.visitlondon.com/corporate)



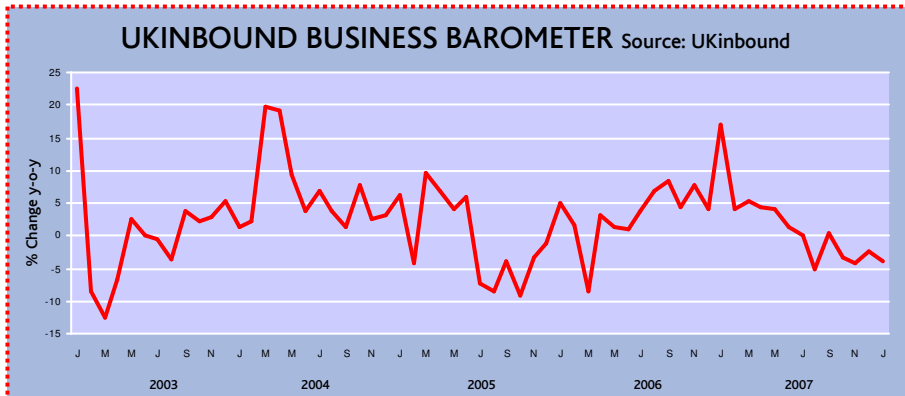
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## UK INTERNATIONAL VISITS

- Foreign arrivals into the UK decreased by -1.6% in December, with provisional data indicating that international visits for the whole of 2007 rose by +1%.
- Whilst European arrivals, especially from the EU Accession countries, continue to expand, North American visits are decreasing steeply reflecting lower US economic growth.

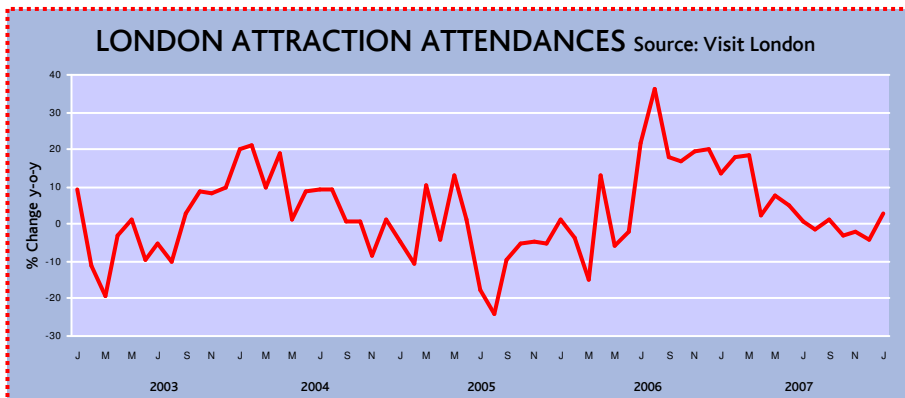
*Measures the number of visitors entering the UK through interviews with a stratified random sample of passengers on the main air, tunnel and sea routes*



## UKINBOUND BUSINESS BAROMETER

- UKinbound members reported a fourth consecutive month of falling visitor arrivals in January with visitor numbers down -3.9% compared to January last year.
- Members reported weak demand from long haul markets with only modest increases in short haul business.

*Each month UKinbound produces a Business Barometer based on confidential survey questionnaires from UKinbound members who represent over 230 companies and organisations across UK inbound tourism*

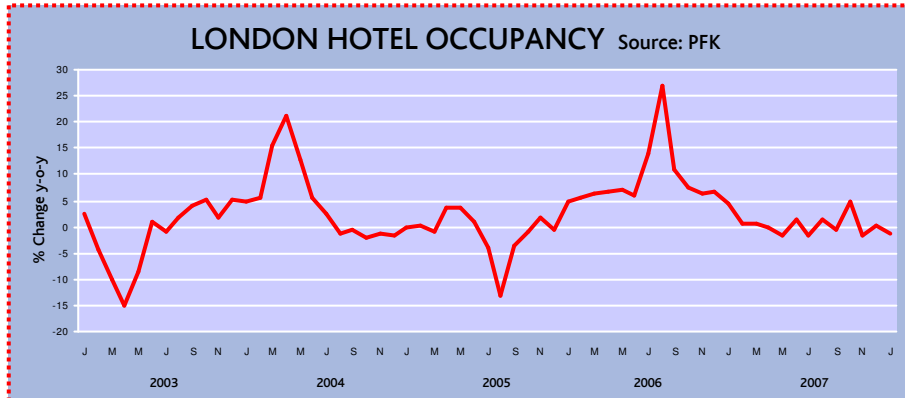


## LONDON ATTRACTION ATTENDANCES

- The number of people visiting museums, galleries and other attractions in the capital rose by +2.9% in January compared to the same month last year.
- Many of the capital's leading paid attractions, such as London Zoo, Kew Gardens and the London Eye, witnessed a steep upturn in visits during the month. In contrast, attendances to free attractions remained flat.

*A monthly survey measuring visitor levels to 64 attractions in London, which account for around 75% of overall attraction admissions in the capital*

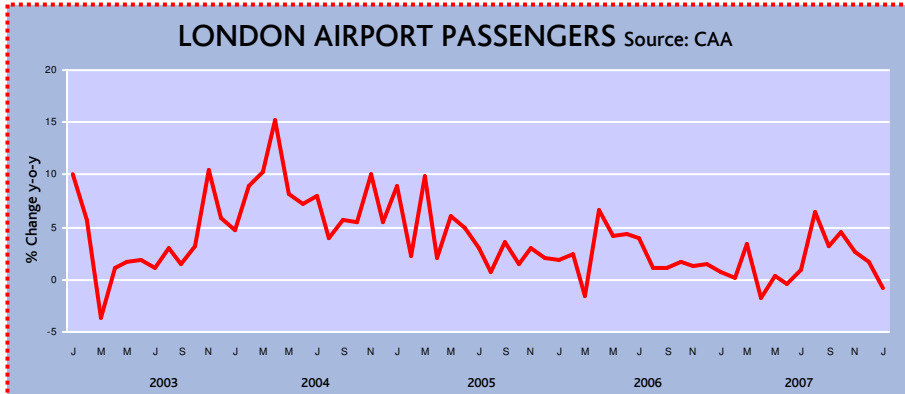
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## LONDON HOTEL OCCUPANCY

- Hotel occupancy in London declined by -1.4% in January to 71%. However, despite this decrease hoteliers still managed to increase room rates by +5-6%. This lifted average room yields by around +4%.
- Tight hotel supply levels, especially in central London, is allowing room rate growth despite flat occupancy levels.

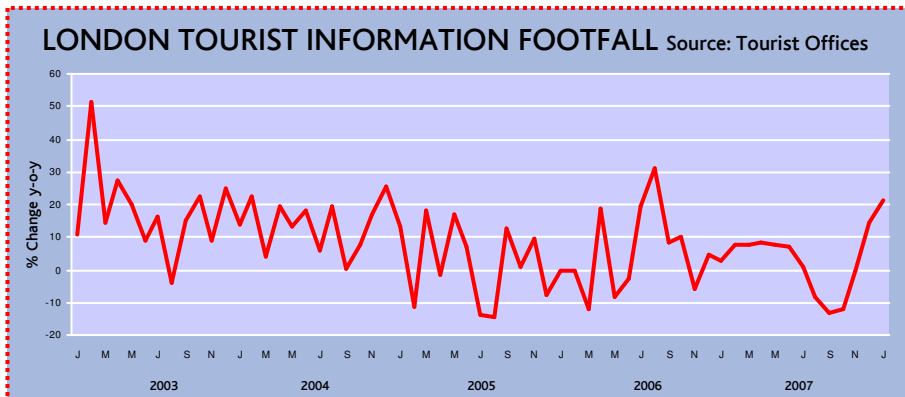
*An analysis of 42,800 London hotel rooms measuring the level of occupancy*



## LONDON AIRPORT PASSENGERS

- The number of passengers passing through London's five main airports decreased by -0.8% in January.
- Cutbacks in the winter schedules of both Ryanair and Air Berlin impacted passenger levels at Stansted, while British Airways witnessed some short-haul route weakness.

*Measures the number of passengers through London airports (Gatwick, Heathrow, London City, Luton, Stansted)*

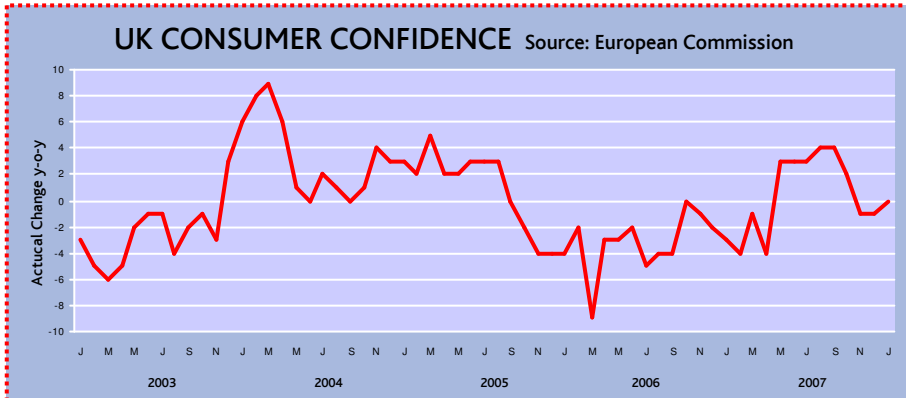


## LONDON TOURIST INFORMATION FOOTFALL

- The number of people visiting London's main tourism information centres jumped by +21.4% in January.
- A major refit of the BLVC in Regent Street contributed to most of this uplift.

*Number of visitors to the Britain & London Visitor Centre, Greenwich, Croydon and Lewisham Tourist Information Centres*

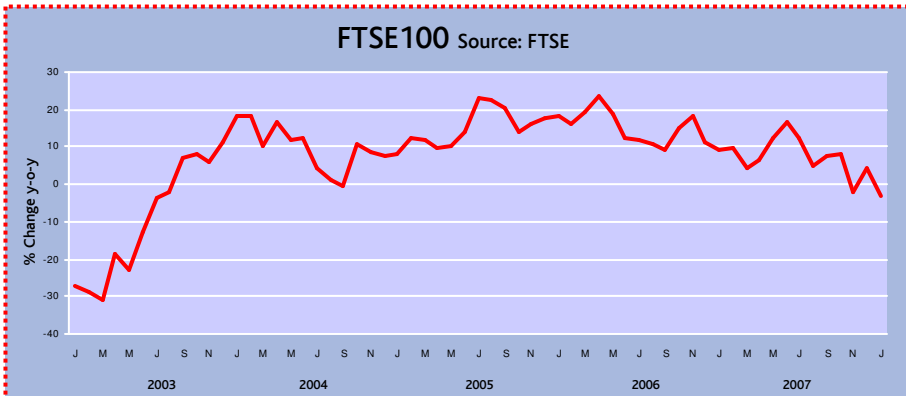
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## UK CONSUMER CONFIDENCE

- Compared to January last year consumer confidence improved slightly during the month, but remained weak.
- Sharp falls in share prices, flattening house prices and rising costs of essential items are all negatively impacting consumer sentiment.

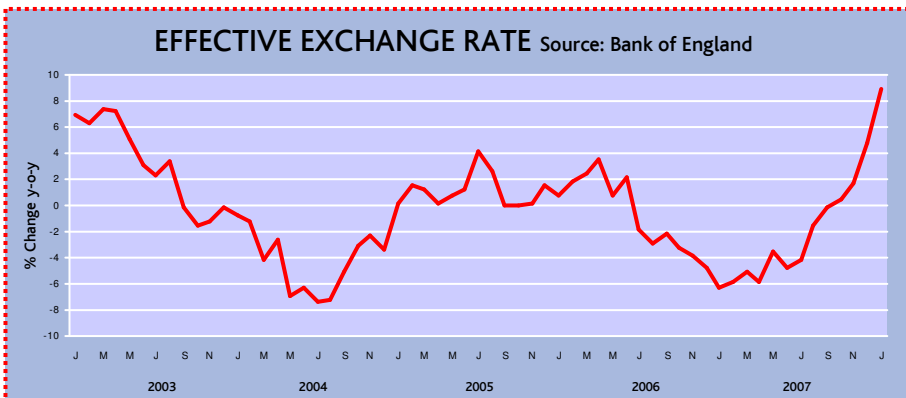
Arithmetic average of the balances of answers to questions on the financial situation of households, general economic situation, employment expectations and savings, over the next 12 months



## FTSE100

- UK equities had a bad start to the year with the FTSE 100 dropping by -3.3% compared to last year.
- Heightened concerns that the US economy is heading into recession, combined with ongoing worries about global credit conditions caused share prices to fall.

Measures the stock market performance of the 100 most highly capitalised blue chip companies listed on the London Stock Exchange

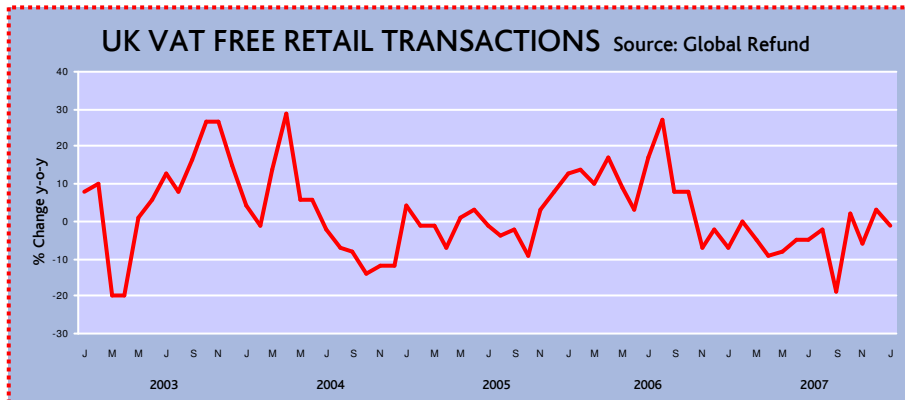


## EFFECTIVE EXCHANGE RATE

- Sterling continued to weaken during January, with the pound's effective exchange against a basket of other currencies down -9% compared to January 2007.
- The pound is now trading at its weakest level since 2003.

Measures the weighted average exchange rate movements of sterling against a basket of other currencies (60% Europe, 18% US, 8% Japan, 14% Others). Movements have been reserved to reflect the positive nature of weakening sterling for London tourism

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## UK VAT FREE RETAIL TRANSACTIONS

- Tourism retail spending – as measured by VAT-free shopping transactions claimed back by non-EU nationals – dropped by -1% in January, while the value of these transactions rose +11%.
- The strongest growth rates were recorded by Malaysian and Australian shoppers, while US and Japanese retail activity decreased sharply.

*Measures the number of VAT free shopping transactions made by non-EU nationals*

## NOTES

SURVEY	SOURCE	WHAT IT MEASURES	PROXY INDICATOR FOR
UK International Passenger Survey	National Statistics	International visitors to the UK	London international visits
UKinbound Business Barometer	UKinbound	International travel via UKinbound members	London international visits
London Attraction Monitor	Visit London	Attendances at London attractions	London attraction visits
London Hotel Trends	PKF	London hotel occupancy	London hotel performance
London Airport Passengers	CAA	London airport throughput	London international visits
London Tourist Information Footfall	Tourist Offices	Visits to London tourist offices	London tourist footfall
UK Consumer Confidence	European Commission	UK consumer confidence	London domestic visits
FTSE 100	FTSE	Level of FTSE 100	London business tourism
Effective Exchange Rate	Bank of England	Strength of sterling	Relative cost of holiday in the UK
UK VAT Free Retail Transactions	Global Refund	VAT free shopping activity	London tourism retail activity

The London Visitor Index is published during the second week of each month. It provides an overview of the current state of London's visitor economy. Further information at [http://corporate.visitlondon.com/facts\\_figures/latest\\_statistics/](http://corporate.visitlondon.com/facts_figures/latest_statistics/)

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### Visit London

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