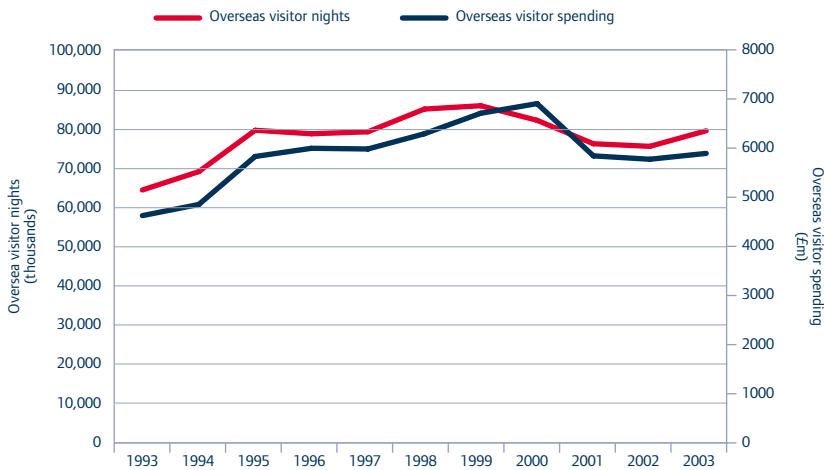


MARKETING AND PROMOTION

5

5.1 The number of nights spent visiting London by overseas visitors has fallen since 1999. The amount spent by overseas tourists in London has also fallen since 2000. However, both the number of nights spent in London by overseas tourists and the spending by overseas tourists in London has increased in the last year.

Overseas visitor nights and spending in London

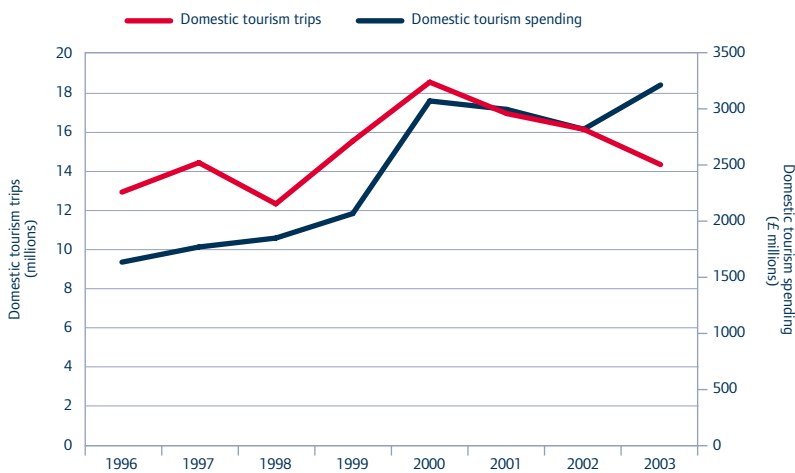


Source: ONS/VisitBritain

- The number of overseas visitor nights increased from around 64 million in 1993 to almost 86 million in 1999. It fell to 75 million in 2002 before increasing slightly to 79 million in 2003. The amount spent by overseas tourists in London increased from £4.7 billion in 1993 to around £6.9 billion in 2000. It fell to £5.8 billion in 2002 before increasing slightly to £5.9 billion in 2003.

5.2 Domestic tourism trips to London have fallen away since 2000 to around the level seen in 1997. At the same time spend by domestic tourists has generally continued to increase.

Domestic tourism trips and spending in London



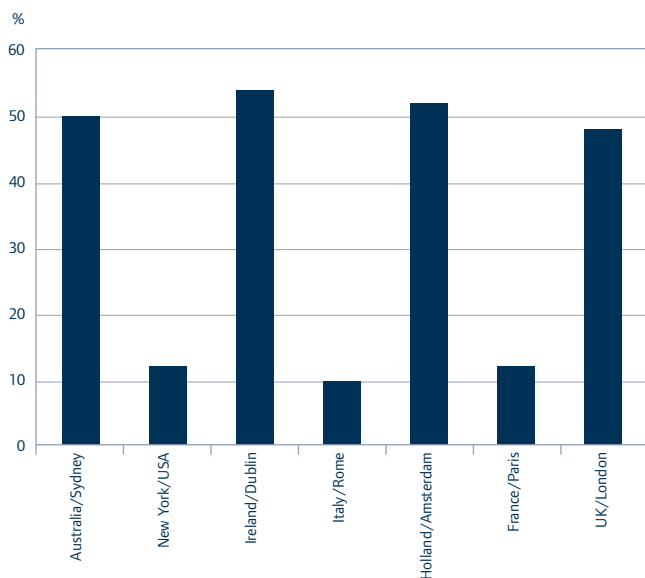
Source: UK Tourism Survey

- In 2003 domestic tourism trips to London totalled 14.3 million, down from a peak of 18.5 million in 2000 and slightly below the level of trips in 1997. Total domestic tourism spend in London in 2003 was £3.2 billion rising more or less steadily from £1.6 billion in 1996.

5.3 London acts as a significant destination for visitors coming to the UK.

Gateway role of major world cities

(City share of visitors to country)

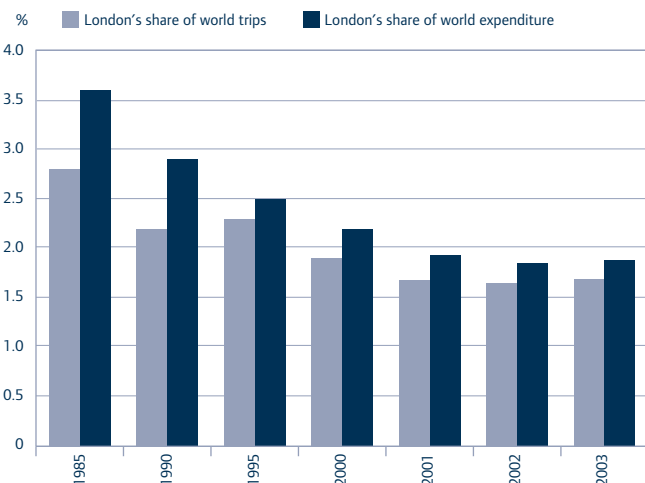


Source: ONS/VisitBritain

- London receives nearly half (48%) of all visitors coming into the UK.
- In this respect London is similar to cities such as Sydney (50% of visitors to Australia), Dublin (54% of visitors to Ireland) and Amsterdam (52% of visitors to Holland) who provide a similar ‘gateway’ function to their national economy.
- Other capital cities, such as Paris (accounting for 12% of visitors to France) and Rome (accounting for 10% of visitors to Italy) do not dominate their respective national tourist economies to the same degree that London does in the UK.

5.4 While London’s share of the world visitor market had been declining up to 2002, recent figures point to an increase.

London’s share of world visitor market



Source: VisitLondon

- London’s share of world tourist expenditure has declined from an estimated 3.6% in 1985 to 1.9% in 2002, although it increased marginally in 2003.
- In terms of number of trips, London’s share of the world tourist market has declined from 2.8% in 1985 to 1.7% in 2002, although again it increased marginally in 2003.
- Factors behind the decline in London’s share of the world tourist market include the development of new long-haul destinations.

5.5 London is the major destination of overseas visitors to the UK and acts as gateway to the rest of the country, but London's share of the UK overseas visitor market within the UK has also been declining.

London's share of UK overseas visitor market

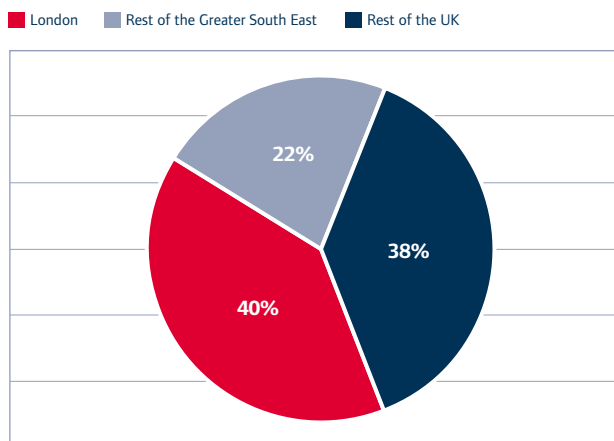


Source: VisitLondon

- London's share of total expenditure by overseas visitors in the UK was almost 50% in 2003.
- This reflects both the capital's importance as a destination in itself, and as a stopping-off point or gateway for visiting the rest of the UK.
- However, London's share of total expenditure by overseas visitors in the UK had declined to 50% in 2003 from 59% in 1985. In terms of number of visits, London's share of total visits to the UK fell from 63% in 1985 to 47% in 2003.

5.6 London is the centre of the UK's creative industries.

Regional shares in creative jobs (2002)



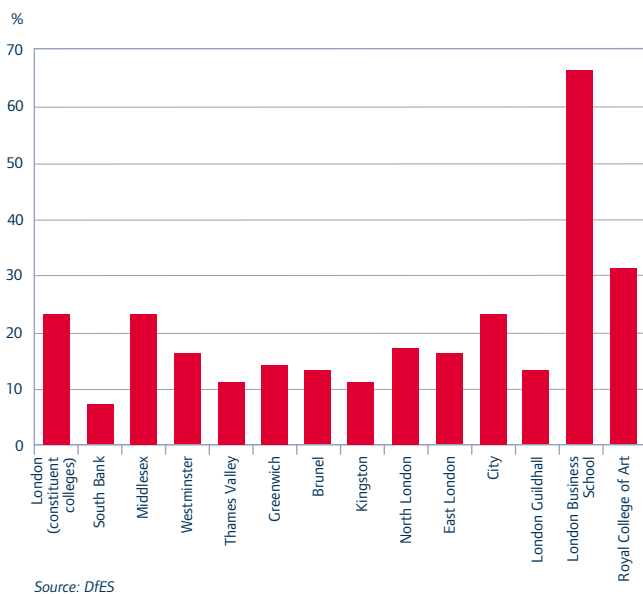
Source: GLA Economics London's Creative Sector: 2004

- The chart shows the extent to which London specialises in cultural activities compared to the rest of the UK and compared to the rest of the Greater South East (the South East and East of England regions).
- The cultural activities included here are crafts, publishing, fashion, architecture, advertising, design, video, film and photography, radio and TV, music and the visual and performing arts, art/antiques trade and interactive leisure software.
- The majority of Britain's creative jobs (62%) were within the Greater South East as a whole (London, the South East and East of England regions) in 2002.

5.7 London's universities also attract a significant number of overseas students.

Overseas students at London universities (2002/2003)

(Percentage of overseas students in each institution)

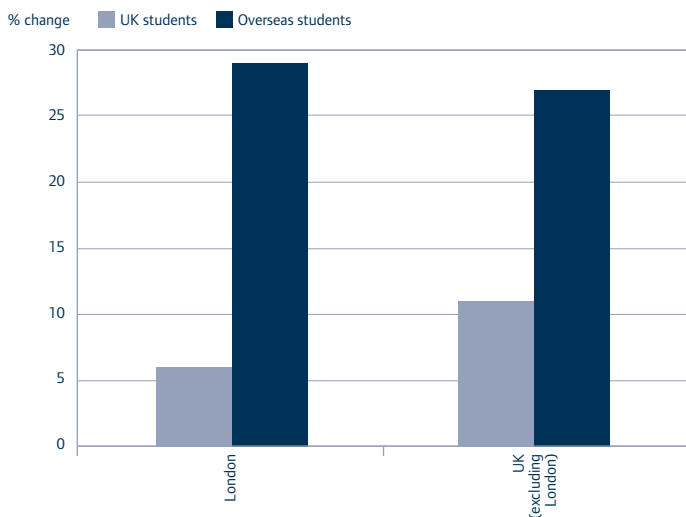


Source: DFES

- London universities have high percentages of overseas students, and certain universities have particularly high percentages.

5.8 London is becoming an ever increasingly important study destination for overseas higher education students.

Increase in the number of higher education students studying in London and rest of UK by location of institution (1998/1999 to 2002/2003)

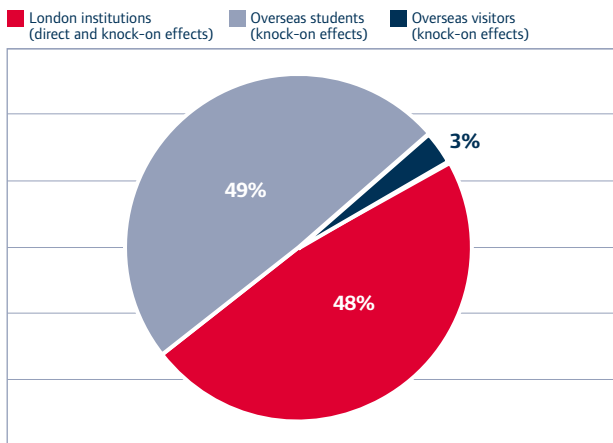


Source: Higher Education Statistics Agency

- London's higher education institutions experienced a 29% increase in the number of overseas students over the five year period 1998/1999 to 2002/2003. This is compared with a 27% increase in the rest of the UK (excluding London). However, the increase in UK students studying in London was only 6%, compared with 11% in the rest of the UK.

5.9 London's higher education institutions make a significant direct and indirect contribution to the economy in terms of export earnings.

Contribution of London's higher education sector to £750 million UK export earnings (2002)



Source: GLA Economics

- The London higher education sector generated estimated total export earnings for the UK of nearly £750 million in 2002.
- This estimated £750 million included £365 million overseas income going direct to London higher education institutions.
- It also included knock-on effects such as the campus personal expenditure of non-UK students and associated visitors estimated to be in the region of £390 million.