LONDON TOURISM MARKET

Yin SHENGNAN
Stefan cel Mare University of Suceava, Romania
1263092311@qq.com
Alexandru-Mircea NEDELEA
Stefan cel Mare University of Suceava, Romania
alexandrun@seap.usv.ro

Abstract

London is the most famous European destination bases on its culture, events, museum and heritage. This paper aims to use the '10As' model, especially in Activities, Appreciation and Action to show London's diverse events, the customer's feeling of welcome and its well-planned future strategy. It adopts stakeholder analysis to identify the responsibilities of key stakeholders: leisure and business tourists and applies 4Ps marketing mix to present culture tourism as the main products.

Key Words: London, tourism market

JEL Classification: L83

I. INTRODUCTION LONDON TOURISM MARKET

London is the second most visited city in the world and the most popular visitor in Europe (CNN, 2017), with the record numbers of international tourists 19.1 million in 2016 (Jonathan, P. 2017) and nearly 20 million in 2017 (Data. London. 2017). It is outstanding for its culture, history, heritage, world-class museums, architecture, nightlife and Royal Parks. More than 50% of UK tourists visit the London (London&partner. 2017, p.6). It plays a crucial role in the UK tourism industry.

Economy impact

Data London (2017) illustrates that overseas visitor numbers, total nights and total spend have increased steadily. Visitor numbers have grown by 5.21 % to 20 million; total nights have increased by 4.16 % to 114 million; and total spend has gone up by 1.65% to £12.1 million since 2016 (Table 1). Moreover, London&partner (2017, P8) shows the London total tourism industry employees around 700,000, covering 1/7 occupations and creates 11.6 % of the city's GDP.

	al Visits (00	l Nights (0	al Spend (£
2010	14,706	90,318	£8,741
2011	15,289	91,498	£9,411
2012	15,461	94,300	£10,075
2013	16,811	98,119	£11,496
2014	17,404	108,006	£11,825
2015	18,581	108,321	£11,919
2016	19,060	111,058	£11,869
2017 Q1	4,478	23,511	£2,679
2017 Q2	5,505	29,331	£3,448
2017 Q3	5,125	33,767	£4,230

Table1. London International Visitor/Night/Spend, Data London, 2017

1.2. Attractions

London is a vibrant city with an abundance of attractions to visit. According to comprehensive website's statistics, including Lonelyplanet (2017), Tripadvisor, (2018), Planetware (2018), VISITLONDON (2017), Timeout London (2018) guidebook Londonpass (2018) the top 10 attractions in London are: Buckingham Palace (the most popular attraction appeals around 15 million tourists each year), British Museum (2nd), Tower Bridge (3rd), London Eye, Tower of London, Big Ben, Covent Garden, The Shard, Hyde Park, Trafalgar Square and St Paul's Cathedral. Also, there are many other websites which show different 'top destinations' using different criteria.

For instance, Tripadvisor shows the most attractive tickets in London; Planetware focuses on the greatest culture attractions; VISITLONDON indicates the top 10 free attractions and Timeout London illustrates the best landmarks and spots which deserved to be discovered.

1.3. Tourism Business

UNCSBRP (2018) reported that London tourism business revenues comprise approximately 10 % of the UK total GDP. Table 2 shows Tourism Expenditure in the UK including accommodation, transportation, restaurants and festival &events fees (Tourismalliance, 2017).

Outbound Tourism Expenditure

Product / service category	Expenditure (£m)
Accommodation services for visitors	619
Food and beverage serving services	582
Railway passenger transport services	598
Road passenger transport services	699
Water passenger transport services	416
Air passenger transport services	15,910
Transport equipment rental services	1
Travel agencies and reservation services	1,667
Cultural activities	1
Sport and recreation activities	0
Exhibitions and conferences etc	0
Other consumption products	5,890
Total	**26,383**

Value of the UK Events Sector (Direct Spend)

	Spend (£bn)
Conferences and meetings	19.2
UK Exhibitions and trade fairs	11.0
Global Exhibitions by UK Organisers	2.0
Incentive travel and performance improvement	1.2
Corporate hospitality and corporate events	1.2
Outdoor events	1.1
Festivals and cultural events	1.1
Music events	2.3
Sporting events	2.3
Total	**41.4**

Table 2. Tourism Expenditure in UK, Tourismalliance, 2017

London Convention Bureau (2018) indicates the impact of the London tourism business. It offers 140,000 hotel rooms, 19,000 restaurants and 380 direct international flights per day.

II. USING THE '3AS' TO IDENTIFY THE SUCCESSFUL TOURISM DESTINATION OF LONDON

'3As' is a part of Morrison's 10As concept of the successful destination. It is a useful attribute for judging the destination performance. It including Awareness, Attractiveness, Availability, Access, Appearance, Activities, Assurance, Appreciation, Action and Accountability (Morrison, A, 2013, P19-21). This report will discuss Activities, Appreciation and Action.

2.1. Activities

London organises incredibly diverse events. From music and film festivals to major sports events or extraordinary flower shows, London always prepares to show customer its spectacular city culture.

Here are the most popular annual events in London. The resource is integrated from different official websites, Overseas Attractions (2016), London&partner (2018) and VISITLONDON (2018), it includes New Year's Day Parade (01.01), Chinese New Year (February), Pancake Day races (05.03), St Patrick's Day (18.03), The Boat Race (24.03), Easter (30.03-02.04), London Marathon (22.04), Museums at Night (16.05), Chelsea Flower Show (May), FA Cup Final (May), Trooping the Colour (09.07), Wimbledon (July), Notting Hill Carnival (05.08-27.08), Totally Thames (01.09-30.09), Open House London (22.10-23.10) and Christmas lights (December). London always hosts a wealth of events for customers.

2.2. Appreciation

Appreciation means the feeling of Welcome and Hospitality in London tourism. London Visitor Survey (London&Partners, 2017, P20) found that overall customer satisfaction is 79% based on events, culture, shopping, transport and so on (Figure 1).

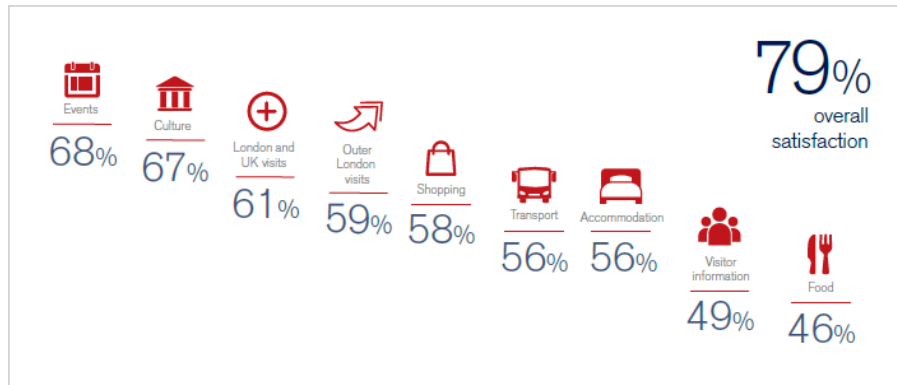Proportion of visitors satisfied with various aspects of their London experience

Figure 1. London Visitor Survey. London & Partners. 2016

London Visitor Survey captured the views of more than 4,000 respondents across 11 markets. It shows the best aspects of satisfaction are culture and events. On the other hand, the aspects which got low satisfaction are transport (56%), accommodation (56%), visitor information (49%) and Food (46%).

2.3. Action

Action is the availability of long-term tourism planning. London & Partners (2017) shows London's 2025 strategy is to attract over 40 million travellers, 30 % more than 2016's 31.2 million total travellers. The structure (Figure 2) indicates that leisure and business tourism are the priority for future markets. It includes five parts:
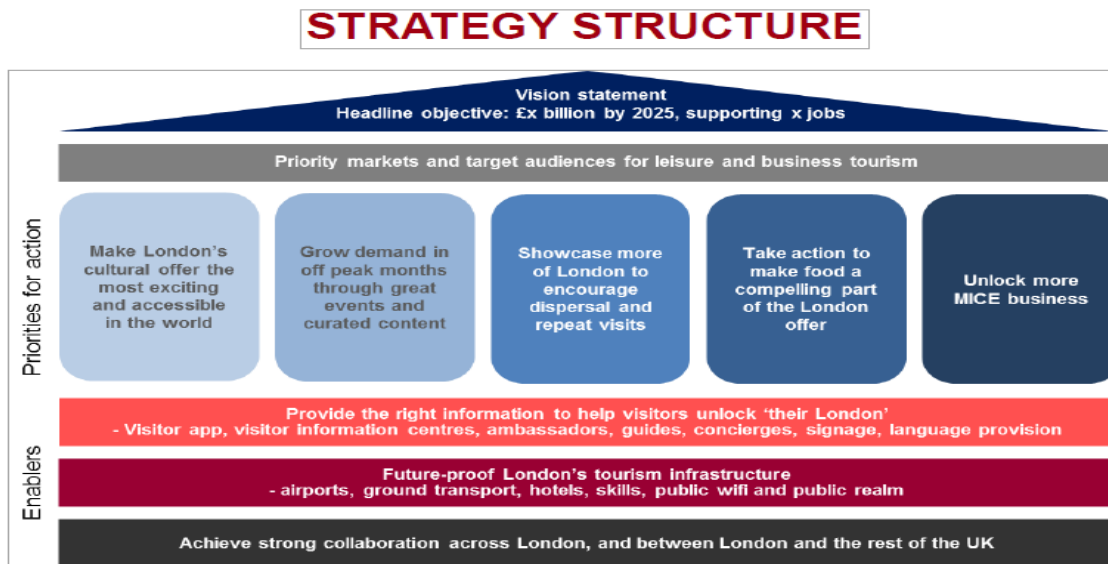

Figure 2. LONDON'S TOURISM STRATEGY 2025. London & Partners. 2017

-Make London's cultural offer to the world,

-Grow festivals and events in the off-peak months to meet increasing demand and encourage dispersals,

-Repeat visits,

-Organise more British food culinary events,

 -Enhance more business tourism.

It also emphasised to providing the right information to visitors, improving visitor app, information centres, guides, language support, extending infrastructure capacity such as the airport, underground, hotels and public Wi-Fi, achieving strong collaboration with the rest of the UK cities. (London & Partners. 2017, p16).

According to the top 25 overseas markets (Table 3), China is the fastest market for London tourism, with an increase in tourists of 103% since 2011. UK China Visa Alliance CEO Brian Bicknell announced that the government also plans to introduce a new ten-year multiple entry visit visa to expand and make it easier for the Chinese to apply for a British visa (London & Partners. 2017, p31).

Top overseas markets for London (ranked by 2025 Projected Visits)							
		VISITORS millions			SPEND (£ millions)		
NO	market	2016	2025	growth rate	2016	2025	growth rate
1	US	2.32	3.33	43%	1981.8	3433.6	73%
2	France	1.99	2.80	40%	711.5	863.7	21%
3	Germany	1.47	1.85	26%	618.5	897.5	45%
4	Spain	1.28	1.68	31%	542.8	625.1	15%
5	Italy	1.25	1.51	21%	563.1	691.8	23%
19	China	0.16	0.33	103%	218.5	500.7	128%

Table 3. Top overseas markets, London & Partners, 2017

III. DEFINE CRITICAL STAKEHOLDERS IN TOURISM DEVELOPMENT AND DISCUSS THEIR RESPONSIBILITIES

3.1. Key Stakeholders and Responsibilities

Stakeholders are people or organisations who are interesting in the management of a destination for tourism (Morrison, A, 2013, p23). It divides into five groups: Tourists, Organization, Community, Environment and Government.

3.1.1 Tourists

The London visitor's statistic (London & Partners. 2017, p17) shows the percentage of tourists: leisure (43.1%), business (21.4%), VFR (30.4%) and others (5.1%). As mentioned leisure and business tourism would be a priority in future market. In ICCA (2017) ranking, London honoured No.3 and attracted 3.6 million business visitors. VFR usually to see friends and family, they spend less money on restaurant, accommodation and travelling, so put it in the least important.

3.1.2 Tourism sector organisation

It includes DMOS, hospitality, attractions and media organisations.

VisitBritain (2017) lists four DMOs in London, which is the city of London Corporation, Destination Hackney, London&Partners and Visit Green. They aim to make a sustainable way to develop London tourism. According to the latest research, a significant proportion of the industry's 700,000 workers do not view their job in tourism and hospitality as a viable, long-term career. This attitude is causing high staff turnover, lower productivity and higher recruitment and training costs. London's tourism and hospitality industry have grown increasingly dependent on EU workers, which now make up 25.7 per cent of the sector's employees. However, uncertainty around the UK leaving the EU is creating concerns about the ability to recruit staff from outside of the UK. Destination Management Organisations make the future strategy. They should be put in the key player.

Hospitality is also the important factor to drive tourists to come to London. Attractions are in the core of London tourism. London & Partners is the official promotional agency. Their mission is to tell London's story brilliantly to the international audience (London&partners, 2018).

3.1.3 Community organisation/Resident association/Business associations

The community/resident organisation has high interest with low power, such as the London city, whose vision is to balance the needs of locals and travelers. The mission of the London community foundation (Londoncf.org, 2018) is to connect and improve the communities, and to build a stronger vibrant London for everyone. UKinbound (2018) is a business association, whose target is to help their members to manage successful, profitable businesses, and it plays an important role in London's tourism strategy.

3.1.4 Environment

The environment NGOs/ Conservation societies are highly concerned with the impact of nature, but they have less power. The London Wildlife Trust (Wildlondon, 2018) is dedicated to protecting the wild species and educating local communities. Their mission is: A London alive with nature, where everyone can experience and enjoy wildlife.

3.2 Stakeholder Analysis

The stakeholder analysis identifies the key stakeholders' interests and responsibilities can be seen on stakeholder matrix Figure 3.

Figure 3. London stakeholder analysis, Shengnan, 2018

IV. CONCLUSIONS

Tourism industry should find the right products to meet global tourists' needs. The main London tourism products are culture, nature, health, activity holidays and business tourism.

London is the second most visited city in the world and the most popular visitor in Europe. It is outstanding for its culture, history, heritage, world-class museums, architecture, nightlife and Royal Parks.

What makes London different to everywhere else? Currently, increasing number of global tourists are looking for more than London attractions. They are fascinated by the most authentic local experience 'London culture'. The idea 'Live with Londoner' could be the USP for London tourism.

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