



## Destination UK – focus on London

Driving growth in the UK hospitality and leisure sector

# A word from Mike Saul

Connecting with British holidaymakers is more important than ever for hospitality and leisure providers as these are the customers who are more likely to visit again in the future.

These findings represent a fantastic opportunity for the businesses within London's already thriving hospitality and leisure industry to really target their offerings to the changing desires of both our international and domestic visitors. London is well placed to benefit from a booming year for British staycations and with many holidaymakers now choosing to stay close to home, the importance of marketing local attractions, and investing in new technologies, experiences and trends to drive footfall is clear. London is such a city of culture and diversity that this needs to be advertised not just to international visitors but to holidaymakers from around the UK. This report looks at the changes affecting London and the lessons that can be learnt from these. To read the full report detailing the UK as a whole, please click on the link at the bottom of this page.



**Mike Saul**  
Head of Hospitality & Leisure  
Corporate Banking  
Barclays



[Click here to read the full report.](#)

# Focus on London

The future for the London hospitality industry is very bright, according to our recent study of holiday trends.

## London is set for a bumper year

We surveyed more than 2,000 UK holidaymakers and the results showed that 35% of them could easily go overseas but choose, however, to remain in the UK. This is hugely positive for Britain's economy and providers, demonstrating that holidaying in the UK is chosen on the basis of quality, value and convenience. 38% of people surveyed described holidaying in the UK as "hassle free" due to the familiarity of the food, language and travel options.

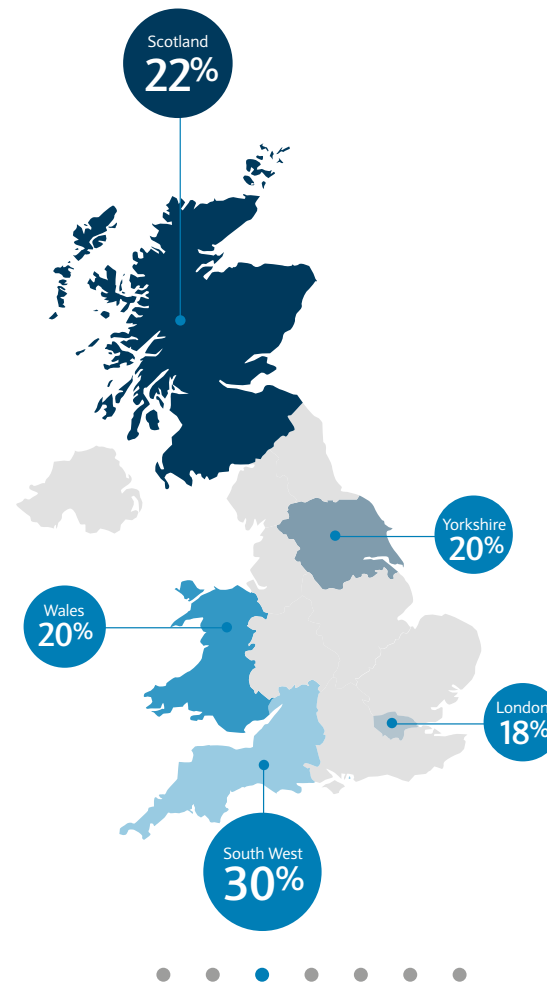
## 67% of international visitors we spoke to said they wanted to visit London's attractions

Of all UK holiday locations, London was a popular destination for domestic visitors, with 18% of those surveyed stating they'd like to visit. By contrast, 67% of over 7,000 international visitors we surveyed said they wanted to visit our attractions.

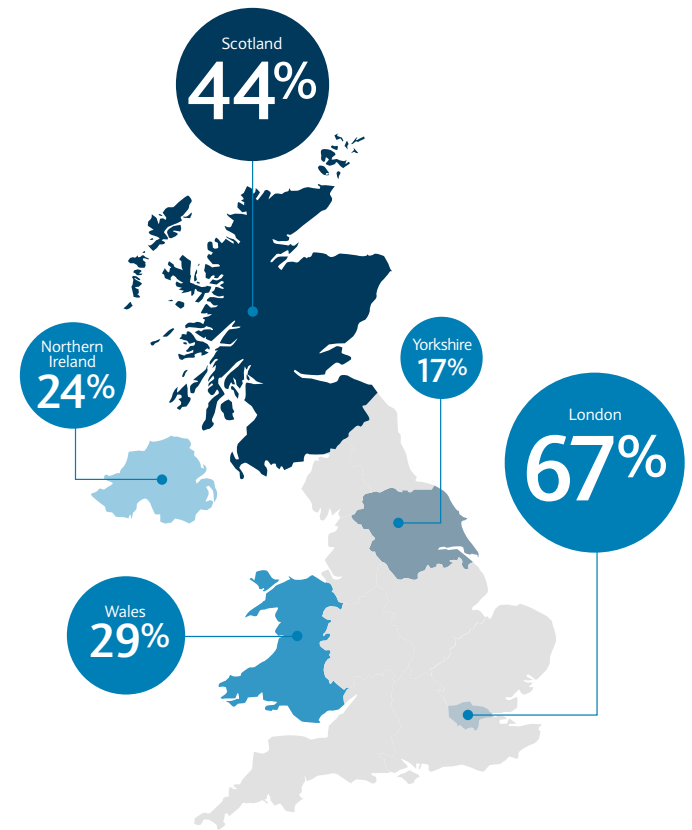
42% of holidaymakers from London would like to enjoy the culture and history this city has to offer and 21% would take the time to indulge in some of the many musical and cultural events London is renowned for.

## Which regions in the UK are you planning on visiting? (Top 5)

UK visitors



International visitors



## A very London staycation

The increase in British holidaymakers' budgets for domestic trips has given rise to 30% of people spending more on leisure activities than in previous years and taking short breaks within the UK, in addition to a main overseas holiday. Out of the 58% from London taking these second short-break holidays, 48% felt that holidays in the UK are now more affordable and better value for money.

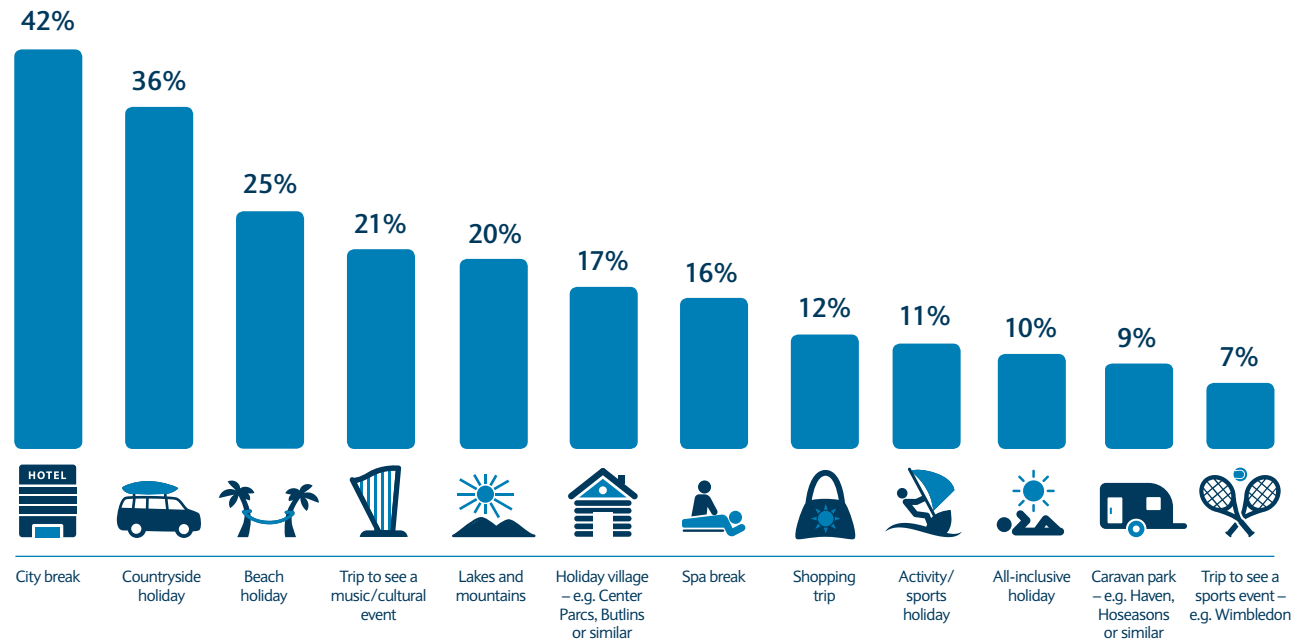
With the popularity of the staycation growing over the past years, London remains the prime holiday spot for 32% of Londoners. However, the South West is on a par as a prime region for London holidaymakers. Scotland follows as a close second to the South West for Londoners to visit. Being more specific, Cornwall was the most popular location to stay in for 23% of holidaymakers from London, with Brighton and the South East of England coming a strong second at 19%.

## Personalise and emphasise

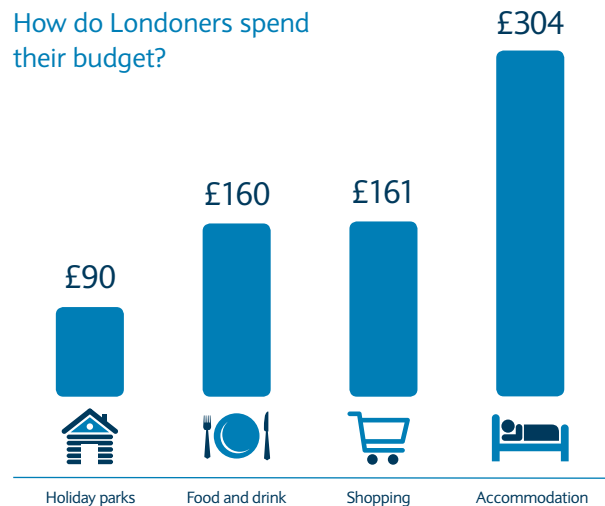
While self-catered apartments are becoming more popular with the rise of providers such as Airbnb, 29% of visitors from London still prefer to book a mid-market hotel. 14% of holidaymakers from London would book luxury 5 star hotels, with 46% booking their accommodation directly through the website of the accommodation provider. London holidaymakers spend an average of £304 on hotels and accommodation, lower than the domestic visitor's average of £309 per holiday.

The results of the survey show that eating out and shopping are the areas Londoners are most likely to spend their remaining budget on. Overall, we see a 29% spending increase in comparison to 2016, with 8% of people having significantly more to spend on experiences than in previous years. Hotels which emphasise their food offering are more of an appealing booking to 44% of London holidaymakers.

## What type of holiday are you planning in the UK this year?



## How do Londoners spend their budget?



When asked about the most important motives for taking a break in the UK, 46% of London holidaymakers said spending time with the family was very important, while 83% saw escapism/distraction as an important driver. Taking an education/learning break was seen as quite important by 48% of visitors. However, 51% thought a holiday where new skills could be experienced was not very important. With personalised visits and experiences increasing in popularity, the demand from London holidaymakers for leisure providers to offer such holidays is 45%, compared to 33% at a national level.

# Strategies for success

To take advantage of increasing domestic and inbound tourism, businesses might consider the following:



## Be proud of the UK

The country retains its strong attraction as a holiday destination with renowned history and culture, to both domestic and international travellers. The political turmoil has had little impact on travel to the UK. The industry should be proud of, and leverage, the country's cultural assets to attract and retain visitors.



## One size doesn't fit all

Different demographic groups have diverse requirements and preferences when it comes to holidays and leisure experiences. For example, some offerings, such as mobile check-in, may only appeal to certain groups of people. Hospitality and leisure providers need to develop a range of products and services to match different expectations.



## Connect locally

Our survey shows that one third (30%) of holidaymakers expect to spend more on leisure activities this year than in prior years. Shopping accounts for the third-largest proportion of spending after hotel, food and drink spend.

Leisure operators should connect with local providers and retailers to develop packages of offerings that offer wider and richer choices.



## Adaptable customer experience

The rise of online and mobile booking continues apace, with over three quarters (76%) of consumers willing to book online. However, 15% of visitors still prefer to book in person or by telephone – rising to 24% of consumers over 65.

While it is obviously vital to develop user-friendly and streamlined online booking for consumers, it is important not to overlook traditional booking methods, such as face-to-face and telephone booking.



## Cater for international tastes

Overseas holidaymakers can have different social and religious requirements from domestic travellers. Having services recognising these needs, such as free shuttle buses to airports, could help operators stand out from the competition. Start with simple offerings, such as free WiFi.



## Act decisively on feedback

Feedback takes many forms, from face to face to online, and it has become increasingly important for businesses to understand and react to it, and promptly.

A robust strategy for tracking and responding to feedback will ultimately enhance the guest experience and help improve the possibility of repeat visits, as well as referrals and recommendations of your business to other consumers. The skill is to identify what the most appropriate type of feedback is and to then have an effective process to manage and respond to it.



# Key takeaways

- The increased convenience and value for money of holidaying in the UK are driving a rise in the number of staycations for Britons, with more than one in three expecting to spend more time on holiday in the UK this year
- Short breaks are the main types of holiday for domestic visitors, with 18% planning to have a holiday in London, which also remains a firm favourite destination for 32% of London holidaymakers
- London has the strongest appeal for international travellers, with 67% choosing here as their main destination
- While there is a trend for booking through providers such as Airbnb, mid-market hotels remain the most popular hotel type, with 29% of London holidaymakers booking them
- 46% of London holidaymakers said spending time with family was a very important motive for taking a break in the UK
- Holidaymakers from London spend more than the average domestic visitor on such leisure activities as shopping, holiday parks, food and drink
- London tourism providers need to consider visitor preferences from all regions in the UK to encourage and advertise London's appeal.

Click [here](#) to read the full report or, alternatively, to find out more about how Barclays can support your business, please call 0800 015 4242\* or visit [barclayscorporate.com](https://www.barclayscorporate.com)

\*Calls to 0800 numbers are free from UK landlines and personal mobiles, otherwise call charges may apply.  
To maintain a quality service we may monitor or record phone calls.

[barclayscorporate.com](http://barclayscorporate.com)

**About this research**

The research is based on a bespoke survey of British and international holidaymakers from Opinium. The total sample size for the domestic market was 2,010 UK adults (aged 18+) who holiday in the UK. The fieldwork was undertaken between 20 February and 2 March 2017. The international survey was based on online interviews with 1,004 US adults, 1,003 German adults, 1,001 French adults, 1,003 Russian adults, 502 Saudi Arabian adults, 1,004 Australian adults, 1,004 Republic of Ireland adults and 1,002 Chinese adults (aged 18+) who have travelled internationally in the last five years. The fieldwork was undertaken from 22 February to 9 March 2017.

The views expressed in this report are the views of third parties, and do not necessarily reflect the views of Barclays Bank PLC nor should they be taken as statements of policy or intent of Barclays Bank PLC. Barclays Bank PLC takes no responsibility for the veracity of information contained in third-party narrative and no warranties or undertakings of any kind, whether expressed or implied, regarding the accuracy or completeness of the information given. Barclays Bank PLC takes no liability for the impact of any decisions made based on information contained and views expressed in any third-party guides or articles.

Barclays is a trading name of Barclays Bank PLC and its subsidiaries. Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 122702). Registered in England. Registered number is 1026167 with registered office at 1 Churchill Place, London E14 5HP.

June 2017. BD04985.

