

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2024

Title: London Tourism Strategy – Primary Research Funding Request

Executive Summary:

London and Partners (L&P) have requested £30,000 towards the cost of an external consultant to conduct research around visitor satisfaction (£30,000 is a contribution to the total cost of the research which is £100,000) to help inform interventions in the London Tourism Strategy (which the GLA is funding to £90,000 as approved under cover of DD1364).

While primary research around why visitors choose to come to London has been undertaken, a gap in research around visitor satisfaction was identified. Such research will evaluate the relative satisfaction of visitors from key markets of different aspects of their visit to London (such as welcome, transportation, accommodation, attractions and food). This additional research is required in order to be able to fully inform the interventions in the London Tourism Strategy that L&P is currently preparing. The publication of the strategy – originally expected December 2015 – was delayed by L&P in order to ensure full buy-in from the new Mayoralty.

The London Tourism Strategy will set out a long-term vision for London's leisure and business tourism economy, behind which the industry can galvanise. It will seek to define a vision, aims and objectives, and what London would need to do to remain a global capital for tourism.

Decision:

To approve expenditure of up to £30,000 as a contribution to London & Partners' costs of visitor satisfaction research to inform the interventions in its London's ten-year Tourism Strategy.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities. It has my approval.

Name: Fiona Fletcher-Smith

Position: Director - DDE

Signature:



Date: 26 July 2016

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The Greater London Authority (GLA) has previously approved funding of £90,000 towards the development of a ten-year tourism strategy for the capital (under cover of DD1364). The Tourism Strategy, which is currently under development, will set out a long-term vision for London's leisure and business tourism economy, behind which the industry can galvanise. It would seek to define "what good looks like" and what London would need to do to remain the global capital for tourism.
- 1.2 This funding request relates to a contribution towards an external consultant to conduct research around visitor satisfaction to help inform interventions in the London's Tourism strategy.
- 1.3 Work on the strategy is already underway. In recent months, London & Partners (L&P) has held over 130 consultation meetings and a public consultation, and has conducted qualitative and quantitative research on markets and consumer needs.
- 1.4 The Economic Development Working Group (EDWG) of the London Enterprise Panel (LEP) has endorsed the proposal for further research to refine the Tourism Strategy, which would evaluate the relative satisfaction of visitors from key markets of different aspects of their visit to London (such as welcome, transportation, accommodation, attractions and food) and inform the relative importance of specific interventions that would have the most impact in attracting new and repeat visitors to the capital. It is anticipated that successful interventions from the strategy could influence an additional £6bn spend per annum from 2025 and the creation of an additional 150,000 jobs.

2. Objectives and expected outcomes

- 2.1 The overarching objective of this research is to enable London & Partners to have a greater understanding of visitors (by market, type of visitor) whilst they are in London. Specifically:
 - The drivers to visiting London (including the relative importance of different drivers)
 - How important different factors of the trip are to overall satisfaction
 - How satisfied visitors are with each separate aspect of their trip
 - Differences between first time and repeat visitors
- 2.2 The research will contribute to the broader objectives and expected outcomes of the Tourism Strategy, which are to:
 - develop a comprehensive tourism strategy for London behind which government and industry can galvanise;
 - develop a long-term vision for London's leisure and business tourism economy;
 - identify what London needs to do to remain the global capital for tourism.

3. Equality comments

- 3.1 The research will help inform potential interventions within the Tourism Strategy in relation to accessibility issues for disabled tourists and issues related to other protected equalities groups (such as age, religion, sexual orientation etc.).

4. Other considerations

4.1 *Links to Mayoral priorities:*

The Tourism Strategy is in line with statutory duties to promote economic development and tourism.

4.2 *Impact assessment and consultation:*

The research for the Tourism Strategy will be developed in close consultation with senior GLA staff, particularly from GLA Economics, to ensure alignment with Mayoral priorities and plans.

4.3 *Key Risks & Issues:*

Risk	Mitigation
That the tourism strategy is weak due to insufficient resource being assigned to it.	<p>This funding request relates to a contribution towards an external consultant appointed specifically to help develop the strategy and commission the primary research.</p> <p>L&P have already invested significant staff time and other resources into the development of the strategy – with two staff members working on the strategy full time for the last three months and a similar level of resource allocated until launch in the summer.</p>
That key stakeholders do not buy into the research.	<p>The brief has been reviewed by a number of key stakeholders including GLA economics and Visit Britain. L&P has an experienced research and insights team to manage the research which used to commissioning research of this nature. The steering group for the strategy will review the findings of the research and the recommendations on how it informs the final tourism strategy.</p>
L&P require additional funding for the tourism strategy.	<p>The cost of the research will be in the region of £100k plus VAT. L&P can fund 70% of the research from their own research budget but are seeking funds for the other 30%.</p> <p>It is intended that the research would be repeated annually to help monitor the impact of the interventions identified in the strategy and refine L&P marketing activity. L&P believe that in future years it would fund the research with a proportion of the funding secured from their tourism partners.</p>
The research does not align with any further iterations of the Economic Development Strategy for London	<p>GLA economists support the need for the research which will also be helpful to support the evidence base for the Economic Development Strategy and Cultural Strategy.</p>

5. Financial comments

The grant funding of up to £30,000 in 2015/16 to London and Partners to support further research to develop a London Tourism Strategy will be met from the London Enterprise Panel Strategy Funding Grant, as agreed by the Mayor through the LEP 'urgent decision' process in April 2016.

6. Legal comments

- 6.1 This report indicates that:
- 6.2 the decisions requested of the director fall within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development, and wealth creation in Greater London; and
- 6.3 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people further details on equalities are set out in section 3 above) and to the duty under section 149 of the 2010 Act to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not;
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.
- 6.4 The report above indicates that the contribution of £30,000 to L&P amounts to the provision of grant funding and not payment for services. Officers must ensure that the funding is distributed fairly, transparently, in accordance with the GLA's equalities and in a manner which affords value for money in accordance with the GLA's Contract and Funding Code.
- 6.5 Officers must make sure that an appropriate funding agreement is put in place between L&P and the GLA before any commitment to fund is made.

7. Planned delivery approach and next steps

- 7.1 The research brief has been prepared (attached) and interviews with consultants will be held imminently. It is intended that the first survey results are produced as early as late May. L&P would like the new Mayor to consider the strategy with a possible publication date in October 2016.

Activity	Timeline
Procurement of contract (by L&P)	July 2016
Delivery Start Date	July 2016
First results from Research	August 2016
Project Closure (final results)	September 2016
Publication of Tourism Strategy	October 2016

Appendices and supporting papers:

- Director Decision: 1364 (London Tourism Strategy)
- Research Brief – London Visitor Survey

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Katherine Davies has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Mark Kleinman has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Allen

Date

25.7.16

Research Brief

The London Visitor Survey

1. Background

Historically London & Partners had visibility of the London Visitor Survey which was commissioned by London Development Agency to help understand the London Visitor and their experiences of the capital. It has been a long time since the last survey was conducted and we would now like to kick start a new wave of research.

The last wave ran in 2008 and involved face-to-face interviews with visitors in London across various locations in the capital, averaging yearly on 5,000 interviews. A yearly report was produced off the back of the research which highlighted the strengths and weaknesses of the capital as a visitor destination and tracked visitors' satisfaction with the capital over time. Please see the link below for the last report.

http://cdn.londonandpartners.com/l-and-p/assets/media/london_visitor_survey_annual_report_2008.pdf

The questionnaire involved a series of profiling questions such as nationality, age, duration, purpose of visit and the type and location of accommodation used during their stay. In addition there was a range of questions including:

- Rating of serviced accommodation for quality of service, rooms and value for money.
- Knowledge of and intentions to visit selected attractions.
- Experience of the attractions visited.
- Visits elsewhere in Britain.
- Opinions on the price of various services.
- Perceptions of personal safety.
- Areas for improving London's tourism product.
- Anticipated timing and frequency of repeat visits to London.

The report included coverage of both domestic and international visitors, included within the sample were day visitors.

Whilst we would like to reinstate the London Visitor Survey to be able to establish a measure of visitor satisfaction across a number of attributes we are not constrained by the historical questioning used nor the methodology.

The survey will also support the work that London & Partners is leading to develop a new 10 Year Tourism Strategy for London. The work done to date has identified a number of key areas as being a priority to establish and track which would require coverage within the survey. In addition, we will want, in time, to measure the effectiveness of the interventions identified in the strategy and repeating the survey on a regular basis will help us to set a benchmark and assess the impact of specific interventions.

2. Research objectives

The overarching objective of this research is to enable London & Partners to have a greater understanding of visitors (by market, type of visitor) whilst they are here in London. Specifically:

- The drivers to visiting London (including the relative importance of different drivers)
- How important different factors of the trip are to overall satisfaction
- How satisfied visitors are with each separate aspect of their trip

- Differences between first time and repeat visitors

Drivers to visiting London. We want to understand what drives visitors from each market to choose London, and the relative importance of the different pull factors. We want as nuanced understanding as possible of these drivers; for instance, we know that 'culture' is one of the main reasons for visiting London, but can we unpick this to achieve a more granular understanding. For example, how much of a draw is the range of museums versus the fact that they are free, or art galleries, versus theatre, ballet and opera. Suggested categories to be covered when asking about drivers include:

- Culture (museums, galleries)
- Live performances (drama, musicals, ballet, opera, concerts)
- Food (including restaurants, street food, pubs)
- Nightlife (including bars, clubs, comedy)
- Parks and waterways
- Architecture and iconic landmarks (e.g. Big Ben, Tower of London)
- Attractions (e.g. the London Eye, Madame Tussauds)
- The Royal family
- Shopping (stores e.g. Selfridges and markets e.g. Portobello)
- Festivals or one off events or exhibitions
- Visiting places seen on TV or in films
- Sporting events or venues
- The quality of the accommodation options
- The transport network
- The unique 'British' culture, customs and traditions (e.g. black cabs, changing of the guard, afternoon tea)
- The diversity and scale of London and the attractions it offers
- Experiencing London like a Londoner (off the beaten track)

Customer satisfaction while visitors are here. We would like to understand

- a) What visitors do when they visit London
- b) How important different aspects of the trip are to overall satisfaction
- c) How satisfied visitors are with each aspect

This should enable a gap analysis to identify the areas London should prioritise to focus on to improve overall satisfaction and likelihood to recommend.

Importantly, we need as much detail as possible about visitor experience and want to consider how each major category below can be broken down. So for example, when considering food and drink we would like to understand

- How important is the visitor's experience of food and drink to their overall satisfaction whilst in London?
- How well did they rate London's food and drink?
- What was it that made them satisfied or unsatisfied – value for money, customer service, quality, diversity of cuisines on offer, ease or difficulty of locating what they wanted...)

The major categories that we suggest exploring are as follows. Please consider if this categorisation can be improved or added to, to ensure as robust an exploration as possible of the visitor experience.

- Arrival (airport experience, immigration, travel into the city)
- Transport (ease of using transport network, range of transport options available, value for money)
- Accommodation (quality, range, customer service, value for money)
- Food and drink (range of options, ease of locating, quality, value for money, customer service)
- Visitor information and amenities (access to wifi, visitor information centres, guiding, maps, signage, language provision, access to toilets, tax reclaim facilities)

- Range and quality of attractions and visitor experiences (attractions, heritage sites, museums, galleries, nightlife, retail, live performance, major events)
- Public spaces (parks, river, shopping streets, air quality)

Repeat visitors. How many visitors to London are repeat visitors? How often have they visited before and when? Is there any difference in drivers/satisfaction between first time and repeat visitors?

We realise we are constrained by time and that the above will no doubt fill the majority of the questionnaire (in addition to some demographic profiling questions).

However we would also be keen to explore the following areas and would welcome ideas about whether any of these could be included in this piece, or how they could be tackled at a later date, either through a modular questionnaire or through additional research:

- The appeal of a broader London proposition e.g. experiencing London 'like a Londoner', exploring beyond zone 1 and discovering new neighbourhoods, experiencing smaller and lesser known attractions
- London's competitive set (and potential collaborators). Establish London's competitive mix, both overall and for particular areas such as culture, food, retail, live events. Establish the cities which are of most interest to visitors looking to combine a visit to London with other destinations.
- The appeal of visiting other locations within the UK – if so, where? What would make visitors more likely to travel beyond London?
- Quantify the amount spent by tourists on certain activities such as travel, food and drink, accommodation and souvenirs/gifts etc.
- The barriers to visiting London

3. Research audience

The target audience for this research are domestic and international visitors currently in London for a holiday. In addition, they must be over 18.

We are interested in overnight visitors only, therefore would discount day trippers.

We would like coverage of at least the following 15 markets that we have prioritized within the Tourism Strategy, in descending order:

1. UK
2. USA
3. France
4. China
5. South Korea
6. Italy
7. Germany
8. Australia
9. Spain
10. Norway
11. Netherlands
12. Kuwait
13. UAE
14. Sweden

15. Brazil

We would also appreciate to have a quota for one extra market, specifically Nigeria. The integration of this market in the sample would depend on the budget availability.

We suggest as a starting point to develop the sample frame, you explore the International Passenger Survey (IPS) data. The IPS collects information about passengers entering and leaving the UK, and has been running continuously since 1961. The IPS conducts between 700,000 and 800,000 interviews a year of which over 250,000 are used to produce estimates of Overseas Travel and Tourism. More information can be found here:

<http://www.ons.gov.uk/ons/about-ons/get-involved/taking-part-in-a-survey/information-for-households/a-to-z-of-household-and-individual-surveys/international-passenger-survey/index.html>

- We would like to quota on those coming to London to visit friends and family versus those coming to the capital for a leisure holiday as their decision making characteristics, spend and general behaviour is likely to differ
- Finally, a good representation of income, life stage (marital status) and age.

4. Approach

As mentioned above, we are not tied to the methodology of the previous London Visitor survey so please suggest the method you feel would be the most appropriate for this audience and would give the most robust insight into visitor satisfaction.

We would particularly welcome proposals that include different options in terms of sample sizes and data collection methodologies.

Please also consider, at the same time, how we can set KPIs, should we want to replicate this survey in two, four and six years to track London's visitor profile and performance.

We will be publishing the Tourism Strategy in August so we would require results prior to its publication which will impact on the fieldwork schedule proposed. We welcome proposals which will yield results as soon as possible, with May the ideal target deadline.

5. Considerations

Areas for attention:

- The sample frame will require some consideration as the markets selected aren't all high in volume therefore we will need to be pragmatic with regards to quotas as we will want to analyse the results at a market level.
- If a face-to-face approach is to be suggested, included within the timeframe should be the provision of generating permission from the attractions/venues to have interviewers on site.
- Similarly, the locations will need careful consideration alongside the times in which the interviewers will be stationed on site e.g. time of day and day of week.
- We would want to be able to share the results of this research with our Partners and other stakeholders, ultimately making the final report available on our websites. We are also likely to use the research in our press releases and with the media so, we will need to be able to confidently use the results and the sample frame.

6. Deliverables

- Kick off meeting;
- Weekly updates on the progress of the project;
- Interim face to face debrief;
- PowerPoint debrief;
- Executive summary including a one pager to summarise the main results

- Face to face debrief of the final results; and
 - Final data tables/ SPSS file
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7. Timings

We would like to commence work the as soon as possible (and certainly by the end of March). We need initial results to feed into the tourism strategy in early May.

8. Budget

Budgets are limited.

To provide us with the most cost effective solution it might be that you suggest in your proposal a mixture of face-to-face, online and telephone interviews dependent on the audience.

Dependent on the budget and time constraints we may consider dividing the work up. Your suggestions on the optimum way to do this would be welcome.

To assist with our evaluation a breakdown of budget detailing set-up costs, research, analysis and reporting costs per market would be helpful.

9. Selection of successful proposal

Proposals will be evaluated according to the following criteria:

- Understanding of the brief and L&P requirements (15%)
- Quality of methodology proposed (30%)
- Previous relevant experience and suitability of team in place (25%)
- Value for money (30%)

L&P may ask for certain items to be developed or amended before accepting a quote. L&P reserves the right to reject one, some or all of the RFP responses submitted.