S.T.R.E.E.T London Study Visit

Innovation in the United Kingdom: The Journey of Transport and Tourism in London over the last 20 years

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September 18, 2017
Today’s Schedule

- Tourism in London Today
- Innovation Case Study
  
  *Exercise*
- London’s Visitor Experience
- London’s Transport Experience
  
  *Exercise*
- Summary
- Finally...
Giles Bailey

- Director at *Stratageeb Limited* – London based consultancy. Assist businesses in **strategic vision** and **innovation** over last 5 years.

- 18 years at Transport for London

- 8 years as *Head of Marketing Strategy & Integration*

- Worked in: digital start-ups, industry commentating, digital strategy & delivery, smartcards, partnership development, marketing strategies, database development, scheme appraisal, tourism strategy....

- Prior to coming to London, worked in consulting in Canada

- Graduated with Bachelor of Applied Science in Civil Engineering, Masters of Transport from University of Toronto and later Post Graduate degree in Marketing
1. Tourism in London today
A Success Story

• London was a major visitor destination for decades. However, this success is greatly increasing

• 30m visitor arrivals (overseas and domestic)

• 17m overseas visitors (which tend to be the higher spending)

• 40% increase in visitors in decade to mid 2010’s

• Top markets for overseas visitors are: USA; France; Germany; Italy, Spain

• The visitor sector contributes £36bn to the London economy and 700,000 jobs
2. An Innovation Case Study

Smart Ticketing

• What is this?

• What is its role in Innovation?

• How has it changed the visitor economy in London?
2. An Innovation Case Study

Smart Ticketing

Smartcards have/ are revolutionising transport ticketing across the world

Issues:

• customer benefit; business benefit; benefits capture; operator risk - technological, revenue, fraud, costs - operating, marketing, training; multi-industry partnership,....
2. An Innovation Case Study

Smart Ticketing

Innovation across:

- banking, payments, mobile devices, transport, retailers, regulators, sensing technology as well as required changes in customer behaviour.
What tourism innovation have you recently seen / experienced in your visit to the UK?

Consider its application in your home country / city?

Discuss amongst your neighbours for 5 mins

Report back one interesting idea - 2 mins summary per group
4. London’s Visitor Experience

20+ Years Ago

• London was “expensive” for the visitor – transport, accommodation, attractions

• The experience was often deemed poor – food, weather, transport, accommodation, exhibition space, public spaces...

• Attractions were too concentrated in Central Area.

• Competition was increasing for other European and global cities for the visitor market – Paris, Barcelona, Vienna, Gulf cities, East Asia.
4. London’s Visitor Experience

20+ Years Ago
4. London’s Visitor Experience

An Dedicated London Champion

• The pivotal change in much of London’s visitor experience was the creation of a London Mayor in 2000.

• This created a focus for changing many of the experiences in London and a renewed sense of purpose.

• The Mayor was given powers over transport, tourism, major planning issues,...
4. London’s Visitor Experience

An Dedicated London Champion – London Tourist Board

• The London Tourism Board had been in place since 1963. It had done much in a fractured landscape.

• The Tourism Board was reviewed and then replaced in 2003.

• The new Visit London was a much more focussed, targeted and aggressive in its ambitions organisation. It was also located adjacent to City Hall.

• Visit London, eventually subsumed in 2011 into London & Partners, operated explicitly in partnership with industry.
4. London’s Visitor Experience

Increasing the Quality of the Offer

- **Transport** – public transport as well as gateway airports

- **Accommodation** – upgrading 4 / 5*, many more 3* particularly in Southbank, Canary Wharf, East End, Stratford

- **Attractions** – free admission to national museums, blockbuster exhibitions at museums, improving West End theatres, new visitor quarters – Shoreditch, Southbank...
4. London’s Visitor Experience

Increasing the Quality of the Offer

• **Events** – RideLondon, Thames Festival, Summer Streets in West End, NFL in London, Pride Festival in West End, Football including new stadia and of course the 2012 Games

• **Conferences** – establishing a world class exhibition centre for London at ExCeL – at the expense of the tired Ear’s Court and Olympia, as well as upgrading a range of other large hotels and event locations

• **Promotion** – very active international promotion by Visit London and Visit Britain abroad in key markets and focussed on extensive in market research
• The transport system in the 1980’s and 1990’s was particularly chaotic, while the airports were becoming congested and tired.

• A transformation was desperately required. Not just for visitors, but for residents as well.
5. London’s Transport Experience

The 1980’s and 90’s

• One of the outcomes was that the visitor experience on London’s public transport system was deemed very expensive, dirty and unreliable.

• Public transport was something for the visitor to try, but not relied upon.

• This, in turn, tended to concentrate visitor activity in the West End.
The establishment of the Mayor of London, Visit London and Transport for London created pressure to do better.
5. London’s Transport Experience

A Renewed Start

- Products like online journey planners were being built that could make transport easier

- “National” Government funding to the public transport system has over 30 years increased and then decreased in every annual budget cycle

- Long term system maintenance, let alone investment, wasn’t occurring

- The future of central London as a business destination was unclear

- The new Mayor focused on a long term funding solution for rebuilding the Tube.
5. London’s Transport Experience

An Renewed Start

• After a number of years, this was agreed with National Government. The transformation of the Underground began. £ Billions spent on trains, stations, new lines, etc.

• This was reinforced by funding for the 2012 Games.

• The system and use of the system is now hardly recognizable from 20 years ago. Demand has soared!
5. London’s Transport Experience

Public Transport Ticketing

• As Oyster cards were rolled out from the early 2000’s they became a way of offering lower prices to Londoners.

• But, the Oyster card was not designed for visitors.

• Visitors were paying much more for travel than “locals”.

• London was deemed to losing business to other cities due to transport.
5. London’s Transport Experience

London’s Growth

- London was also growing economically along with other global cities and significantly in population.
- Having previously peaked in the 1930’s, London’s current population is the highest ever and is expected to continue to grow sharply.
5. London’s Transport Experience

An Engagement Strategy for the Visitor Industry

- After a very difficult period with the visitor industry – A multi-year Visitor Strategy was agreed. This included:
  - Better explanation of TfL’s plans and policies;
  - Explicit recognition of the needs of the visitor industry and engagement with the industry;
  - Promotion of solutions to improve pre-planning of journeys, particularly for major visitor events and engineering works;
5. London’s Transport Experience

An Engagement Strategy for the Visitor Industry

• Improved and dedicated visitor information (leaflets, online and via staff);

• Dedicated Oyster card products and a particular push to encourage pre-purchase of Oyster cards before arrival in London. (nationally and internationally)

• Eventual deployment of contactless bank cards which would do away with much of the need to have Oyster cards

• Close working relationship with London & Partners, TfL, Mayor’s Office and visitor industry on London’s future events
6. Comparing Experiences

An Exercise

How does this story compare to your city or country?

What differences have you noticed between the innovation scene in UK and Europe versus your own experience in California or the US?

What are the difference and why do they exist?
7. Summary

- London is now very successful as a global visitor destination. The visitor market is, however, very competitive globally.

- London had historically allowed its visitor and transport offer to become very poor and uncompetitive.

- A renewed focus since 2000 has revolutionised the London visitor economy.

- A wide ranging strategy is in place with close working across a range of agencies.

- But, the future is about even more innovation and what is the next opportunity?
What will you have learned from London’s visitor economy and how will you apply in your home country?

Will this be as a city planner, entrepreneur, employee in the visitor economy of city leader?
Thank You!

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