Consultation response on the proposed future approach to measure travel and tourism statistics

December 2021

Introductory statement

This is a combined response from the GLA and London & Partners. It reflects a shared interest in the development of improved travel and tourism statistics for London.

International tourism is a vital component of London's economy. London is the third most popular city destination in the world for international visitors, with 19.6m arrivals in 2019. Previous research by the GLA has found that as much as half of £12bn retail sales in London's two main international town centres may be by overseas visitors.

GLA Economics[1] has estimated that the losses to leisure, retail and hospitality in London's Central Activity Zone in 2020 from COVID-19 were £10.9bn, with £3.5bn of this loss coming from domestic tourists, a 51% drop from normal levels, and £7.4bn coming from international tourists, 78% below normal. Among the range of data currently available on this area of the economy, the GLA has principally used time series of visits, visitor nights, and expenditure. These series have been used in publications such as the London at Night report[2], and in hotel demand projections[3].

London & Partners has a responsibility to promote tourism to the capital, and conducts its own research, such as in understanding visitors who travel on beyond London[4].

In this context, travel and tourism statistics are an essential component of our monitoring work to ensure a timely and comprehensive understanding of London's economy. London's relatively greater dependence on travel and tourism than other parts of the country are an important part of why the capital is recovering more slowly from the pandemic than other regions. As a result of these considerations, timely and granular data on travel and tourism is very important for our organisations. We welcome many elements of the ONS' proposed future approach to measure travel and tourism statistics. The potential for faster and more regionally detailed data due to the use of alternative data sources would offer rapid insight into trends in this key area of London's economy. We welcome the new approach's ambition to provide detailed figures on activity and spending at a high frequency.

We would like to understand better how much regional and spending granularity will be available under the new approach, and we would appreciate the opportunity to engage further as proposals firm up. It is also vital that the approach produces a consistent time series of data which is compatible with existing historical

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[1] GLA (2021), The retail sector in London and the impact of the coronavirus on trends
[2] GLA (2018), London at night: An evidence base for a 24-hour city
[3] GLA (2017), Working Paper 88: Projections of demand and supply for visitor accommodation in London to 2050
[4] London & Partners (2017), Understanding the London + Visitor

time series for travel and tourism. Having quarterly travel and tourism data across 2021, 2020 and back to the beginning of existing series would be a key priority for any data going forward under the new approach. Please see below for detailed responses to each question in the ONS' consultation.

ONS Travel & Tourism Consultation – Questionnaire

Your Details

The Office for National Statistics (ONS) needs your name and email address to receive your response. We may contact you about your response to the consultation. We aim to be as open as possible in our decision-making process, which may include publishing consultation responses. You can tell us below if you would like your personal name to be published alongside your response or not. If you are responding on behalf of an organisation or group, we will publish the organisation or group name alongside your response. We reserve the right to redact or withhold inappropriate or offensive comments. Please be aware that, as a public authority, we are subject to the Freedom of Information Act and can never completely guarantee that names will not be published. We will not publish personal contact details, such as email addresses. To find out more, read our Privacy Policy.

1 What is your name?
Greater London Authority and London & Partners

2 When we publish your consultation response, are you happy for your personal name to be included?
Yes

3 What is your email address?
GLAEconomics@london.gov.uk

About Your Response

4 Are you responding to this consultation in a personal or a professional capacity?
Professional

5 If responding in a professional capacity, what sector do you work in?
Government, including local government and public bodies

6 Are you responding to this consultation on behalf of an organisation or a group?
Yes, responding on behalf of two organisations

If you selected 'Yes', please provide the name of the organisation or group.
Greater London Authority and London & Partners

If you selected 'Yes', please state your title or role within the organisation or group.
Economist

7 Where is your organisation or group based?
London

Our Proposed Approach

8 On a scale of 1 to 5, where 1 is very unhappy and 5 is very happy, what do you think of our proposed approach for the measurement of travel and tourism?
4 – Quite Happy

Please provide the reasoning behind your answer.
The GLA and London & Partners welcome the potential for faster, more reliable and more regionally detailed data on travel and tourism based on the addition of alternative data sources and a harmonised approach between passenger surveys and household surveys examining international and domestic travel and tourism. We would welcome a clearer indication of the level of geographic and sectoral detail that will be available in the data under the proposed approach. We would also welcome clarity that we will be able to construct a set of consistent time series for travel and tourism data including 2021, 2020 and earlier.

A key concern is the lack of data at the current time, and the lag in making data available. We would like speedy implementation of methods to make data more quickly available for the series of visitors, visitor nights, and expenditure.

9 On a scale of 1 to 5, where 1 is not at all and 5 is needs fully met, to what extent do you feel the proposed approach will meet your needs in measuring travel and tourism?
4 – Mostly meets needs

Please provide the reasoning behind your answer.
We are very pleased to see that this approach remedies the scarcity of tourism data and the delays in publishing it. In order to usefully analyse the data for the purposes of London policymaking, we would welcome additional regional granularity beyond what has been available under the current approach. While data for London overall would fulfil our basic needs, data at the level of ITL2, London boroughs, ITL3 or lower level geographies would meet our needs on a much more comprehensive basis. Travel and tourism are more important for small local areas of London, such as the West End and Knightsbridge, which are classified in The London Plan as international centres, or areas surrounding major airports, which have seen a slow recovery in most economic measures since the pandemic. Understanding where visitors engage in different types of spending in London might give us insight into specialisation and sectoral profiles around the capital, meaning that it would be good to know whether spending data under the new approach will be broken down by sector or by whether the spending is on goods or services. We would also welcome collection of demographic data about travellers, along with data on the drivers behind their visit, and where else they might travel in the UK.

10 On a scale of 1 to 5, where 1 is not at all and 5 is fully, to what extent do you feel the proposed approach fulfils the aims we presented?

Our aims
The proposed approach aims to:

- Deliver statistical outputs that better meet the needs of users
- Maximise the use of alternative data sources
- Use surveys only where necessary and deliver improved coherence across all travel and tourism statistics

4 – Mostly fulfils aims

Please provide the reasoning behind your answer.

The proposed approach is very innovative and sets out an encouraging roadmap towards fulfilling the presented aims. We would welcome more detailed clarification on what level of granularity is possible with the proposed approach and what might be available by when. While we welcome coherence across data collection surveys (including integrating the International Passenger Survey and the Great Britain Tourism Survey), we would seek assurances that the outputs will allow for consistent historical time series at least as far back as currently available. We would also welcome greater clarity on how alternative data sources will be analysed for reliability.

11 What elements of the proposed approach do you like?

We view as a definite positive the potential for faster and more detailed regional and sub-regional data and the harmonisation between surveys. We also welcome the fact that alternative data sources may help verify the accuracy of survey-reported locations, and provide additional information, such as the secondary destinations of visits, including to other parts of the UK.

12 Does this approach present any opportunities?

The new approach represents a step change in terms of the possible range and timeliness of data. Opportunities to obtain sub-regional analysis of travel and tourism figures based on alternative data sources are particularly exciting. We would also welcome the ability to understand the regional and sub-regional narrative of an average tourist visit – for example, picking out differences in locations for where tourists arrive, stay, shop and conduct day trips. Alternative data sources might also offer a longitudinal analysis of an average tourist's journey. Understanding these narratives would help us gain better insights into regional and sub-regional clustering of particular kinds of visitor attractions.

13 Is there anything we could change about the approach which would improve it?

The proposed approach appears to be a positive step overall, but we would welcome more clarity on priorities and trade offs. Maintaining consistent historical time series of visits, visitor nights, and expenditure with data for 2021, 2020 and earlier is our priority. All efforts to recover details about the type of spending would be welcome, including sectoral spending or a breakdown of expenditure on goods and services. As discussed above, granularity at the London level would be a key priority for us, including at least a division between inner and outer London, but ideally at much lower level geographies. We would also like data on visitor demographics, where they came from, and the main reasons for visits; as well as data on day visits if possible

We would welcome a preview of the proposed reporting framework, and the provision of a data portal to access the data.

14 What challenges or risks does this approach present to you?

If we do not have consistent time series from the proposed approach with data created under the current approach, this would compromise key outputs such as hotel projections and the GLA's economic forecasts for London.

If revisions are large between provisional releases based on alternative data sources and official stats based on surveys, this could raise risks for the reliability of rapid response analysis that we undertake informed by provisional figures.

There are clearly methodological challenges in assembling the data that ONS proposes to collect and providing quality assurance. We would welcome clear published guidance on the methodology adopted, and how the data should be used.

If the ONS successfully pilots the use of alternative data sources for travel and tourism, it would be helpful if this did not prompt a premature withdrawal of better-understood survey-based data collection methods.

Your Needs

15 How do you currently access official travel and tourism statistics? Please select all that apply.
- ONS - yes
- Visit Britain (International) - yes
- Visit Britain (Domestic) - yes

16 How often do you require official travel and tourism statistics to be compiled?
Monthly

Please specify which variables you would like at the different frequencies.
We would require visitor numbers, visitor nights and visitor spending at the London level at monthly frequency by individual inbound markets and purpose of travel. Monthly figures for these series are valuable as examining high-frequency tourism trends is an important component of London's economic path through the pandemic recovery and beyond.

Sub-regional indicators offering more detailed coverage could come in lower frequency (preferably quarterly), as these figures would allow us to engage in more in-depth analysis rather than high-frequency monitoring.

17 On a scale of 1 to 5, where 1 is not useful at all and 5 is very useful, how useful would faster indicators of visitor numbers and spend be to you?

Faster Indicators
We plan to develop faster indicators of some travel and tourism variables to provide users with estimates prior to the publication of official figures. These faster indicators will offer users a more timely measure of visitor numbers and spend and will be produced using alternative data sources and statistical models.

5 - Very Useful

Please provide the reasoning behind your answer.
Faster indicators for visitor numbers and spending would form a key part of analysing high-frequency tourism trends, which will help determine trends for the wider London economy. At present, we are using flight data for this kind of high-frequency analysis, which has many limitations. We also hope that since the faster indicators are based on alternative sources, it might be possible to produce estimates for the quarters of 2021, 2020 and earlier to support the monitoring of trends and the production of a consistent back series.

18 On a scale of 1 to 5, where 1 is not useful at all and 5 is very useful, how useful would estimates of visitor numbers and spend at a UK level be to you?
4 - Useful

Please provide the reasoning behind your answer.
While UK-wide tourism figures are an important part of monitoring economic conditions in London, they are self-evidently insufficient for region-specific analysis. UK-wide figures will help with our business planning.

19 On a scale of 1 to 5, where 1 is not useful at all and 5 is very useful, how useful would estimates of visitor numbers and spend at regional level be to you?
5 – Very Useful

Please provide the reasoning behind your answer.
Since we are a regional authority, having regional figures for travel and tourism is central to our analysis and planning. London is the third most popular city destination in the world for international visitors, so a regional analysis is likely to be essential for any thorough analysis of UK-wide tourism trends.

20 What level of timeliness do you require from official travel and tourism statistics?
1-2 months after reference period

Please specify which variables you would like at the different time reference periods.
To conduct our analysis properly, faster estimates at the London level would need to arrive at most 1-2 months after the reference period, in order to track the fast-changing economic environment, and ideally more quickly. Official figures and sub-national figures could have a longer lead time, but a lead time of more than 6 months for any figure is likely to prove insufficient for timely analysis as the economy recovers.

21 What range of data do you currently make use of?
For the purposes of GLA briefings and modelling, we principally use visitor numbers, visitor nights and expenditure figures, with some of the L&P teams focused on by-inbound-market and by-purpose divisions.

22 What variables are of most importance to you?
Visitor numbers, nights and expenditure figures at the London level are the most important variables for GLA analysis, but we would strongly welcome sub-regional figures and data on visitors travelling on from London to other parts of the UK. Data by inbound market and by purpose of visit are also essential for L&P.

Data Sources and Methods

23 Do the data sources and methods proposed to compile travel and tourism statistics affect how you will use them?
Yes

Please provide the reasoning behind your answer.
Proposals around faster data would allow us to undertake our analysis with faster reaction times. If the methods proposed compromise consistent time series, this would compromise important products like our forecasts for London's economy and this would make hotel projections unviable.

24 Do you have any suggestions of data sources, other than those specified in our approach, that may help us to measure travel and tourism?
No

Please provide the reasoning behind your answer.
The review has been comprehensive, and the range of organisations engaged in consultation has been broad, both of which are very welcome features of the ONS' approach.

25 Do you have any concerns regarding the change in methodology we are proposing?
Yes

Please provide the reasoning behind your answer.
We have remaining concerns surrounding the comparability of the new data with existing data for the purposes of establishing consistent time series and around the robustness of data at a sub-regional level.

...and Finally

26 Do you have any other comments about this consultation?
No.

27 How did you, or the organisation or group that you are responding on behalf of, hear about this consultation?
- ONS email or newsletter - yes
- ONS event - yes
- Other - yes

If other, please specify.
Direct contact by ONS statisticians