



*Paul Hopper, Managing Director, London
Tourist Board and Convention Bureau*
Photo courtesy of London Tourist Board

Darkness at the edge of town (Part 1)

London's future as leader amongst world destinations is at risk. Facing up to the dark clouds on the horizon is Paul Hopper, Managing Director of the London Tourist Board and Convention Bureau. Not a man to take cover, he sounded properly forthright in his meeting with Locum Non-Executive director, Tony Hodges.

'LONDON VOTED THE WORLD'S LEADING DESTINATION BY WORLD'S TRAVEL INDUSTRY'

Thus blared the press release headline. Even *The Times* quoted the survey. It must be true. Indeed, 25,000 travel agencies in 182 countries voted on-line, with over half a million hits registering on the 2001 World Travel Awards website. It is only when you consider that in the same awards Heathrow was voted the world's leading airport that your brow furrows and you wonder: (a) to what extent the survey incorporated qualitative dimensions, (b) how much the world's travel agents get out and about and (c) when any last went on the Victoria Line.

He may be happy to make the most of such publicity opportunities, but Paul Hopper is not in thrall to his own copy or that of his PR department. Complacent he is not. Not about London's future as 'the world's leading destination', in fact not about life in general, one suspects. Mr Hopper is about as far from a fat cat as you can stray. There is an air of urgency about him. He is matter-of-fact, realistic, professional, but above all busy, busy, busy. He looks very little like a man given to resting, let alone upon laurels. Which is just as well, because 2001 is already turning out to be a tougher year for London than the World Travel Award might suggest and more, bigger storm clouds are out there on the edge of town.



Value for money is an increasingly sensitive issue for visitors, particularly where restaurants and hotels are concerned

Table 1: London versus New York: the statistics

London	New York City
London is a larger city at 620 sq miles	New York City is only 301 sq miles
London has a shorter skyline, with no buildings in the world's top 100	NYC has 19 of the world's 100 tallest buildings
Population is more than 7.5 million	Population is 8 million
Of those, an estimated 98,000 are homeless	50,000 are homeless
32,000 run in the London Marathon	30,000 run in the NY Marathon
The underground opened in 1863 and now stretches over 250 miles of track	The nine-mile Subway began as a private line in 1904 and now serves 656 miles
The average cost is £1.50 per journey	The average cost is \$1.50 (£1) per journey

Source: *The Times*, 11 May 2001

There were the immediate effects of the Foot and Mouth outbreak to deal with first. Seventy per cent of UK tourists enter the country via London. Over half the expenditure by overseas visitors in the UK is handed over in London. It would be a foolish man who suggested to Paul Hopper that compensation for lost business should be focused on small, rural enterprises alone. Overnight, London hotels were staring at a 30% drop in bookings.

The decline in US business confidence (felt by New York restaurateurs as well as London's) has compounded the effects of the absurdly reported disease. Early noises of a potential £1.5 billion loss to London's economy are now being modulated, but a nine-figure hit still concentrates the mind. Paul Hopper judges that the UK's domestic tourism may have helped 'soften the blow' for London. With typical under-emphasis, he describes London's 'Summer in the City' promotion as 'not bad' on the effectiveness scale. He and his members were also looking gratefully towards heaven as sterling awakened against the dollar in early summer; they needed the glimmer of sunshine. (And, sure enough, passenger numbers through BAA airports rose in June for the first time in four months. The worst of the outbreak was over. Phew, exhaled one and all.)

However crucial, these issues are today's. A discussion with Hopper about London's pre-eminence as a destination is bound to focus on tomorrow. His experience encourages him to take the long view. He started out as a trainee at BEA; lived through the cultural war games that characterised the merger and early years of British Airways; took part in the airline's resurgence under King and Marshall; recognised the analogous links between Thatcher's Britain and their BA, and the subsequent connection with London and its resurgence. He understands the role of pride in successful corporate and civic enterprises. His BA postings will have given him an unusually apt education for the task at hand: Moscow in the late '70s (what price pride then?), New York in the late '80s ('imagine the American airlines' envy'), then Berlin in the throes of unification (sheer excitement, one imagines). He has experienced the full effects of holistic marketing at BA – from product and service through to logo and advertising (in his view 'advertising that changed advertising') but he is more than a specialist marketing man. It is Hopper's General Manager training that informs his concern for London's future prospects.

Table 2: London versus New York: One Man's View

	London	New York City
Getting Around	'Ten years behind'	'Pinching Bob Kiley is pointless if our politicians can't even agree on how to start catching up'
Safety	'I saw police officers on foot only twice'	'Forget gun culture. It feels even safer over there'
Street Entertainment	'In London, all the world's a stage'	'Everything seems a bit sanitised'
Culture	'Face-lifted culture palaces command envy around the world'	'The new Guggenheim is years away'
Architecture	'Gawp at the regeneration of London's riverside'	'The city that never sleeps is nodding off, architecturally'

Source: Richard Morrison, *The Times* 2001



With traffic jams on the roads and the Tube in a poor state, a radical solution to London's transport challenge must be found

He knows that London's ratings are down with its visitors. Particularly on value for money, particularly at the lower end of the market. He accepts that in an ideal world 'expenditure per person will rise faster than visitor numbers', but equally his long vision tells him that 'today's backpacker is tomorrow's high-margin acquisition'. So 'capacity will need to expand and the government has picked up on Egan's 1995 target for hotels of 10,000 additional rooms within five years and applied it to 2001 onwards ... but if you're going to increase capacity you've got to make sure your transport links can cope'.

As Paul Hopper puts it, with appropriate delicacy: 'There are some challenges.' Within London, 'perceptions of cleanliness are declining'. At access points 'there are going to be issues of capping capacity at airports ... Eurostar is doing well, but we are going to have to live in the twenty-first century'. His stakeholder list includes all London boroughs, so our man at LTB has to be wary of too overt a statement in support of airport expansion. Nonetheless, you sense he looks wistfully over the channel at the ease with which the French organise planning permission.

We met a few days after the general election and it was clear that the fundamentals of government commitment to the tourism industry were on Hopper's mind. 'There is a very strong case for a Minister of Tourism, with only that in the portfolio, and a more senior minister too.' You sense his frustration when he cites the London underground as an analogy. 'I don't care who rebuilds it as long as it gets rebuilt and works properly. Quite clearly, if London doesn't get its transport system together, organised and working properly, then we'll get increasing perceptions that these people can't organise anything, and this will not help London's role as a world city. I have the same feeling about where tourism sits in government. I don't mind which portfolio it sits in [as long as it occupies] a sensible seniority within that portfolio and [as long as] the secretary of state or whoever it might be takes it seriously and bats hard for tourism at the Cabinet table. They cannot not do so after the Foot and Mouth episode.'

Well, Mr Hopper has got what he wants, at least in part, in the shape of Kim Howells, the new Tourism Minister. This is the Kim Howells who recently attacked the 'slave wages' paid by the tourism industry. He also went to market on London's competitiveness in hotels with these words: 'You go to some American hotels and you could be on a different planet, the way you are treated!' And firmly fixing his marketing hat to his crown: 'There are outrageously high prices in some places for the quality of service tourists receive. It's a wonder to me that tourists come back, actually.' More can be expected. Howells will have noted his words received wide coverage, double featuring in *The Times*, and even a pat on the back from the sceptics at the City Diary. Ministers like that sort of coverage, even if the industry in question does not. Howells has a point, too. These are London's 'challenges', as Paul Hopper has to agree.

It is almost a relief to turn from a topic about which Hopper feels more strongly than he can say to the nuts and bolts of London's competitive position.

Table 3: Rating of serviced accommodation

	Quality of Service	Value for Money	Quality of Room
Mean Scores			
2000	3.58	2.94	3.44
1999	3.56	3.09	3.45

Rating of London restaurants

	Quality of Service	Value for Money	Cuisine/Type of Food
Mean Scores			
2000	3.63	2.88	4.07
1999	3.65	2.99	4.06

Source: LTB surveys among overseas visitors to London, Summer 1999/2000

London hotels and restaurants are both perceived to offer poor - and worsening - value for money

On this he is less precise than expected. He recognises that 'New York and Paris are very close' but has no definitive data of the cities' comparative performance on visitor satisfaction levels. (A gap to be plugged, perhaps.) He recognises London's relative weakness in the large-scale convention market: 'Paris, Brussels, Geneva will stay ahead because they have the larger, purpose-built spaces.' Yet he asserts that 'ExCeL will work' and 'London does very well in conventions for 1,500 or fewer'.

Paul Hopper is very careful to avoid political minefields, but his job – and London's future as a destination – is a political football. 'Investment in London tourism amounts to 30 pence per head per annum, compared with £3.78 per head in Scotland and £5.24 in Wales. But people argue, if tourism is doing well in London, why subsidise it?' He knows why. The infrastructure is creaking. The airports are crying out for more capacity. The streets need cleaning up. Value for money is an increasingly sensitive issue for visitors. The transport system is (literally) being put in the dock, be it for car drivers' fines or safety on the Tube. LTB itself is run on the cheap, with head office staff cut by half and membership subscriptions under pressure. No wonder the MD is such a busy bee. No wonder 'the London Development Agency is to undertake an independent strategic review of tourism in the capital', according to *LTB News*.

Let us hope that LDA really does work in partnership with LTB to address London's future as a tourism destination. As Paul Hopper rightly observes, London is the key to Britain's tourism future and 'the UK as a whole is challenged within world tourism this year'. He may be a General Manager (rather than a Marketing Director), but Hopper is emphatic that in the wake of Foot and Mouth, branding of the UK is absolutely critical, and within that London is critical. 'I am not talking logos here, not just images. We are talking about the UK's values, reliability, quality of service, making sure the trains and underground run and the country is ticking over.'

Quite, Mr Hopper, quite. Now, you might not use these words, but I sense you might agree with these sentiments. Would Messrs Blair and Livingstone kindly get together and sort out policy, priorities and practice soon? If possible, before London reinvents civic bankruptcy. You can take comparisons with New York too far. And would London hoteliers and restaurateurs rein in their prices before they give the town a really bad name? We all know what happens next. The lights go out. And there is a limit to how much LTB can do with the energy available. Even Paul Hopper's.