

<b>Committee(s)</b>	<b>Dated:</b>
Culture, Heritage and Libraries – For Information	22/10/2018
<b>Subject:</b> City Information Centre: annual performance report and survey findings 2017/18	<b>Public</b>
<b>Report of:</b> Peter Lisley, Assistant Town Clerk and Culture Mile Director	<b>For Information</b>
<b>Report author:</b> Nick Bodger, Head of Cultural and Visitor Development	

### Summary

This report provides a review of the City Information Centre's (CIC) performance for the last financial year (2017/18).

The Centre continues to perform well with 99% of users rating the staff as good or excellent, and 97% rating the quality of information the same in this year's annual user survey. Contrary to this, the Centre's mystery shopper evaluation delivered a score of 80% for the overall quality of the customer experience, a drop of 10% year-on-year. This decrease is not reflected in survey ratings and is further balanced by the award of a Trip Advisor Certificate of Excellence in 2017.

While this is a good news story, with footfall and sales at the same levels as last year (despite significant external factors impacting negatively on London's tourism performance overall), the Centre is highly dependent upon income and will struggle if external factors affect visitor numbers.

### Recommendation(s)

Members are asked to:

- Note the report and survey findings

### Main Report

#### Background

1. Since opening, the City Information Centre has served just under 4m visitors, delivered £3.5m year-on-year in economic benefit for the UK tourism industry, welcomed over 50 national and international delegations seeking advice on visitor information provision (viewing the Centre as a model of best practice), and won many accolades including the top in the business – as Information Provider of the Year at the VisitEngland Awards for Excellence 2015. In this time, it has also seen significant changes to its operating and business models.



2. Under the City Corporation's Service Based Review (SBR), the Centre was tasked with finding savings and/or additional income of £105,000 per annum (just under 50% of its local risk budget) by 2017/18. This year is the second in which the saving has been realised.
3. Following numerous positive reviews, the CIC was recognised in 2017 with a Trip Advisor Certificate of Excellence.

### **Current position: footfall and income**

4. Total footfall at the CIC for the financial year 2017/18 was 384,541. This shows a marginal decrease of 0.08% on 2016/17 and increases of 1.57% and 19% on 2015/16 and 2014/15 respectively. While the first quarter of 2017/18 showed significant promise, footfall declined significantly over the second quarter, only recovering in January 2018.
5. That there is little change to footfall figures compared to 2016/17 in a year that has seen some of the City's (and London's) attractions report significant declines is testament to the Centre's good standing in the marketplace and demonstrates its value as a vital information resource for visitors. In March 2018, *The Guardian* wrote:
 

"Rail problems, fears of terrorism, and the high cost of getting to and eating in London have contributed to a "flatlining" of tourism in the capital last year... The British Museum continues to be the most popular visitor attraction in the UK for the 11th year running, despite an 8% fall in numbers. Tate Modern was in second spot, down 3%, and the National Gallery was in third, down 16.5%."
6. Sales at the Centre for the 2017/18 reflected the same pattern. Despite the first quarter showing marked increases and April showing a 60% increase year-on-year, revenues declined from July onwards. Overall however, the Centre generated a total sales figure of £575,247 in 2017/18 (0.1% up on 2016/17); this delivered an estimated profit of £186,424.
7. This year (2018/19) shows small signs of growth with sales to date (August) at £317,497, an increase of 2% on 2017/18.
8. As well as retail sales, the CIC generates income from renting its leaflet racks, screens and counter space (foreign currency exchange), and through promotional "takeovers" that see the Centre's windows and counter covered in advertising for events and attractions from across the UK. The total collected from these activities in 2017/18 was £58,647. This year (2018/19), to date £65,390 worth of rental and takeover deals have been secured (an increase of 11%).
9. Against this backdrop and noting that the Centre has no surplus spend within its local risk budget now that the SBR savings have been realised, the Centre must meet any additional ad hoc expenditure from increased income. This year, it will need to replace its screen system which has begun to fail. This cost is estimated to be £30,000.



## **Current position: user survey**

10. The Centre's annual user survey is undertaken every summer and available from the Assistant Town Clerk and Culture Mile Director on request. Particular items of note this year include:

- a. Continuing the trend noted in 2017, the age of visitors was older than the year before. In 2018, 30% of all visitors were 65+, up from 24% in 2017. Whilst there was a small decline in the 55-64 group, a greater proportion of visitors were in the 45-54 and 35-44 groups, with significantly fewer in the 25-34 and 16-24 age groups. This is likely a reflection on changing behaviours, with younger audiences seeking visitor information online, most notably through social media recommendations;
- b. Again, following the 2017 trend, the number of visitors using the Centre while on day trips to London was up from 25% to 31%, which is balanced by a fall in hotel stays (and likely overseas markets). This is perhaps due to the weakness of the pound and reflects the trend of "staycationing" by domestic audiences.
- c. A significant 22% of all visitors stated that they were visiting the area specifically for the CIC. This represents a large increase on the 15% recorded in 2017 and no doubt reflects its growing value as central London's only official tourist information centre, driving visits to the City and supporting London's wider tourism offer;
- d. The Centre's support of the wider London visitor offer is also evidenced by the number of visitors getting information on places elsewhere in London which accounted for nearly one half (47%) of all visitor activities in the CIC (up 4% on 2017 and the CIC's highest score in this area yet);
- e. The number of visitors who have been to the Centre four or more times previously is also up (to 20% from 5% in 2017), with only 5% of overseas visitors having been four or more times previously compared to 47% of UK visitors. This likely reflects increased use of the CIC by local workers for information about what's on in the City/London and/or to exchange currency;
- f. Visitors to the CIC use TripAdvisor more than any other type of social media when planning their holidays (54%). This reflects the 2017 award by the online travel site which, following numerous positive customer reviews, saw the CIC recognised with a Trip Advisor 2017 Certificate of Excellence;
- g. In terms of visitor satisfaction, 68% of users rated the staff as excellent (down 2% on 2017) – with 99% rating them either excellent or good (up 2% on 2017). In addition 97% of users rated the quality of the information as excellent or good, down from 99% last year (but with an increase of 2% on the rating of excellent in this category). The overall 'Promoter' score for the CIC remained the same as in 2017 (8.9).



These results are contrary to the decline in scores seen for the mystery shopper exercise described below which saw decreases in quality of information and product knowledge; and

- h. Respondents gave a strong endorsement to the CIC with regards to it encouraging them to return to the City. Over two-thirds (70%) stated that it *Greatly* or *Slightly* increased their likelihood of re-visiting, with 83% of all visitors stating that their visit to the CIC had *Greatly* or *Slightly* enhanced their overall visit to London (slightly down on the 84% recorded in 2017).

### **Current position: mystery shopping**

11. Each summer, the quality of service provided by Centre staff is assessed by an external provider (Tourism South East) through a series of six 'Mystery Shopper' visits. The headlines for this year are:
  - a. The overall quality of the experience at the Centre scored 80%, down from 90% last year;
  - b. Two members of staff scored 95%, a particularly high score (and up 2.5% on the Centre's highest score from last year);
  - c. No aspects of the Centre's service were considered inadequate or poor;
  - d. The highest scoring aspects were "enthusiasm of the staff in promoting the City of London area" at 90% (same as 2017) and "dealing with visitors with particular needs" at 87% (83% in 2017);
  - e. There was a significant increase in the score achieved for "up-selling" which saw 77% this year against 63% in 2017; and
  - f. A number of categories saw a decrease compared to 2017. Presentation of the centre, product knowledge, quality of information and overall quality were all down. The lowest scoring area was "presentation of the Centre and staff" at 67% (down from 90% in 2017).
12. This is the lowest overall score the Centre has achieved albeit it is still a very good mark. The main reasons for the decrease are the persistent high-scoring of the Centre in the past and an influx of new staff (reducing the product knowledge score), as well as a staff member having lost a name badge, and the busyness of the Centre preventing leaflet racks being replenished (decreasing the presentation score) and staff now wearing their own clothes rather than uniforms.
13. The good news is that the Centre achieved its highest ever mark in up-selling, demonstrating a significant effort by staff to realise the targets set for income generation following the efficiency savings that were realised last year and going forward.

### **Current position: supporting London and the nation**



14. The Centre is London's only centrally-located tourist information centre – London being particularly badly served in this regard compared to all other major cities. It continues to be recognised the world over as a model of best practice in the field of visitor information provision and London product knowledge. In 2017/18, the Centre has:
- a. Delivered the training modules for stewards, schools and other volunteers working at *The London Landmarks Half Marathon* (25 March 2018);
  - b. Agreed in-kind support for the London Boroughs of Waltham Forest and Brent during 2019 and 2020 promoting their respective Mayor of London's London Borough of Culture programmes;
  - c. Partnered with Visit Greenwich, hosting a stand at the 2017 World Travel Market;
  - d. Supported organisers of the biennial conference of the Commonwealth Nurses and Midwives Federation (CNMF) with visitor information packs;
  - e. Featured in London & Partners promotional film for the forthcoming London's Autumn season; and
  - f. Been selected as the official *Fantastic Beasts: Shine a Light* info hub this autumn, promoting the installation near to Millennium Bridge to raise awareness of the charity Lumos.

### **Corporate & Strategic Implications**

15. The City Information Centre is a key delivery agent for the City's Visitor Strategy, driving footfall to City attractions and other visitor products, enhancing the welcome for City and London visitors and playing a high-profile role in London's tourism economy while deriving recognition and profile for the City Corporation the world over.
16. The work of the Centre aligns with the City Corporation's Corporate Plan under its aim to support a thriving economy, in that it delivers against action 8a to "promote the City, London and the UK as attractive and accessible places to live, learn, work and visit".

### **Implications**

17. The City Information Centre has secured a robust business model that continues to achieve its Service Based Review targets. However, London's tourism sector is fragile and the impact of Brexit, terrorism, rail issues and other external factors may take their toll on footfall which, in turn, will impact on the Centre's income. Further decreases are not something the Centre can sustain and it will be forced, in future years, to cut programmes if current upward trends do not continue.



## **Conclusion**

18. The City Information Centre is a significant asset in the City's cultural and visitor portfolio and has demonstrated its value as a mechanism for delivering benefits to London and the nation in the context of tourism, while deriving reputational gains for the City Corporation as provider of the service.
19. Its staff have worked hard to achieve the savings targets set under the Service Based Review. Should the visitor figures fall in any significant way, the Centre will be vulnerable as there is no surplus in its local risk budget to plug any shortfall.
20. The Centre is highly-regarded by all its customers, as well as by the many City, London and national stakeholders it serves. It has a truly global reach and is the welcoming face of the City (and London) across the world's tourism industry.

## **Appendices**

- None

## **Background Papers**

A copy of the full City Information Centre Visitor Survey Findings 2018 is available on request from the Assistant Town Clerk and Culture Mile Director.

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