

Walpole

The State of *London Luxury 2025*

INCLUDING A SPOTLIGHT ON
INTERNATIONAL LUXURY VISITORS



IN ASSOCIATION WITH



CADOGAN

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Welcome



This year's *The State of London Luxury* shows our capital city looking ahead to 2026 with its crown intact as Europe's most powerful luxury market. Despite global turbulence - from shifting geopolitics to a more cautious consumer - the city continues to demonstrate extraordinary resilience. According to Henley & Partners, London has more centi-millionaires (\$100mn+) than many other global luxury hubs and more than any city in Europe.

London's has always enjoyed international appeal too, and despite the frustrations of a policy landscape which has yet to resolve some of the barriers in the way of the UK's competitiveness, visitor spending rose 12% year-on-year, led by high-value travellers from the US, the Middle East and China. Unlike its European competitors, London draws its luxury audience from every continent, reflecting its unique position as a truly global hub.

Yet in a more constrained economic environment, creative and entrepreneurial brands like those in British luxury need to be free to maximise their growth potential, not only for their own

business but for the good of the country. The international marketplace is highly competitive, and perception matters as much as performance. London's long-term robustness is a great platform on which to build: there's no room for complacency, but if luxury continues to invest in world-class experiences, tell its story with confidence and panache, and advocate collectively for policies that reinforce competitiveness on the global stage, the prize is there for the taking.

The State of London Luxury 2025 study sets out the evidence behind London's continued dominance. Whilst no one will pretend this is an easy market, and challenges ahead, within these pages is both the evidence of London's existing assets as well as the actions required to ensure the capital remains not just Europe's luxury leader, but one of the great luxury capitals of the world.

Helen Brocklebank
CEO, Walpole



Hugh Seaborn CVO
CEO, Cadogan

Luxury faces challenges globally, and it is this adversity that fuels London's creative innovation which sets us apart from other international cities.

At Cadogan our strength lies in creating beautiful places that provide a 'stage' for businesses to thrive. As the style

guru Peter Marino aptly said, "In every city, there is one luxury destination for tourists and one for locals....in London, it's Bond Street for the tourists and Sloane Street for the locals". This reflects our experience. Sloane Street is at once both local, at the heart of one of the world's most affluent residential communities, as well as global, being highly competitive on the international stage. Sloane Street in all its chic glory, has had huge investment over the past few years so that we can be sure she stays at the pinnacle of luxurious experiences, while nearby the King's Road boasts a new creative hub as part of The Gaumont development. It is wonderful to see in Walpole's

report that London is now officially the world's most visited destination. However, we must never rest on our laurels. To ensure that London's luxury scene continues to thrive, we must keep investing in its vibrant 'ecosystem' which Andy vividly describes on the next page. This includes the right balance of characterful flagship and independent retail, incredible cultural spaces, enticing restaurants and hotels - to create a joyful experience that enchants locals and visitors alike. And perhaps if we keep campaigning, we will finally convince Government to return tax-free shopping and in so doing put London back on a level playing field globally once more.

Foreword



Andy Silvester
London Editor, The Times

In a small and unusual corner of the internet, you can find a live visualisation of the London Underground. It shows hundreds of trains whizzing about below our feet, criss-crossing each other sometimes just metres apart, in what looks like barely organised chaos. The map can draw you in: it is almost hypnotic, balletic, and to this Londoner at least looks nothing short of a living, breathing ecosystem – a visual representation of a city that is so brilliantly alive.

Above ground, there is a similar ecosystem. London's luxury market is made up of thousands of individuals and businesses that together create a quite irresistible force. When you layer on the capital's extraordinary cultural heritage and a restaurant and bar scene that is constantly evolving, it is easy to see why the world's most discerning travellers always make time for the capital.

That world of luxury extends beyond the M25. The capital's boutiques are stocked with the craft of the rest of the country, from Speyside whisky to Welsh wool. One of the luxury market's great advantages is that, just like the Underground, its different elements work together so beautifully. It is heartening to see that continuing, and there seems ever more an appreciation that the skill of our chefs, for example, is arguably vital for the success of our museums, the quality of our manufacturers across the country as important for the combined success of the market as the grandest of our hotels.

Of course, life is not always as easy as we'd like it to be. The global reset in the luxury market has left its mark. And, in a particularly egregious example of Britain's tall poppy syndrome, the UK continues to fight with one arm behind its back thanks to economically illogical VAT policies,



“London’s *luxury market* is made up of thousands of individuals and businesses that together create a *quite irresistible force*”

unnecessarily slowing a sector that is a genuine world leader. Our competitor cities are not hiding their lights under bushels.

But London, and the UK, endures, and there is much to be optimistic about. Many of the grandest dames of London luxury are looking better than ever, and each week a new

restaurant or bar becomes the latest ‘have you been yet?’ destination. A new generation of makers, designers and entrepreneurs, both those born on these shores and those who have chosen to make the UK their home, are building the next great luxury brands, standing on the shoulders of the giants that still bestride the streets of Mayfair and St James’s. Should you ever need a pick-me-up, look to Walpole’s Brands of Tomorrow programme and see the creative vision and energy fizzing through London and the country at large.

What we must all do now – though it goes against a certain kind of British sensibility – is walk a little taller and speak a little louder about our extraordinary luxury sector. For a rainy island in the North Atlantic we do alright for ourselves; our per capita contribution to the trends and fashions of global culture must surely be second to none. Let us tell the world once more that we do it better than anyone else – and invite the world to see it first-hand.

London luxury *in numbers*

#1

London has dominated the Global Power Cities Index which ranks the magnetism of cities across the globe for 10 years

\$4.4bn

In the 12 months to Q1 2025, London sold \$4.4bn of property worth \$10mn or more. Paris sold \$0.2bn

£4.5bn

CBRE estimates that hotel investment across London and the UK will total £4.5bn in 2025

50k

Henley Global states the UK has nearly double the number of millionaires in 2025 compared to many luxury hubs worldwide including Beijing and Dubai, and at least 50,000 more than any other European city

17

17 of the UK's top 20 tourist attractions are in London

\$2.4tn

UK wealth is expected to grow by \$2.4tn between 2024 and 2029 – twice the growth rate of most European markets

17.1mn

Theatre-goers attending a London theatre in 2024. This makes London's West End the world's leading destination for theatre and performance

#1

London remains the most visited destination in the world, with international arrivals up 9% in 2024

Pavilion Road



Introduction

London – the ultimate global city

As the global luxury industry reflects on its strategic reset, following the extraordinary period of post-pandemic growth and its exceptional performance, brands are looking forward, examining their value propositions and engagement strategies. Bain & Company has suggested that while the sector is experiencing a period of turbulence globally due to several factors including geopolitical and tariff headwinds and consumption shifts, particularly among Gen Z, luxury goods and services should expect yearly growth of 5-9% to 2030, and the market to accelerate at the beginning of 2026.

In the context of the wider luxury landscape, this year's *The State of London Luxury* report will examine London's position in the global market and its place as an international hub. The study will revisit the factors that drive its success, the role of international visitors and their attitudes towards

London, as well as the recommendations to support the capital's future performance. We will also draw on the results from the London Luxury Survey 2025, which details the attitudes and perceptions of the market from luxury executives here in the UK. There are, of course, a myriad of factors that underpin London's position as a primary global hub, and as CEO of Mulberry, Andrea Baldo, has summarised, they continue to combine forcefully to present a unique opportunity for luxury businesses:

“London provides the perfect melting pot of demand, environment and opportunity. There is so much extraordinary creativity and innovative talent here, too, which evolves continually, like the luxury market itself. So, you know, it's a microcosm of the rest of the world, and if you can make it in London, you can make it anywhere.”

There are a number of times in recent decades when *London's status as a global luxury hub* has faced headwinds, but with *its leading position, connectivity, reputation for creativity and spirit of entrepreneurship* it has continued to hold its appeal

Our research indicates that although several other cities have emerged as contenders in the global luxury landscape, and challenges persist in sectors such as retail, London remains unassailable when all pillars of luxury are considered. This is especially important when examining long-term trends. Market slowdowns can make it difficult to see beyond the next quarter. Yet luxury consistently rebounds, shaped by evolving customer preferences and profiles. What endures is the demand for exquisitely crafted products and distinctive, meaningful experiences. Success for luxury brands often demands playing the long game and continually recalibrating brand offerings to match the dynamism of the market.

As Alex Cheattle, Group CEO and Co-Founder of Ten Lifestyle Group, the leading travel and lifestyle concierge service, says: **“London remains the world’s capital for creativity and culture – and, because of that, for luxury. It benefits from a greater variety of competing elites and successful mixed neighbourhoods than any other city in the world. Our members, who live or travel here more than anywhere else, love the exciting and constant momentum that defines this extraordinary city.”**

This insight is supported by two of the leading global rankings measuring the magnetism, influence and commercial power of cities, which have repeatedly placed

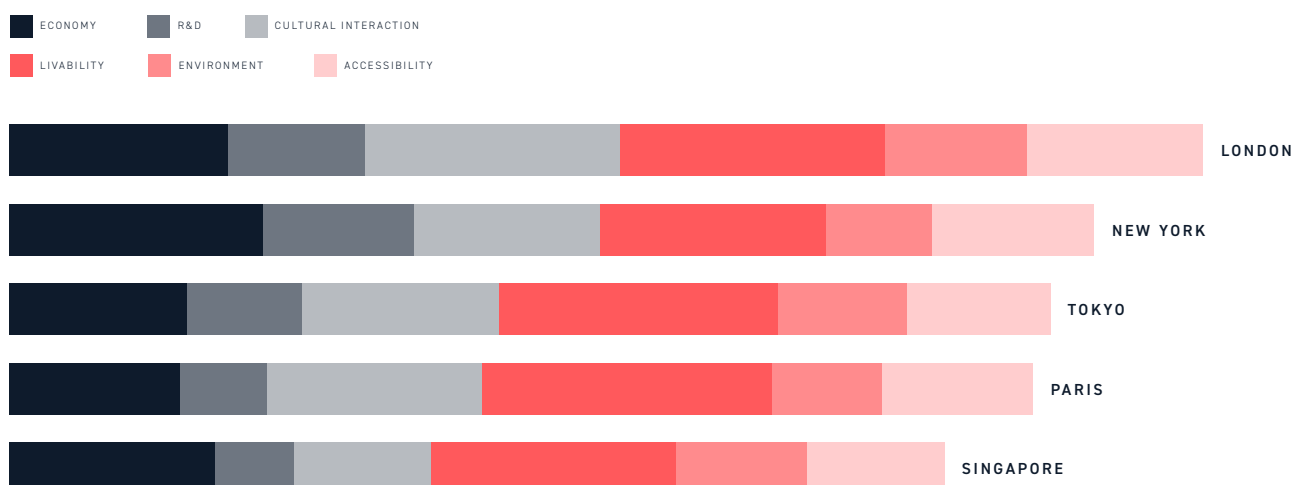
London at the top. In fact, London has held the number one position in both studies for many years. Despite challenges such as Brexit, the COVID-19 pandemic and its aftermath, political turbulence and shifting legislation, London has maintained its dominant position. In fact, in recent years, it has widened the gap between itself and its closest competitor, New York, in both studies.

Looking first at the Global Power City Index (GPCI), this analysis ranks the world’s major cities based on their magnetism, defined as their ability to attract people and businesses from around the globe. It evaluates six core functions: a city’s economy, research and development, cultural interaction, livability, environment and accessibility. Within these categories are 70 indicators, ranging from urban greenery and social freedom to the number of cultural events and luxury hotel rooms. The index also considers key financial metrics such as GDP per capita, the number of start-ups and business risk. Figure 1 shows London’s supremacy above all others.

The same study also offers a long-term analysis, which not only demonstrates the consistency of the top cities detailed in Figure 2, led by London, but just as importantly the fluctuations and instability over time of competitors – including other global luxury hubs such as Shanghai and Los Angeles.

FIGURE 1: The magnetism of London continues to dominate the Global Power City Index

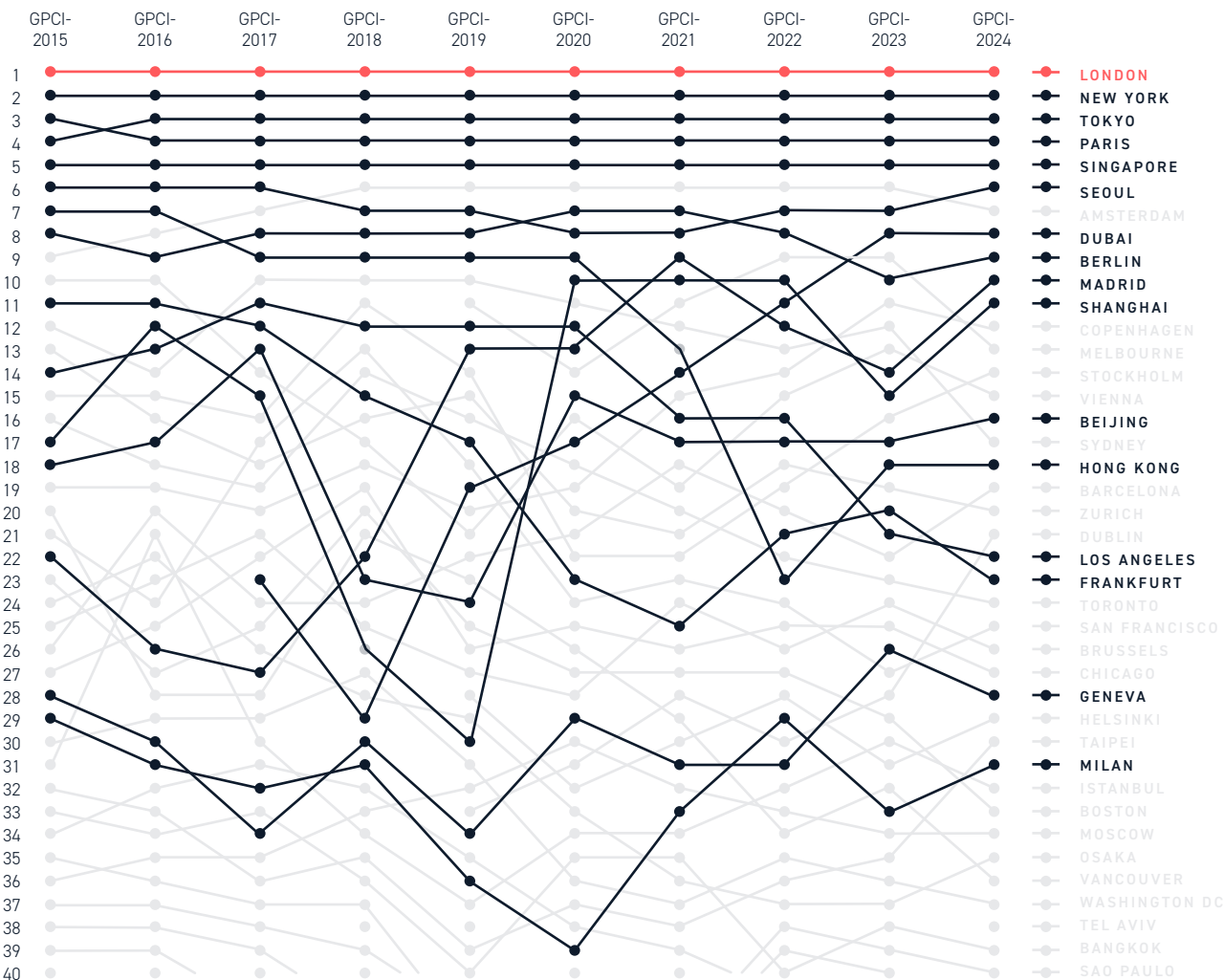
Source: Global Power City Index / Institute for Urban Strategies 2024



London provides the perfect melting pot of *demand*, *environment* and *opportunity*

FIGURE 2: London's permanence and consistency in the face of global turbulence

Source: Global Power City Index / Institute for Urban Strategies 2024



A second study by the Globalisation and World Cities Research Network (GaWC), also highlights London's leading position on the global stage. This international report focuses on the connectedness of cities worldwide, an essential factor in understanding economic dynamics and global influence. As we can see in Figure 3, London is categorised as an "Alpha++" city – one with exceptional worldwide "connectedness" to drive global trade. Furthermore, only two cities have consistently been awarded 'Alpha++' status: London and New York.

FIGURE 3: City rankings - the GaWC ranking has placed London at the top of world trade for over 20 years

Source: Globalisation and World Cities Research Network 2024
 List of cities in Alpha+ and Alpha categories have been shortened. Full list can be seen on the GaWC website at gawc.lboro.ac.uk

ALPHA ++	ALPHA +	ALPHA
 London	 Beijing	 Chicago
 New York City	 Dubai	 Frankfurt
	 Hong Kong	 Guangzhou
	 Paris	 Los Angeles
	 Shanghai	 Miami
	 Singapore	 Milan
	 Tokyo	

As Professor Michael Hoyler, one of the architects of the study stated:

“Once again London demonstrates its dominance as the leading city enabling today’s economic globalisation. It has been the most highly connected global city (with New York) since we began this study in 2000. Cities have complex economic ecosystems with many interdependencies that are hard to replicate, which has led to remarkable stability at the very apex of the global urban system. London is now such a cornerstone in so much of the global economy that it’s difficult seeing it dislodged any time soon.”

Professor Michael Hoyler, Professor of Human Geography, Loughborough University

However, despite the wider positivity for the city seen externally, some luxury brands are feeling the headwinds of current market conditions, not least the loss of tax-free shopping and changes relating to the status of non-doms. Mirroring McKinsey’s State of Fashion Luxury, data from Walpole’s own London Luxury Study, shown in Figure 4, also reveals this sentiment, with 33% of respondents feeling very positive or positive about their business performance down from 53% in 2024. However, looking ahead to the next two to three years, as we can see in Figure 4, and in line with market predictions, that figure rises up to 57% of respondents feeling very positive or positive for their business performance, demonstrating longer-term confidence in the market and their own capabilities.

The most successful brands are already *evaluating their product, service and value proposition* as well as their *customer engagement strategies*, to ensure they align with the evolving luxury landscape of 2026 and beyond

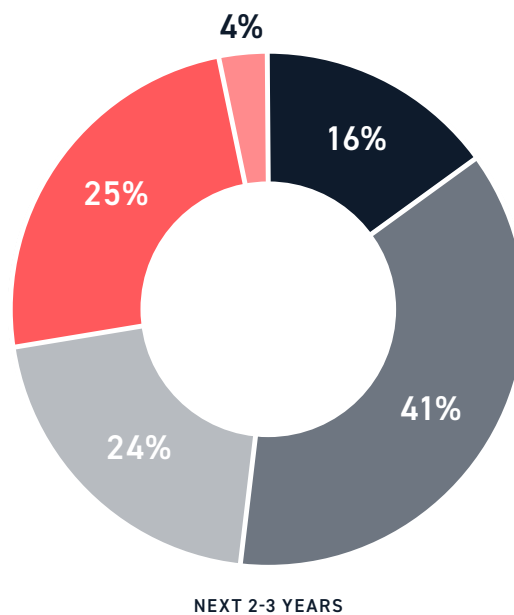
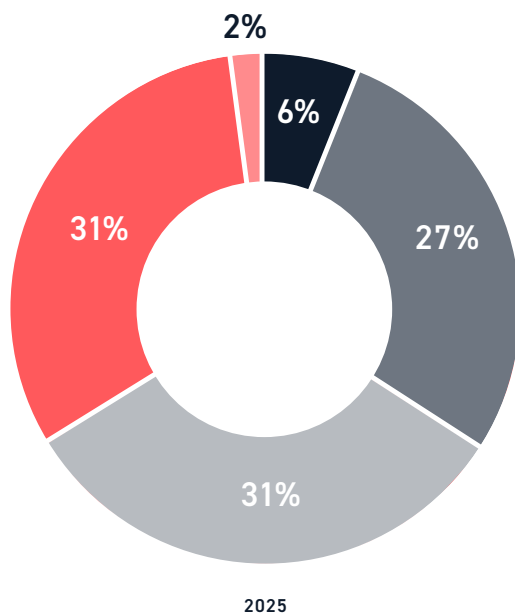


FIGURE 4: Luxury brands in London are feeling the headwinds of the current landscape, but most remain positive for the future

Q: How are you feeling about the prospects for your business in 2025 and over the next 2-3 years?

Source: London Luxury Survey 2025 / Walpole members and Cadogan customers. Spring/Summer 2025

■ VERY POSITIVE ■ POSITIVE ■ NEUTRAL ■ CONCERNED ■ VERY CONCERNED





Mandarin Oriental
Mayfair, London

W

London luxury *fundamentals*

London luxury *fundamentals*

London's enduring position as a global luxury capital is driven by interrelated factors that were explored in depth in Walpole's first *The State of London Luxury* report published in 2023. Building on that report, this edition revisits a number of those fundamentals, both to track London's performance and understand the impact of wider global luxury market trends on the capital. The London Luxury Fundamentals explores:

- The profile and growth in the affluent residential population
- The lifestyle of living in London including the residential property market, the fine dining offer and expanding wellness offer
- The strength of the luxury retail offer
- London's luxury hotel boom
- The luxury consumer future spend

Drawing on publicly available datasets and expert luxury market insights from Knight Frank, CBRE, Agility Research & Strategy, UBS Wealth Management, Oxford Economics, Henley Global, Global Wellness Institute and leading luxury retailers, this section paints a picture of the long-term fundamentals that underpin the strength of London's offer.

Total UK wealth, including property and pensions, is set to grow by \$2.4tn between 2024 and 2029, representing a growth rate nearly twice that of most other European markets

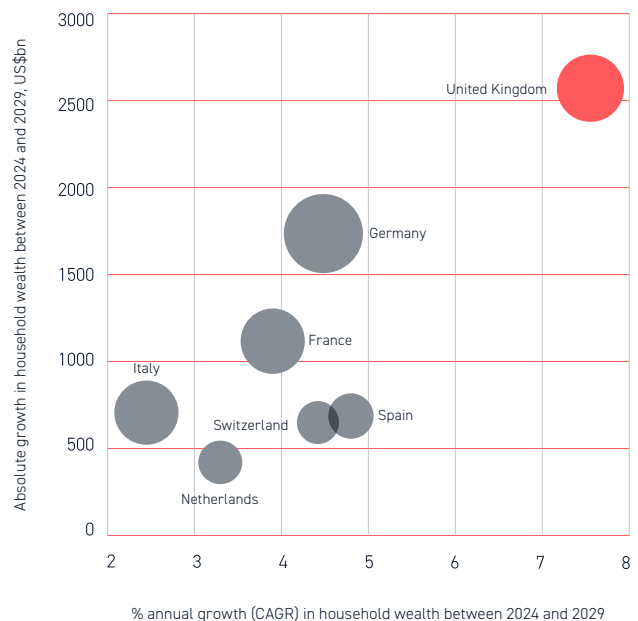
Resident affluence

At the core of London's position as a global luxury capital is the affluence of its wealthy residents, who chose to make London home, or one of their homes, and despite recent changes in Government policy the broader underlying wealth trends remain strong, particularly when compared to other European capitals.

Oxford Economics has analysed the projected growth in absolute wealth in the UK through to 2029, compared to other major European markets. As shown in Figure 5, the UK is expected to see the highest absolute growth in household wealth across the region with total UK wealth, including property and pensions, to grow by \$2.4tn between 2024 and 2029, representing a growth rate nearly twice that of most other European markets.

FIGURE 5: UK wealth is expected to grow by \$2.4tn between 2024 and 2029 - twice the growth rate of most European markets

Source: Oxford Economics (Circle sizes denote stock of household wealth in 2029)

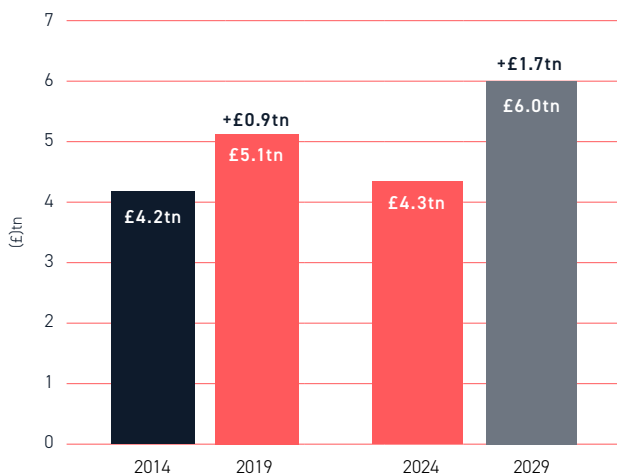


As shown in Figure 6, Oxford Economics also forecasts that UK net wealth will reach a record high of £6tn by 2029. This will be delivered by a growth rate that is almost double that seen during the pre-pandemic period from 2014 to 2019 and is comparable to the surge following the 2009 global financial crisis. The projected increase is driven by rising property values, stronger returns on pensions and investments in bonds and equities, as well as a stronger pound compared to the dollar since 2014.

This increase in wealth reflects broader global wealth growth, which continues to rise steadily even after adjusting for inflation and debt. The UBS Global Wealth Report projects continued growth at a compound annual growth rate (CAGR) of 3.5% from 2023-2028. Their report estimates there are currently 58 million high-net-worth individuals (HNWIs) worldwide, each with total private net wealth exceeding \$1mn.

FIGURE 6: With a growth rate almost double that seen pre-pandemic, the next 5 years will take UK net wealth to a record high of £6tn

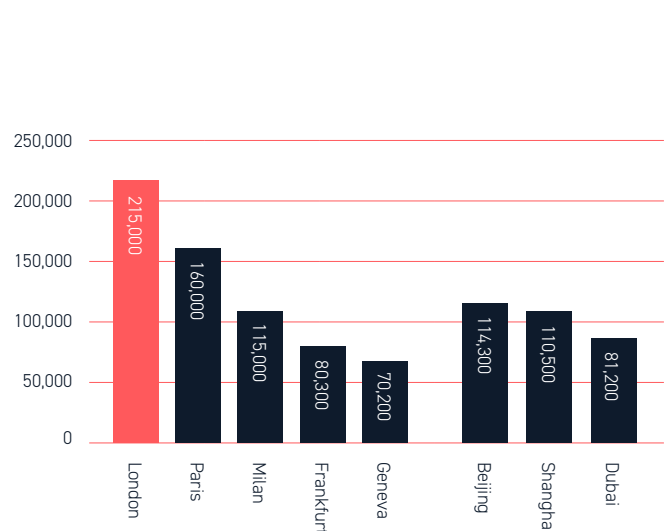
Source: Oxford Economics 2025



According to Henley Global, as seen in Figure 7, the UK in 2025 has nearly double the number of millionaires of many luxury hubs worldwide, including Beijing and Dubai, and at least 50,000 more than any other European city. This makes the country an influential centre for luxury brands. UBS refers to this group as EMILLIs (Everyday Millionaires) and expects their numbers to grow across most regions, though at varying rates. In the US alone, their ranks are increasing by approximately 1,000 per day.

FIGURE 7: London has more millionaires \$1mn+ than global luxury hubs in China and UAE and than any city in Europe

Source: Henley Global 2025

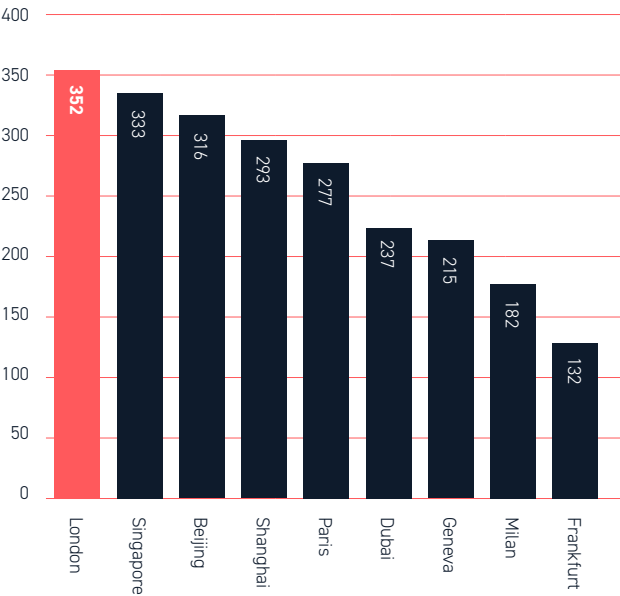


For a thriving luxury market, however, a luxury hub needs UHNWs (ultra-high-net-worth individuals). While they comprise only 2-4% of the luxury client base, they account for at least 30-40% of market spending, sometimes much more. This pattern is likely to continue.

Fortunately, the appeal of London life means that the city remains extremely wealthy. While there are instances of high-net-worth individuals leaving the capital – so-called wealth flight – due to changes in Government policy on non-dom tax status, Henley’s 2025 data, as seen in Figure 8, shows that London still leads cities in Asia, the UAE, and Europe in its population of centi-millionaires (those with \$100mn+). London also currently has more billionaires than any other city in Europe or the UAE, although a continued wealth flight may put pressure on this in the years ahead.

FIGURE 8: London has more centi-millionaires \$100mn+ than many other global luxury hubs and than any city in Europe

Source: Henley & Partners 2025



Living

RESIDENTIAL PROPERTY

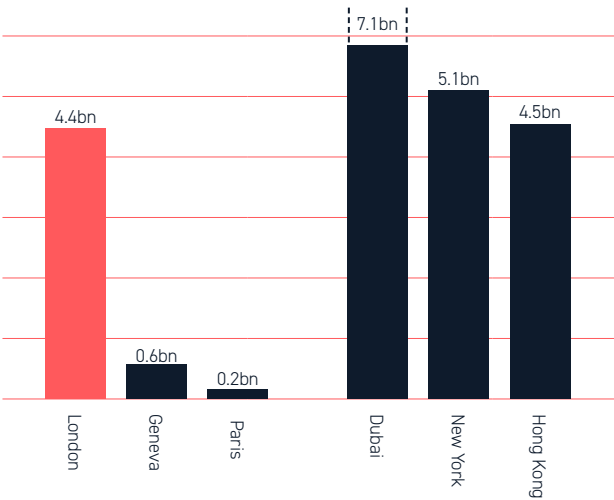
Closely linked with wealth creation, London’s UHNW residents and investors continue to have a growing influence on the strength of the property market, and prime London real estate is commonly viewed as a safe haven during times of uncertainty. For properties valued at \$10mn or more in Europe, London remains by far the most mature and expensive market, as indicated in Figure 9 opposite. This demonstrates that London’s appeal to the wealthy is robust and can, at least for now, withstand changing Government policies. The majority of luxury residential transactions continue to occur in key luxury locations including Kensington, Chelsea and Westminster.

That said, residential property markets in cities such as Dubai, New York and Hong Kong are very active, with prices and demand rising sharply. However, when comparing cities, it’s important to remember that performance is partly dependent on property supply. In London, there are more constraints on stock availability, particularly in the most attractive areas such as Mayfair and Chelsea, whereas in cities like Dubai, the creation of large new developments face fewer constrictions on space.

FIGURE 9: London still reigns supreme in super prime residential sales (\$10mn+) in Europe, and holds its own against other global hubs

Aggregate value 12 months to Q1 2025 (\$)

Source: Knight Frank Wealth Report 2025



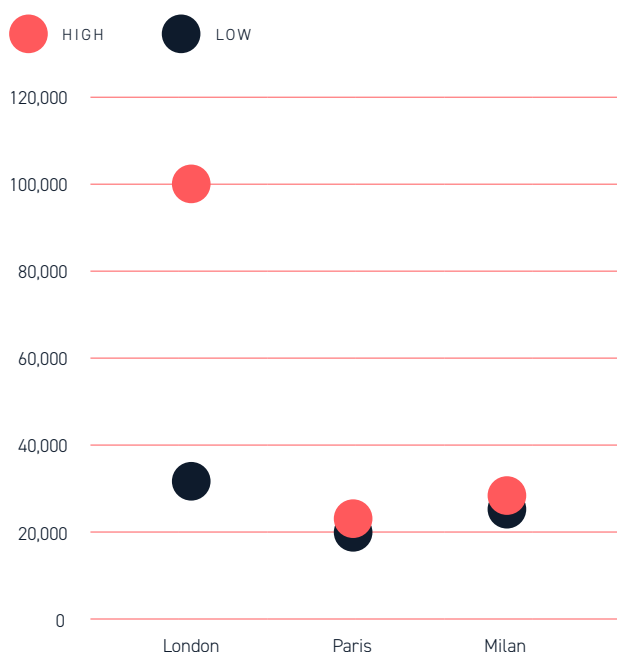


Left
Mandarin Oriental
Mayfair, London -
Serviced Apartments

Above
The Peninsula
Residences

FIGURE 10: Branded residences selling price range (€ per sq m)

Source: CBRE - Luxury Real Estate Report 2024



The market for branded residences in London is also exceptionally buoyant. Prices remain significantly higher than those in Paris or Milan, and Figure 10 highlights the wide range of price points available in the capital. London homes continue to be viewed as trophy assets by HNWIs, particularly those located in iconic buildings and extraordinary or prestigious locations.

However, for many, these properties are more than just status symbols. While UHNWIs are still drawn to the timeless appeal of Georgian and Victorian townhouses in Mayfair, Chelsea and Belgravia, and value the convenience of branded residences, there is a growing preference for homes that can be personalised. Buyers are seeking unique features such as art galleries, wellness rooms or subterranean car lifts. They want their homes to reflect their lifestyle and identity.

Knight Frank's global NextGen Living survey reinforces this trend, showing that demand for real estate remains strong among younger generations. As Figure 11 shows, individuals aged 18 to 35 continue to list high-end property at the top of their luxury asset wish list.

Indeed, London now provides excellent value in residential property compared to ten years ago. It is the only major luxury hub that offers more space per dollar than in 2014. Much of this difference stems from GDP/USD fluctuations, which peaked in 2014, making London a much more expensive buy. Figure 12 demonstrates how the rest of the market has moved over this period. This is good news for new London residents wanting to take advantage of all the lifestyle and living benefits in the city. However, with super-prime prices already up 5% in Q1 2025, next year's figures may tell a different story.



FIGURE 11: Which of the following luxury assets do you aspire to own the most?

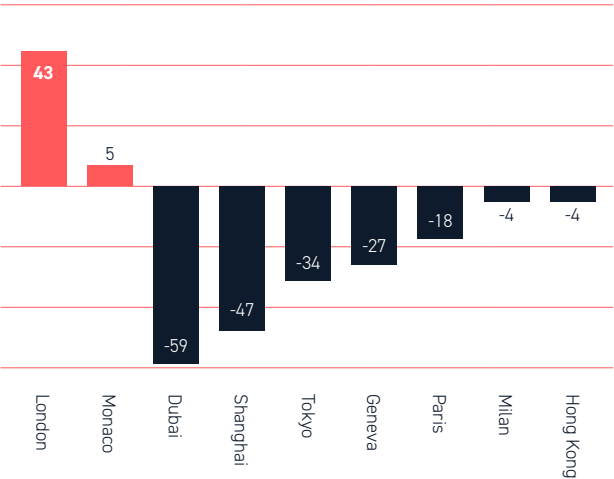
Source: Knight Frank/ Next Gen Survey 2024

ANSWER CHOICES	RESPONSES
High-end Real Estate	29.8%
Luxury Cars	27.8%
Private Jets	15.1%
Art Collection	12.4%
Superyachts	8.9%
Wine Collections	4.4%
Other	1.6%

FIGURE 12: London now offers superb value compared to 10 years ago. In 2014, \$1mn bought 23 sq m in London. In 2024, it bought 34 sq m — a 43% increase

% change in residential buying power across major cities - 2014 to 2024

Source: Knight Frank Wealth Report 2025



Fine dining

London’s fine dining scene is experiencing strong growth, marked by a fusion of eclectic flavours, increasing gastronomic excellence and higher spending on luxury experiences by London’s HNWIs. London has 85 Michelin-starred restaurants (Michelin Guide 2025). This not only cements the city as one of world’s top five leading food capitals, but the Michelin 2025 results reveal a nation that has embraced its own culinary identity. The majority, 24 restaurants, serve British cuisine.

New flavours from around the world are also celebrated, such as the Colombian and Japanese fusion cuisine of Humo in central London and the Korean cuisine of Sollip. The sheer breadth of culinary experience is also evidenced by the first UK vegan Michelin star awarded to Plates in Shoreditch. This demonstrates that, as befits a leading food capital, gastronomic innovation is rewarded and applauded.

The increasing importance of fine dining experiences is demonstrated clearly in exclusive research for this report by Chinese specialist marketing agency Tong. Its panel of Chinese tourists who are planning to come to the UK in the next 12 months and who have a minimum of \$10,000 expenditure (excluding flights) were asked which VIP experiences they would prioritise on their trip. A Michelin-starred restaurant visit was their top choice. Indeed, four out of five were looking for unique or tailored menus in globally renowned restaurants. More detail on this report is found later in the ‘Spotlight on international luxury visitors’ section.

FIGURE 13: Cities ranked by number of Michelin-starred restaurants

Source: Michelin Guide / The Engine Room

RANKING	CITY
1	Tokyo
2	Paris
3	Kyoto
4	Osaka
5	London



London’s fine dining scene is experiencing *strong growth*, marked by a fusion of *eclectic flavours*, increasing *gastronomic excellence* and *higher spending* on luxury experiences



Left and above
HUMO

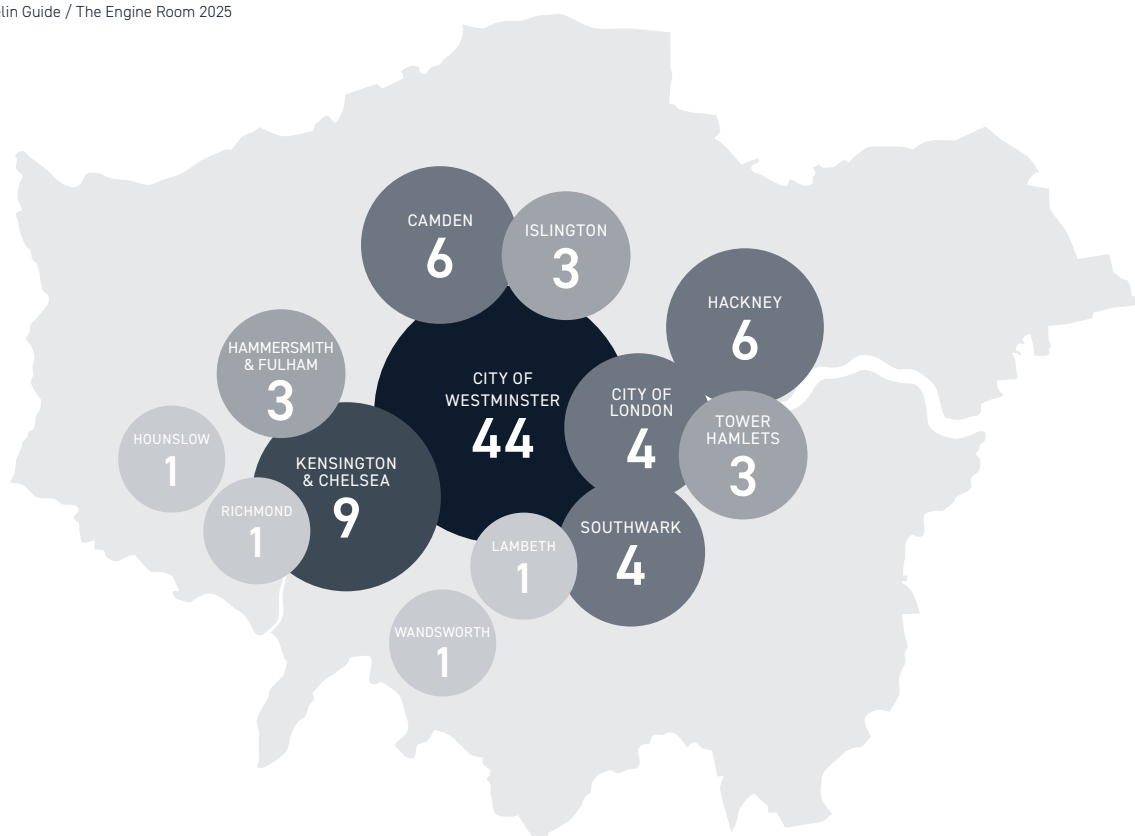
Right
Gallery, The Savoy



Importantly, these restaurants extend across the breadth of the city. While the majority are in the city centre, almost half of the celebrated kitchens span Tower Hamlets to Hammersmith and from Islington to Wandsworth. These locations also underline how London's luxury proposition has developed into a series of unique villages, each with its own character, experience and offer.

FIGURE 14: One of the top 5 food capitals of the world, London's diverse Michelin-listed restaurants spread across the city

Source: Michelin Guide / The Engine Room 2025



Health and wellness offer

The worldwide shift in luxury customer preferences prioritising health and longevity – with a focus on holistic experiences that integrate physical, cognitive and emotional wellbeing – is now well documented. McKinsey & Company has valued the global wellness market at \$1.8tn. In the UK, the 'luxury wellness economy' is on a steep and fast trajectory building on the country's reputation for medical and health services.

Pioneering health and wellbeing clinics and clubs present an emerging opportunity and are at the intersection of luxury, health and hospitality. London, as the birthplace of the private members' club and with its reputation in medical services as well as world-famous hospitality credentials, is emerging as a leader in this space. Surrenne at Maybourne's newly opened The Emory is a private members' club dedicated to longevity and wellbeing with a ground-breaking menu of health programming. Meanwhile, Hooke London in Mayfair offers advanced health and wellbeing packages at its clinic, with annual memberships including regular medical, fitness, nutritional and cognitive assessments.

Pioneering health and wellbeing clinics and clubs present *an emerging opportunity* and are at the intersection of *luxury, health and hospitality*

The US-based Global Wellness Institute lists the UK third only to the US and China in 'wellness real estate' – defined as "homes and communities that are designed and built to support holistic health". It has valued the UK market at \$38.5bn with a growth rate of 35% between 2023 and 2024.

Residential properties with wellness facilities can now command premiums of 10-25%. For example, a Grade II listed Hampstead property valued at £16mn was recently marketed as a "sleep and wellness sanctuary" featuring "filtered and thermo-regulated air", "non-flickering lights that mimicked nature" and a hyperbaric oxygen chamber.

Importantly, this market attracts younger affluent generations as much as older audiences. In the Knight Frank Global NextGen Living survey of 18-35 year olds, investment in wellness is clearly a priority, as seen in Figure 15. This supports both the potential growth of the wellness market as a whole and wellness tourism. Travel and health investment lead the value list for the total sample, and for those earning \$1mn or more wellness and health are ranked top.

As this space provides a platform for pure innovation and creativity, its development in London in multiple forms to service the luxury community will be fast and assured.

FIGURE 15: Which experiences do you find valuable and worth investing in?

Source: Knight Frank / NextGen Survey Nov 2024 / Global – 18-35yr olds

	TOTAL SAMPLE	EARNING \$1MN+
International Travel	21.5%	19%
Cultural Events	13.2%	13%
Wellness/Health	20.2%	24%
Education/Skills	18.2%	18%
Fine Dining	9.0%	11%
Sports/Adventure	8.0%	7%
Family Experiences	9.9%	8%

Luxury retail offer

The breadth of globally renowned and emerging luxury brands available in London is peerless, and this blend of iconic houses with next generation talent combined with the city's blend of department stores, established luxury streets and affluent villages creates a retail offer unlike any other.

“London continues to present the pinnacle of retail excellence. Not just because of its size and excellence in execution, but also because of its depth and diversity of distribution. It helps to future-proof your offer. If you want to understand how to reach a diverse client base with a range of different preferences and expectations, London can provide the range of customers across all price points and levels of aspiration. It means you can hone your offer and value proposition. There is really nowhere like it.”

Vanita Sabnani Dalamal, Global Vice President Transformation, Strategy & Creative Lab, PUIG

The diversity of the customer base here provides numerous opportunities for innovation and experimentation, essential for following current market dynamics. While there has been much focus on international shoppers, CBRE data reveals the importance of city locals and national audiences to

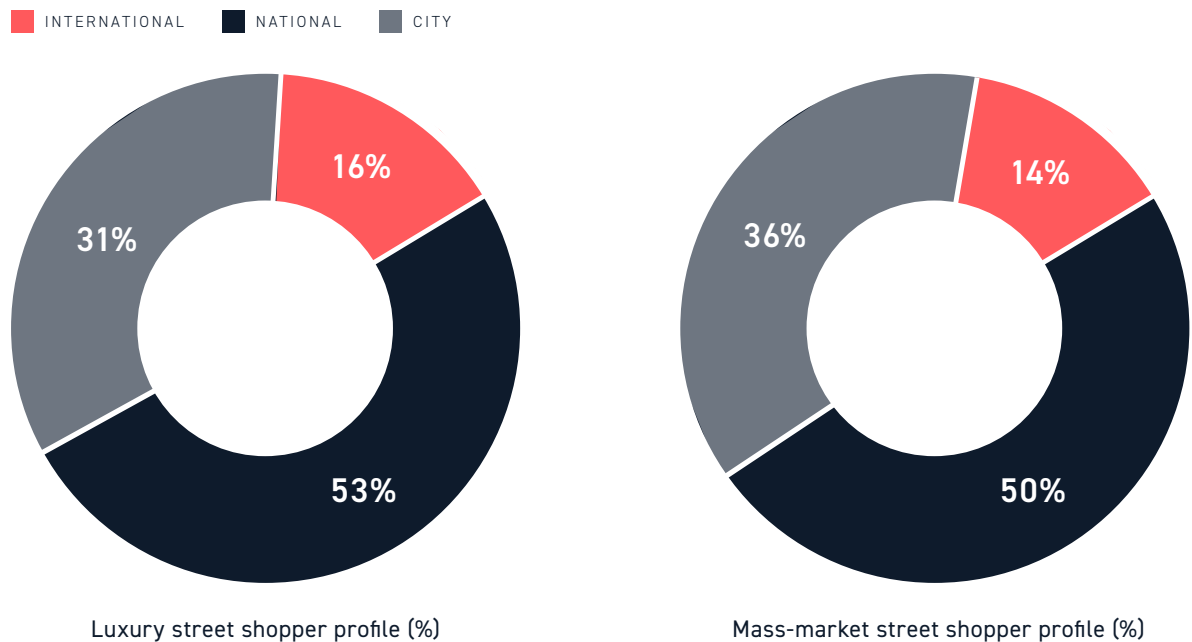
luxury retailers, as well as international shoppers. Although international visitors are often responsible for a greater percentage of revenue, they are typically a smaller group. The profile of shoppers on luxury streets, when compared to mass-market street shoppers, is in fact very similar - see Figure 16.

Pop-up retail has remained a strong trend across London in 2025, offering brands not only high-impact social media moments, but also valuable opportunities to engage with new demographics, particularly those who may not visit traditional flagship stores. Recent examples include the Louis Vuitton x Murakami pop-up in Soho and Chanel's Rouge Coco Playground in Covent Garden. Newcomer to the London market, Korean beauty brand Laneige also launched its first UK pop-up in Covent Garden.

As with the need for audience diversity, retail success depends on a broad ecosystem of factors. In the London Luxury Survey (see Figure 17), we asked retailers to identify the most important contributors to their store's success excluding the product itself. No single factor stood out above the rest. Notably, elements related to the store's immediate surroundings ranked particularly highly, reinforcing the

FIGURE 16: London Shopper Profiles – the international/national/city shopper profile of luxury streets and mass market streets are remarkably similar

Source: CBRE - Luxury Real Estate Report 2024





Left
Louis Vuitton
Malletier

Below
Chanel Rouge
Coco Playground

importance of the wider experience as an essential part of the luxury retail offering.

The curation of a retail destination as a whole, therefore, is key. An example of such placemaking strategy is The Gaumont on King's Road, Chelsea. The project comprises flagship fashion retail, an arthouse cinema, a 'creative cluster' for independents, office space, residential apartments, and hospitality venues including a rooftop bar and pub theatre. This injection of fresh culture into a luxury location steeped in creative heritage, will undoubtedly deliver for its local customers.

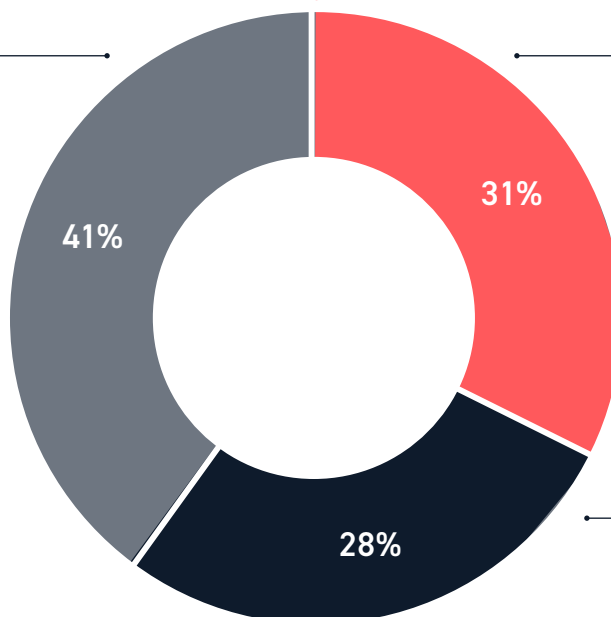


FIGURE 17: Which of the following factors contribute most now to your store/stores' success?

Source: London Luxury Survey 2025

LOCATION:

- Local cultural attractions
- Curation of destination
- High quality food and drink
- Connectivity and access, ease of travel etc
- General environment e.g. green space, architecture etc.



CUSTOMER AVAILABILITY:

- Proximity of luxury hotels nearby
- Profile of local customer in small radius of store
- Patronage from those who live part of the year in the UK

RETAIL OFFER / EXPERIENCE:

- Knowledge of staff in store
- Excellence of customer experience
- Neighbouring brands

MULTIPLE OF LUXURY RENT RELATIVE TO
MASS-MARKET RENT

Source: CBRE - Luxury Real Estate Report 2024



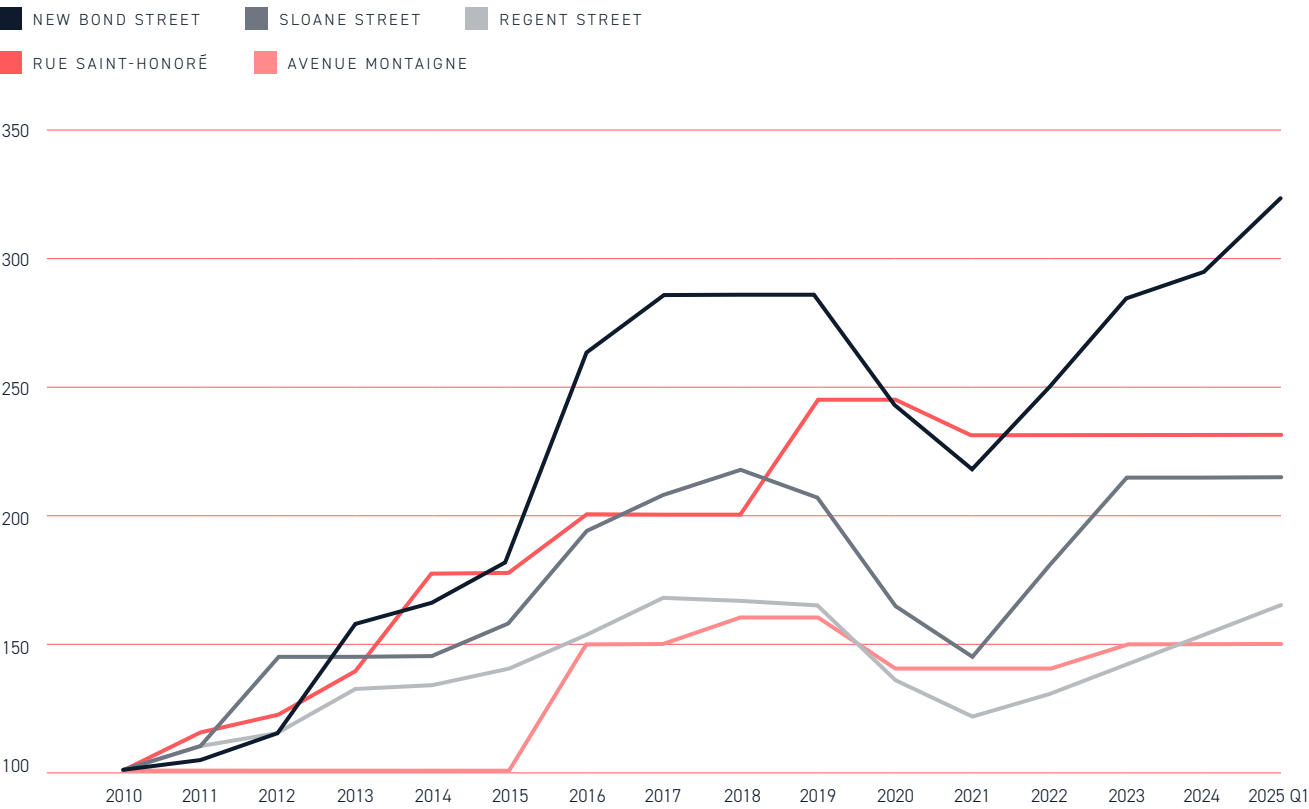
London's prime luxury retail rent market continues to be strong, and against the international market too. The premium it commands over the mass market compared to other global luxury cities in Europe is much higher, as seen above.

Index data from 2010 underlines this strength further. As highlighted in Figure 18, the rental growth difference between

prime luxury streets such as Bond Street and Sloane Street, and indeed Regent Street, compared to the flatter performance from streets such as Avenue Montaigne and Rue Saint-Honoré in Paris is very marked. Data such as these also remind us of the city's steadfastness, outlined in the first section of the report, and the need to consider the medium and longer term, when planning and forecasting future performance.

FIGURE 18: Prime Rent Index 2010 to Q1 2025

Source: CBRE 2025



“Rents on prime, luxury streets are climbing again on the back of incredibly strong demand. For many of these streets, vacancy rates are sub 5%, demonstrating signs of resilience and long-term appeal to those operating in the luxury segment. Prices have rebounded significantly from 2019 and if we look back even further, New Bond Street has recorded record rents, increasing by over 90% from 2015. This tends to be a barometer for the strength of the market.”

Graham Barr, Head of UK Retail, CBRE

The demand has been seen in new flagship store openings, which have been abundant this year with L'OBJET, Temperley London, Rolex, Moncler and Van Cleef & Arpels all opening new flagships in London over the past year.

Moncler's three-floor store includes a central 'roundabout' with LED walls. Guests are welcomed with a pathway of raw metallic arches, set against checkerboard marble flooring, fluted walnut walls and smoked oak mouldings. The store's opening was celebrated with an exclusive dark blue colourway from the LoveFrom, MONCLER collection designed by Sir Jony Ive.

The demand-supply imbalance in the prime streets also drives brand interest in property ownership rather than rental. Ownership clearly offers investment potential, gives brands control over their cost base and protects them from competitors becoming their landlords. Prada is the latest to do so, spending a reported £250mn on the freehold of the New Bond Street property that houses Miu Miu, currently fuelling significant growth for the group.

The new flagship store is designed to reflect Miu Miu's proposition of “cultural exchange, conversation and thoughtful community”. With its blend of literary salon, indie cinema and Mayfair private members' club, the store exemplifies the new approach to luxury retail. Miu Miu has reported that the “focus has been on creating something specifically tailored to London, both in spirit and in atmosphere”. It is unique in its concept and execution. Miu Miu's cultural roots in art and cinema are reflected in its design through its collaboration with costume, production, and set designer Catherine Martin, whose first film short *Grande Envie* is projected on the walls.





Left
Burberry,
Regent Street

Above
L'OBJET,
Sloane Street

L'OBJET, celebrating its 20th anniversary, opened its first London flagship on Sloane Street in 2025. The store showcases exceptional design and craftsmanship, including a central stainless steel and bronze chain column, velvet finishes and exclusive items available only in London. Founder Elad Yifrach highlighted London's artistic sensibility as a major inspiration.

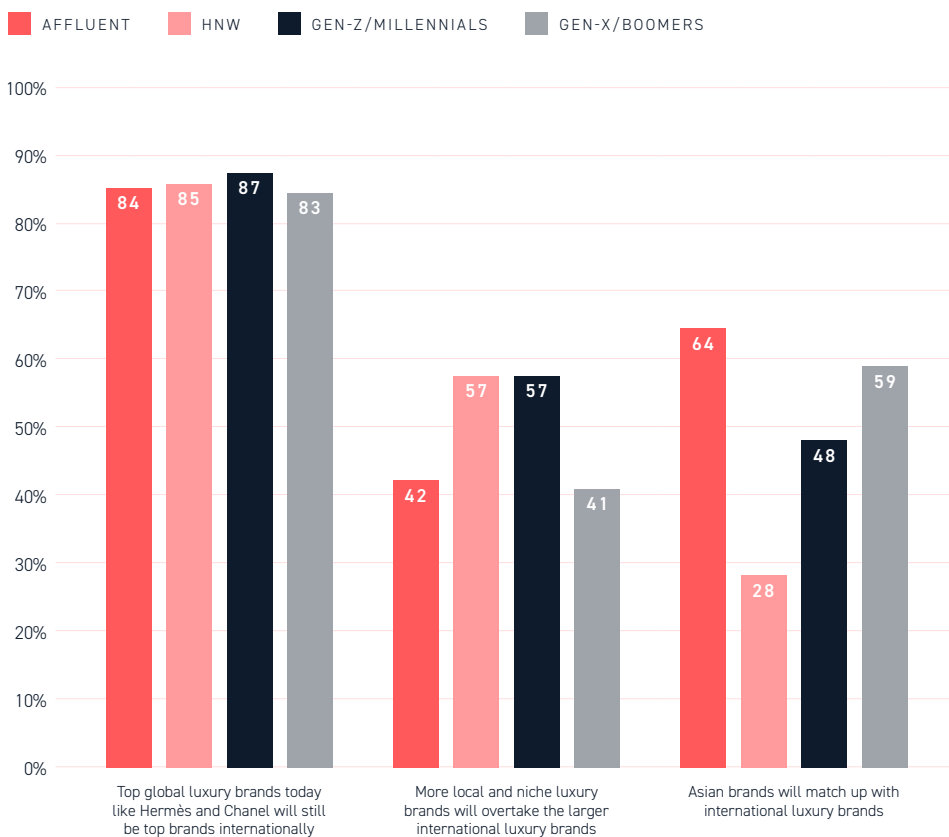
"London, with its elegance and vast sensibility for art and design, has long been a big source of inspiration for me. I had been searching for the perfect location in London for several years until this opportunity presented itself on Sloane Street."

Elad Yifrach, founder of L'OBJET

FIGURE 19: Global luxury brands still dominate, but huge opportunities are still present for local luxury, and for Asian brands among more aspirational audiences

Source: Agility Research & Strategy 2025

Women



When considering the variety of brands found along London's luxury streets, insights from Agility Research & Strategy, as seen in Figures 19 and 20, provide a useful lens on how the UK luxury landscape may evolve, particularly when examined by age and gender. Among a broad cross-section of affluent consumers, there is a clear expectation that leading global brands will continue to dominate. However, the data also highlights a growing interest in local and niche brands, especially among women as evidenced in Figure 19.

Exquisitely crafted products are the hallmark of every sector of luxury, including food and drink. Fortnum & Mason celebrated excellence in the field with the launch this year of Fortnum & Makers Open Call - a search for the UK and Ireland's very best new, smaller, undiscovered food and drink producers, with the winners, of course, being stocked in store. The initiative not only underlines London's gastronomic excellence, but it also demonstrates how London brands bring talented artisan craft across the UK to local and international luxury buyers.

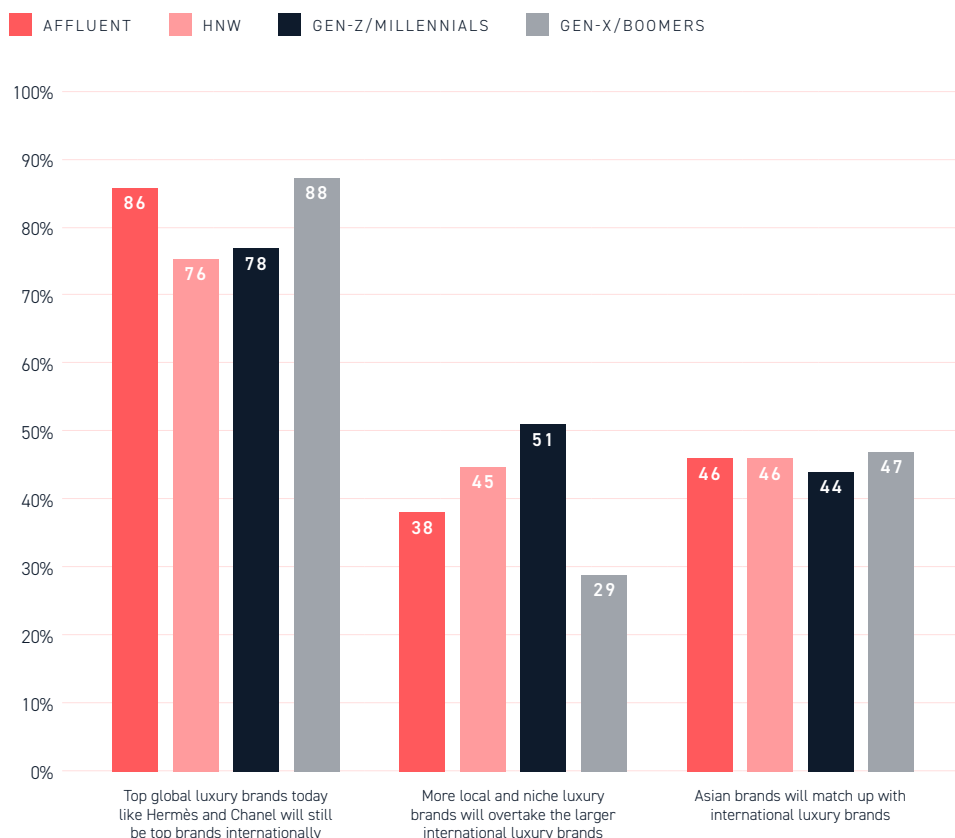
London also showcases numerous examples of how luxury brands are growing their customer loyalty through more engaging experience strategies. One such brand is wine and spirits specialist Berry Bros. & Rudd. Founded in 1698, Berry Bros. & Rudd is Britain's oldest wine and spirits merchant. Family-owned and run, the company still trades from 3 St James's Street, with offices in Hong Kong, Singapore and Tokyo. Masterclasses, intimate dinners, producer experiences in the cellars and wine lunches with the brand's Masters of Wine on the British Pullman, A Belmond Train, are now all part of its customer experience offer. Like many luxury brands, Berry Bros. & Rudd has also started to focus even more on exclusivity and developing ways to reach a younger clientele. As CEO, Emma Fox stated:

"London has always been an epicentre of unique experiences, but in recent years we are seeing even greater demand. Connoisseurs don't just want to collect a product, they want to really savour it, as part of an immersive moment shared with like-minded individuals."

FIGURE 20: Global brands rule across all age groups, but younger male luxury audiences seem more interested in local or smaller luxury brands than older groups

Source: Agility Research & Strategy 2025

Men



Fox continues: “Over the past five years, we have launched our own auctions, partnering with respected fine wine and spirits collectors to offer something to our global customers that they truly cannot access anywhere else. Our Spirits Shop also follows the exclusivity trend; we specialise in rare and fine liquids, many of them single-cask bottlings exclusive to us, and have seen many of these sell out very quickly. In terms of audience, our customer is evolving, becoming younger and more international as fine wine and spirits retain their aspirational status, but early-stage collectors are moving in.”

Berry Bros. & Rudd’s approach certainly chimes with data from Agility Research & Strategy on what luxury VIP customers value most, particularly in VIP customer programmes. Its VIP panel cites many of the elements that Berry Bros. & Rudd is offering, as we can see in Figures 21 and 22.

Uniquely in their sector, the brand has begun collaborations with other curators of UK culture. This year they launched collaborations with Hauser & Wirth, and also with art expert Katy Wickremesinghe as part of the ‘collecting starts with a bottle’ campaign.

FIGURE 21: What types of luxury brand events would you be interested to go to?

Source: Agility Research & Strategy 2025

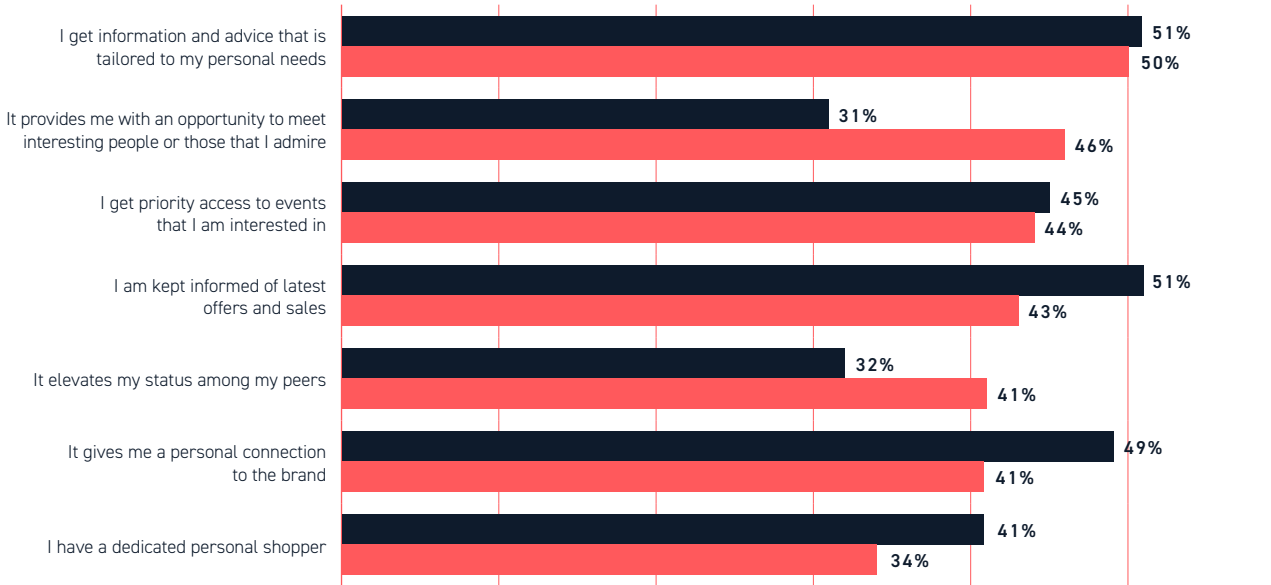


The campaign features content from ‘tastemakers’ in their respective fields, talking about the bottles that sparked their own collections. In one film, Wickremesinghe notes the “fantastic similarities between art and wine, and this idea of collecting”. She continues: “We can look at a bottle of wine just as we would with a painting – they can all bring back a moment in time and evoke a sense of memory and meaning. Like art, I see wine as a bit of blotting paper to our lives, capturing a moment in time, evoking a sense of memory and meaning.”

FIGURE 22: Value most about being a member of a luxury brand VIP/VIC programme

Source: Agility Research & Strategy 2025

■ WAVE 1 2024 ■ WAVE 2 2025



Data from Agility Research & Strategy among its UK affluent panel certainly supports luxury brands' focus on broadening their customer engagement strategies with events and experiences, particularly for their VIP customers. This group is increasingly interested in offers outside those directly supporting sales of product, as seen in Figure 22. Interestingly, the greatest shift is seen for 'provides opportunities to meet interesting people or those that I admire'. This is also reflected in the growing trend towards the 'club' atmosphere that many hotels and hospitality brands have tried to recreate, something London has been well known for since the 19th century. Indeed, it is a unique quality of London experiences that it should strive hard to refine for today's customer.

Jo Malone London is another brand that continues to develop distinctive, experiential offerings that elevate its connection with customers. From its inception, the brand has drawn on British culture and design, taking inspiration from traditional British flowers and fruits – bluebells, peonies, blackberries

and English pears. Even English tea served as the starting point for the limited-edition Earl Grey & Cucumber fragrance.

Two standout examples of this experiential approach include the launch of the limited-edition Raspberry Ripple fragrance, which invited customers to enjoy a nostalgic taste of the great British seaside, recreated on the banks of the River Thames at Jubilee Gardens.

Another example is an exclusive experience created for VIP customers to bring the elusive Wild Bluebell fragrance to life. Guests were taken to a woodland near London to see and smell the flowers in their natural setting, a spectacle that lasts only two to three weeks each year. It was a uniquely immersive and distinctly British experience.

These activations showcase the creativity and imagination that define many of the UK's leading luxury brands and highlight the increasingly inventive ways they are engaging their audiences.



Left
Jo Malone London

Above
Fortnum & Mason

London's luxury hotel boom

Previous editions of Walpole's *The State of London Luxury* report have highlighted the post-pandemic boom in luxury hotels across the capital. According to digital platform The Spaces, in 2025, approximately 757 new luxury rooms are expected to open in Greater London, the largest annual increase since 2014, cementing the capital's position as the leader in the European market.

This growth reflects a broader global trend. According to hospitality research firm CoStar, around 171,000 hotel rooms are currently under construction across Europe, with nearly 250,000 more in various stages of planning. In the Asia-Pacific region, approximately 225,000 rooms are in the pipeline, compared to 140,000 in the Americas. Across the global hotel sector, luxury is outpacing all other categories in terms of growth.

In anticipation of intensified competition, many hotel groups are also investing in refurbishing their existing properties. As a result, the total number of high-end hotel rooms in London is set to reach 21,000.

However, according to Kenneth Hatton, Head of Hotels, Europe, at CBRE, demand is still outstripping supply in London:

“London has extraordinary demand across all the luxury hotel sectors – whether that is ‘Entry level’, ‘Hallmark’ or what we call “True Luxury”. It was Europe’s leading tourist destination pre-pandemic, and it still is. It is estimated that London had over 17 million overnight visitors last year. That’s 4 million more than Paris.”

Kenneth Hatton, Head of Hotels, Europe, CBRE

London's hotel market continues to demonstrate strong operating fundamentals. According to CoStar, the compound annual growth rate (CAGR) for hotel stays in the city is projected at 3.1% between 2024 and 2029. Growth in the luxury hotel segment over the same period is forecast at 0.8%, factoring in new entrants such as Raffles, Six Senses and Waldorf Astoria London Admiralty Arch. Meanwhile, the projected CAGR for RevPAR (Revenue Per Available Room) in the luxury sector is 4.2%.



Current occupancy rates support these positive forecasts, with luxury hotel occupancy averaging around 82%, a return to pre-pandemic 2019 levels.

The strength of the sector has also driven renewed interest from investors. Real estate remains a proven hedge against inflation, and hotels continue to outperform other asset classes. Hotel investment transactions in London doubled in 2024 compared to 2023, reaching their highest level since 2018. CBRE estimates that hotel investment across London and the UK will total £4.5bn in 2025.

One example from the luxury market is where Italian real estate group Gruppo Statuto recently acquired the future Six Senses London for approximately £180mn, equating to around £1.7mn per key.

While the higher cost of debt remains a consideration, London continues to offer liquidity, scale and resilience. The sustained confidence of the investment community reflects how the capital is still viewed across sector: as a glittering jewel in the global landscape.

Several new luxury hotels are set to open in 2025 and beyond, as shown in Figure 23. This growing pipeline highlights not only the breadth of hospitality across the city, including areas beyond Park Lane and Mayfair, but also the diversity of operators. London continues to attract both world-class global chains and distinctive independent brands, a sign of investor confidence in the city's enduring appeal.

Independent hotels, in particular, often thrive in London's smaller 'village' neighbourhoods, where they can sometimes outperform larger chain properties. For luxury visitors, this means a rich variety of experiences across the capital, with exceptional hospitality available in a wide range of settings.

Figure 23: London luxury hotel openings between 2025 and 2030





Room rates obviously reflect demand. Nowhere is this more visible than in the prices for suites. As seen in Figure 24, research conducted by CBRE has revealed the top price for suites in London is more than double that in Paris or Milan.

London continues to attract both *world-class global groups* and *distinctive independent brands*, a sign of *investor confidence* in the city's enduring appeal

FIGURE 24: Average daily rates (ADR) in € for luxury suites in London, Paris and Milan

Source: CBRE Luxury Real Estate Report 2024

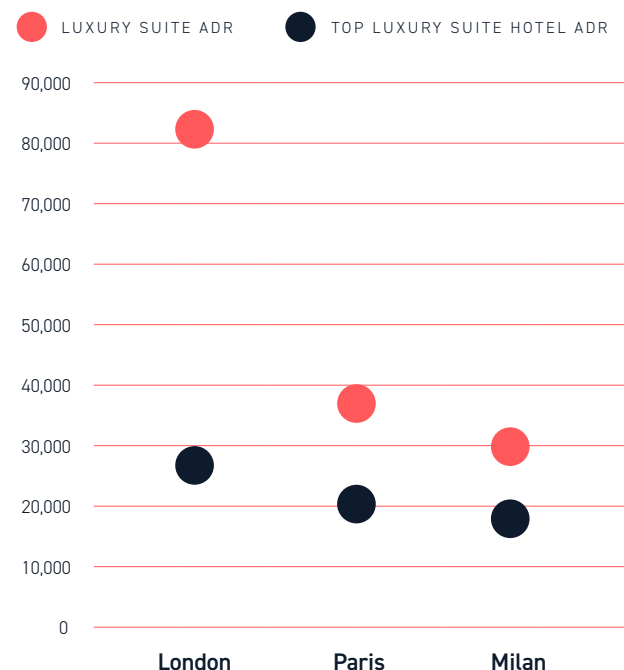
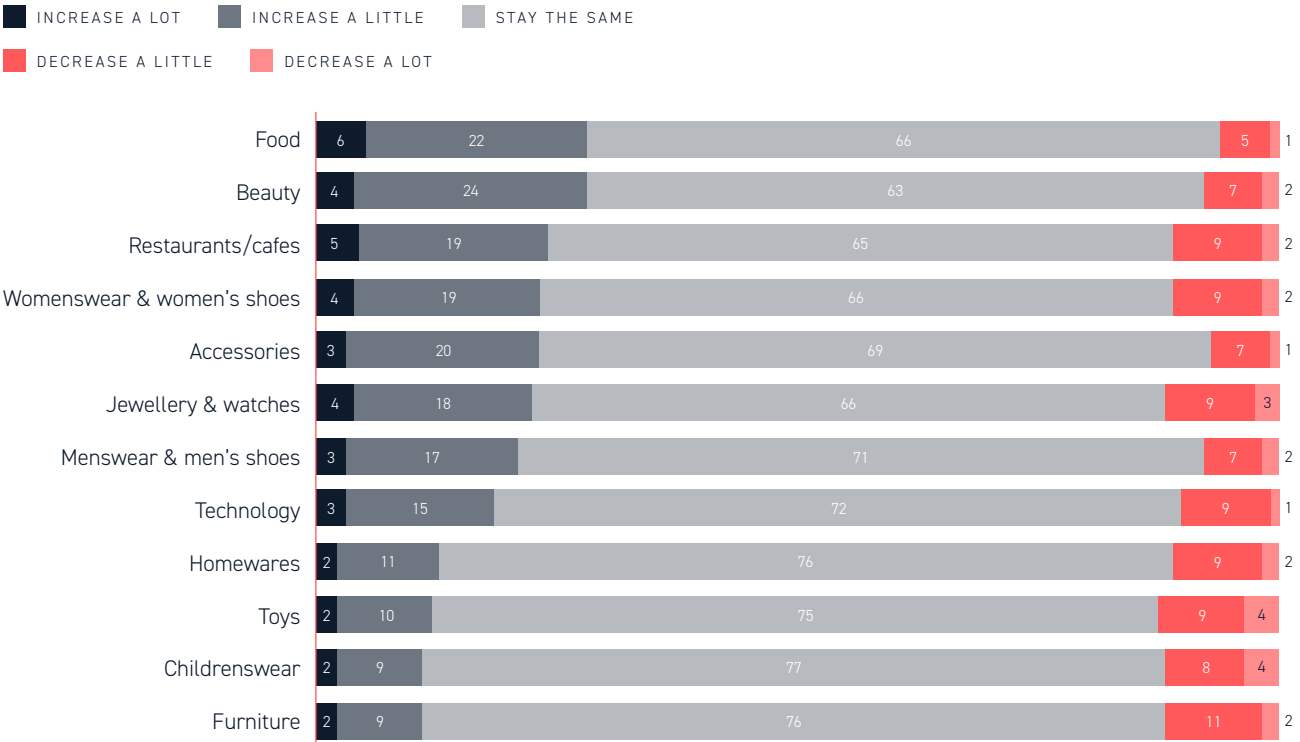


FIGURE 25: How do you expect your spend on luxury products/services to change in the next 12 months across the following categories?

Source: Harrods Winter Visitor Survey, Dec 2024 to Jan 2025



Future consumer spend

As businesses begin planning for 2026, recent 'exit interview' data from leading luxury retailer Harrods provides valuable insight into future spending intentions among luxury consumers.

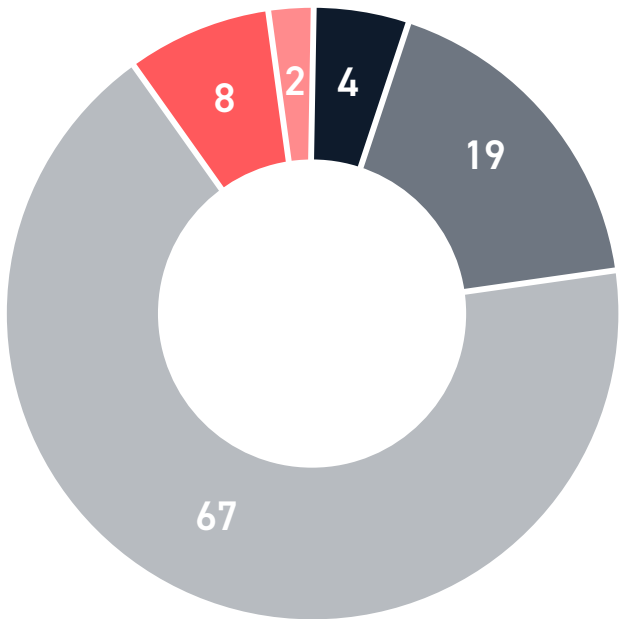
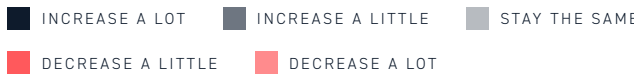
While Bain & Company has forecast steady annual growth of 5-9% in the sector through to 2030, following the current period of adjustment, many brands remain focused on the near term. These Harrods findings are therefore particularly timely and revealing.

The data reflects responses from a broad customer base, comprising 47% UK and 53% international shoppers.

Initial results suggest a customer base likely to increase spending, especially in personal luxury categories such as beauty, fashion and jewellery. As shown in Figure 26, overall market sentiment was net positive at +13 percentage points. While consumer sentiment is always subject to change, these figures offer encouraging signals for UK luxury brands focused on long-term growth.

FIGURE 26: How do you expect your spend on luxury products/services to change in the next 12 months?

Source: Harrods Winter Visitor Survey, Dec 2024 to Jan 2025





Sloane Street

W

Spotlight on
*international
luxury visitors*

Spotlight on *international luxury visitors*

Luxury tourism is a vital cornerstone of London's economy, fuelled by the city's rich heritage, diverse cultural offering, world-renowned events, new five-star hotel openings, Michelin-starred restaurants and iconic retail destinations.

Walpole's 2022 report *What It's Worth: Enabling the Return of the £30bn High-End Tourism Sector* outlines the role that tourism played in Britain's economy pre-pandemic, where tourism, both domestic and international combined, contributed to 4 per cent of GDP and had an overall value of £85bn. £30bn of this value was attributed to 'high-end tourism' defined as those who stay in luxury accommodation including five-star hotels.

These high-end visitors typically spend 14 times more than the average visitor, amounting to around £30bn in economic value. £1 spent by those staying in high-end accommodation in the UK generates £8 of value in other industries, such as culture, entertainment and luxury shopping, which in turn supports the over 450,000 jobs across the UK luxury sector.

In this section, we explore the importance, profiles and attitudes of international visitors to London, drawing on both the latest market data and exclusive insights from our partners and the London Luxury Survey. We also share perspectives from four industry leaders on London's global appeal and their views on the future of luxury tourism in the capital.

In this section, we explore: London's dominance as the world's most visited destination.

- The world's most visited destination
- Tourism – the increasingly critical lever for national growth
- International visitor profiles 2024
- The attraction of culture and heritage
- International shopper insights

The most visited destination

As noted earlier in this report, London continues to outperform other global capitals in luxury goods and this leadership extends to visitor numbers as well. Total air traffic data from ForwardKeys and Amadeus confirms that London remains the most visited destination in the world, with international arrivals up 9% on 2024, as shown in Figure 27.

This upward trend is echoed by Heathrow, which recorded 83.9 million passengers in 2024, a 6% increase year-on-year. Of these, 74.9 million were international travellers. Heathrow also remains the world's most connected megahub and is targeting a further increase to 84.2 million passengers in 2025.

FIGURE 27: London is the world's most visited destination, increasing its lead by 9% in 2024

Source: Forward Keys / Amadeus 2024

	Rank – Total Visitors 2024	% Yr/Yr 2023/24
1	London	+9%
2	Bangkok	+30%
3	Tokyo	+36%
4	Paris	+4%
5	Dubai	+5%
6	Barcelona	+15%
7	Rome	+15%
8	Cancun	-1%
9	New York	+9%
10	Singapore	+20%

Tourism – the increasingly critical lever for national growth

With tourism contributing at least 10% of GDP, it remains a powerful engine for the UK economy. VisitBritain forecasts a 4% rise in visitor numbers to 43.4 million and a 7% increase in spending, reaching £33.7bn in 2025.

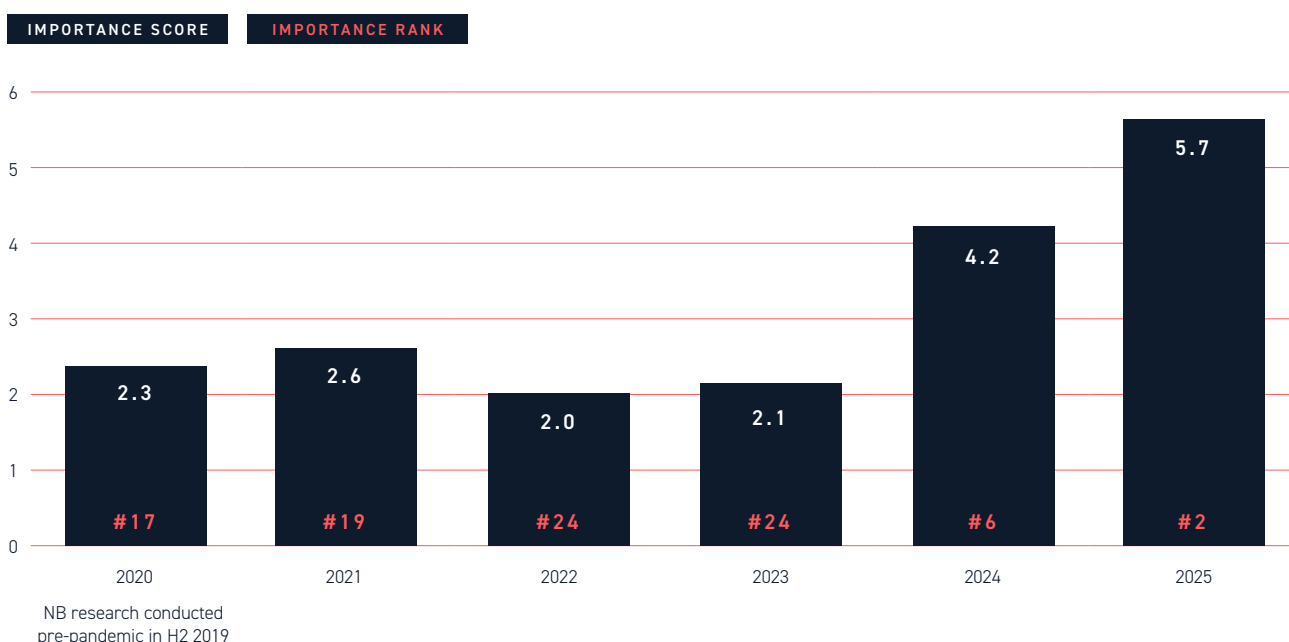
New analysis now demonstrates even more clearly the importance of being both a top tourist destination and attracting all types of visitors. It makes sense that positive tourism encourages economic engagement through familiarity. Global consultancy Brand Finance's Soft Power Index is an international study that measures the factors that drive countries' familiarity, reputation and influence. Each factor

is given an "importance score". As detailed in Figure 28, the importance score of being "a great place to visit" has almost tripled over the last five years, meaning it now ranks as the second most important factor in shaping a country's national reputation, behind only "a strong and stable economy". In 2020, "a great place to visit" placed 17th. This dramatic shift is especially noteworthy given that the data was collected before the pandemic, at the end of 2019 – providing a strong baseline for comparison with 2025. During the travel lull of 2021 and 2022, tourism's influence declined further, as expected.

As global travel resumed, tourism demonstrated its ability to drive long-term economic growth and elevate a nation's global standing, both closely tied to a country's reputation and attractiveness. With London playing a leading role in the global resurgence of travel, now is the time to harness this reputational strength and translate it into sustained economic value.

FIGURE 28: The importance of being 'A great place to visit' has now risen to be the second most important driver in shaping national reputation

Source: Brand Finance, Soft Power Index 2025



In the age of social media, London's cultural richness, world-class hospitality and visual splendour are amplified across global platforms. Every shared experience helps shape a wider, more positive narrative, one that continues to attract attention, admiration and international visitors.

The UK now ranks third in the overall Soft Power Index, behind only the US and China. Its strong reputation as a desirable destination is a key factor in securing this position.

According to the UN World Tourism Barometer, most countries have returned to pre-pandemic tourism levels as of 2024. The organisation also forecasts continued global growth of 3% to 5% in 2025. However, with new destinations

entering the market and promoting themselves heavily, the competition for international visitors is intensifying.

This increased pressure was clearly reflected in this year's London Luxury Survey. Nine in ten respondents agreed that London now faces much tougher global competition in the luxury sector. An equal number also felt the city must develop new competitive advantages to maintain its leadership position. Profiling and understanding international audiences is therefore more important than ever – a topic explored in greater detail in the next section.



Chelsea in Bloom

International visitor profiles

While the data below from VisitBritain reflects all tourists, not just those in the luxury segment, it still offers valuable insight and directional guidance. Figure 29, which outlines the top 10 visitor markets, shows that growth in both volume and spend is being driven primarily by the US. It also confirms that our European neighbours continue to represent the majority of inbound visitors, while Asian markets have yet to return as a significant force.

For the luxury sector, the trends align with earlier observations on the growth of wealth in the US.

The UK's current appeal to American travellers provides a strong basis for confidence in the short to medium term. Although the dataset is not adjusted for inflation, the increase in spending from US visitors indicates real growth. France, Spain and Germany are also seeing growth in both visitor numbers and spend, reinforcing the strength of these key markets. Notably, there is also a welcome return of long-haul travellers from Australia.

It is important to remember that while these figures reflect overall tourism growth, luxury visitors generate a significantly outsized impact. According to data from Walpole, ECCIA, and Bain, for every £1 spent by high-end visitors, £8 of value is created across the broader economy.

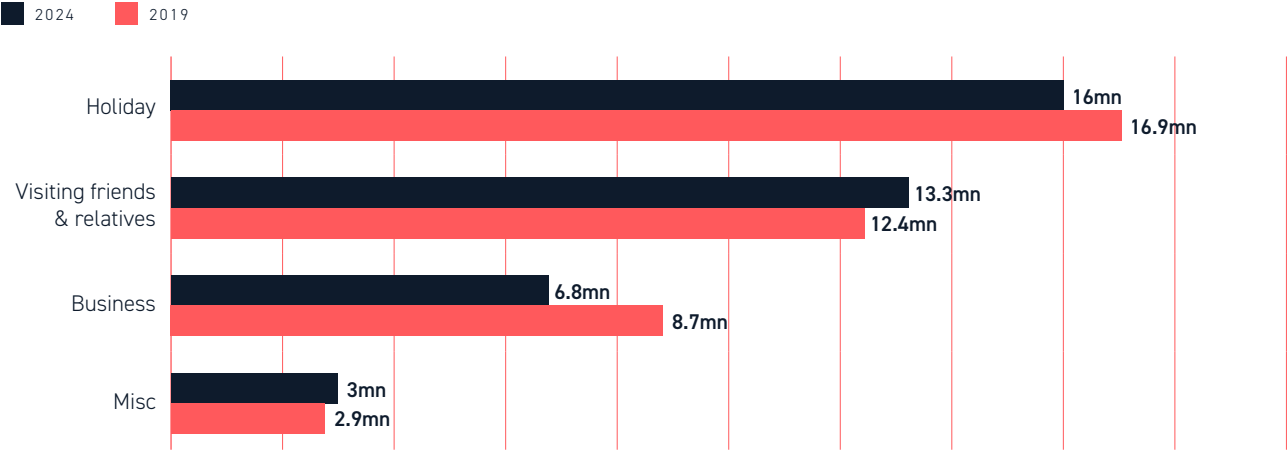
FIGURE 29: Top 10 markets for international visitors in 2024.
USA drives growth in volume and spend, alongside France and Germany

Source: VisitBritain 2025

VISITS	2024 (000'S)	% CHANGE V 2019	% CHANGE V 2023	SPEND (£MN)	% CHANGE V 2019	% CHANGE V 2023
USA	5,585	+24%	+9%	£7,264	+74%	+16%
Germany	3,342	+3%	+13%	£2,092	+33%	+14%
France	3,611	+1%	+14%	£1,971	+41%	+21%
Irish Republic	2,938	+3%	+2%	£1,046	+9%	-15%
Spain	2,559	+10%	+16%	£1,365	+40%	+28%
Netherlands	1,968	-1%	0%	£1,170	+47%	+5%
Italy	1,871	-15%	+10%	£1,100	-1%	+13%
Poland	1,452	-12%	-11%	£390	-22%	-17%
Australia	1,227	+15%	+5%	£1,665	+42%	+4%
GCC	1,036	-14%	-4%	£2,221	-15%	-9%

FIGURE 30: Reasons for visiting the UK have not changed significantly since 2019, apart from a decline in business visitors, though this has been climbing year-on-year from 2022

Source: VisitBritain 2025



Looking at the forecast from China, VisitBritain anticipates 827,000 visits from Chinese travellers to the UK in 2025, an increase of 46% on 2024. Visitor spending from this group is projected to reach £1.6bn, up 77% year-on-year. Meanwhile, spending by Americans is forecast to be up 9% on 2024 to a record £6.7bn this year, meaning that almost £1 in every £5 of inbound visitor spending in the UK is by US visitors.

In the luxury sector, some travel advisors report that trips costing \$150,000 or more are becoming increasingly common, driven by rising travel costs and greater spending power among affluent travellers. Illustrating the scale of this trend, global luxury travel network Virtuoso reported an 81% year-on-year surge in bookings of \$150,000 or more made in 2024 for travel in 2025 and 2026 compared to the same period in 2023.

The main reasons overseas visitors choose to travel to the UK have remained largely consistent since 2019. As shown in Figure 30, holidays continue to be the primary purpose of the

visit, accounting for 16 million trips (41%). Visiting friends and relatives (VFR) also remains a major driver, reaching a record 13 million visits (34%) in 2024. Business travel has been slower to recover but is steadily rebounding, with both 2023 and 2024 recording a 6% increase in business trips. While the data does not specify destinations, it is reasonable to assume that London featured prominently in most of these itineraries.

Whatever the reason for travel, London remains the dominant destination, with over half of all UK visits including the capital. It has also recovered more quickly than the rest of the UK since 2019 (Figure 31). While overall visitor volumes have not yet fully returned to pre-pandemic levels as can be seen in Figure 32, spend in London reached a record £17.3bn in 2024.

However, it is important to note that, due to cumulative inflation of 24% between 2019 and 2024, this figure does not represent real-terms growth in visitor spending.

FIGURE 31: London's recovery has been quicker than the rest of the UK. London also receives a little over half of all visits

Source: VisitBritain 2025

VISITS (000)	2019	2023	2024	% CHANGE V 2019	% CHANGE V 2023
London	21,714	20,277	20,945	-4%	3%
Rest of England	16,930	15,231	15,537	-8%	2%

FIGURE 32: Whilst London has not fully recovered in overall visit volume, visitors spent a record £17.3bn in London in 2024 (in context of growth, inflation should be considered)

Source: VisitBritain 2025 / International Passenger Survey ONS 2024

SPEND (£MN)	2019	2023	2024	% CHANGE V 2019	% CHANGE V 2023
London	£15,700	£16,697	£17,287	10%	4%
Rest of England	£9,051	£9,893	£9,827	9%	-1%

The attraction of culture and heritage

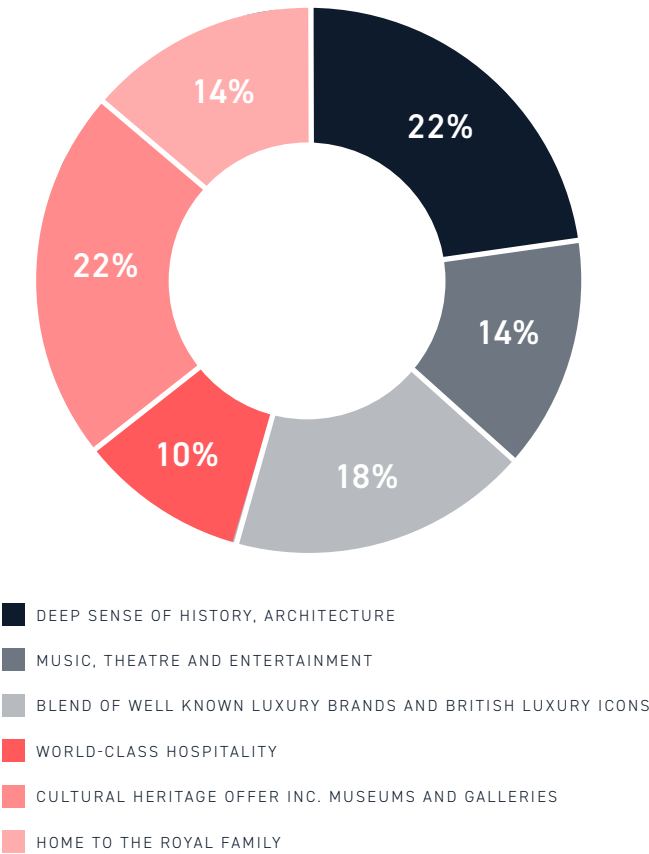
In the *London Luxury Survey*, respondents drawn from Walpole members and luxury retailers on the Cadogan Estate identified London's cultural offering as the leading factor in its success as a global luxury capital. This cultural appeal, combined with the depth and diversity of both established and emerging luxury brands, creates a compelling draw for international HNWIs, as seen in Figure 33.

London's *cultural appeal*, combined with the depth and diversity of both *established and emerging luxury brands*, creates a compelling draw for HNWIs

FIGURE 33: London's cultural and historical offerings are perceived as the leading drivers for affluent international visitors

Q: What, in your opinion, are generally the most important factors that draw affluent international visitors to London (and the UK)?

Source: London Luxury Survey 2025



London's cultural heritage delivered through its world-class museums, galleries and historic landmarks, is thriving. As shown in Figure 34, 17 of the UK's top 20 tourist attractions are in London. Many of these hold particular appeal for HNW visitors, and the breadth and diversity of these institutions explain why so many choose to return.

At the top of the list is the British Museum, which remains one of the three most-visited museums in the world. London also boasts more museums in the global top 20 than any other city. In addition, the capital is home to four UNESCO World Heritage Sites: the Palace of Westminster and Westminster Abbey, the Royal Botanic Gardens at Kew, Maritime Greenwich and the Tower of London – again, more than any other city.

London's cultural
calendar is filled with
extraordinary and
unique experiences all
year round



British Museum

© The Trustees of the British Museum



FIGURE 34: 17 of the top 20 UK tourist attractions are in London

Source: Association of Leading Visitor Attractions 2024

RK	SITE	TOTAL VISITS	% +/-	RK	SITE	TOTAL VISITS	% +/-
1	British Museum	6,479,952	11%	16	Royal Albert Hall	1,753,371	5%
2	Natural History Museum (South Kensington)	6,301,972	11%	17	Westminster Abbey	1,717,296	8%
3	The Crown Estate, Windsor Great Park	5,670,430	3%	18	National Portrait Gallery	1,578,065	36%
4	Tate Modern	4,603,025	-3%	19	Barbican Centre	1,541,194	17%
5	Southbank Centre	3,734,075	17%	20	St Paul's Cathedral	1,493,184	0%
6	V&A South Kensington	3,525,700	13%	21	Stonehenge	1,363,252	3%
7	The National Gallery	3,203,451	3%	22	British Library	1,361,002	-2%
8	Somerset House	3,074,736	13%	23	Windsor Castle	1,336,015	-3%
9	Tower of London	2,902,385	4%	24	Riverside	1,301,989	1%
10	Science Museum	2,827,242	-4%	25	London Zoo	1,239,133	-6%
11	National Museum of Scotland	2,314,974	6%	26	Tate Britain	1,226,872	12%
12	Kew Gardens	2,273,976	15%	27	Kelvingrove	1,182,204	-9%
13	Royal Museums Greenwich	2,255,753	-11%	28	RHS Garden Wisley	1,104,362	-19%
14	National Galleries Scotland: National	1,999,196	9%	29	Roman Baths and Pump Room	1,075,143	1%
15	Edinburgh Castle	1,981,152	4%	30	Royal Botanic Garden Edinburgh	1,041,767	0%



Many of these cultural institutions offer exclusive experiences tailored to HNW audiences, including private tours with expert guides and early or late, behind-the-scenes access. New luxury experiences are continually being developed, such as the 'Proposal Tour' at the Royal Ballet and Opera House, where guests can propose in the Royal Box as part of a bespoke romantic experience.

Beyond the traditional attractions, London continues to evolve and expand its cultural offering. These additions showcase the city's progressive role in global culture and its ability to engage an increasingly diverse HNW demographic. For example, *Vogue: Inventing the Runway* at Lightroom, narrated by Cate Blanchett, explored the evolution of the fashion runway from early-20th-century salons to today's spectacular pop culture-defining moments.

Meanwhile, the Saatchi Gallery's *Flora in Contemporary Art & Culture* explored floral symbolism from the Renaissance to the present day, including immersive works by artists including Rebecca Louise Law, known for her hanging installations made from dried flowers. The exhibition also connected themes of flora to fashion and jewellery, reinforcing the dynamic intersection of culture, art and luxury that defines London's appeal to the global luxury traveller.

London is filled with such extraordinary and unique experiences all year round. Cadogan Estate's Chelsea in Bloom free floral festival, coinciding with the RHS Chelsea Flower Show, is now an annual event.

In addition, new for 2025, Cadogan's Chelsea Arts Festival will be certain to bring diverse customers to the area. As the destination partner of Frieze, Sloane Street will showcase a curated Arts Trail in a perfect example of collaboration across culture, luxury and place.



2025 also saw the opening of the glittering, sell-out Cartier exhibition at the V&A, another unique spectacle that will undoubtedly attract luxury clients from all over the globe.

Alongside the success of UK museums and galleries, theatre in London's West End delivered a strong performance in 2024, with 17 million tickets sold, matching its 2023 record and exceeding pre-pandemic levels by 11%. International visitors accounted for nearly 25% of the audience, underlining their vital contribution to the UK's cultural economy.

London distinguishes itself globally by offering not only internationally recognised productions like *Hamilton*, but also exclusive performances from institutions such as the National Theatre, the Royal Shakespeare Company and The Old Vic – many of which do not transfer elsewhere. According to new data, nearly five million more people attended shows in the West End last year than on New York's Broadway.

Indeed, the number of people visiting a West End show has jumped 11% since pre-pandemic levels, with over 17.1mn theatregoers attending a London theatre in 2024. This makes London's West End the world's leading destination for theatre and performance.

Adding to the theatrical offering, the globally renowned Cirque du Soleil is set to establish a permanent home on Shaftesbury Avenue – one of only a few such locations worldwide.



International shopper insights

In the London Luxury Survey, as seen in Figure 33, respondents identified the city's blend of iconic and emerging brands as a leading factor in London's success as a global luxury capital and a particularly important draw for international shoppers.

Data shared by Harrods from its Rewards card database reveals insights into when visitors spend and buying preferences by nationality. Figure 35, below, demonstrates the importance of womenswear and jewellery overall. Though the Chinese market is particularly focused on accessories, the GCC index highly for childrenswear and, alongside the US, for beauty products.

FIGURE 35: Top lifestyle categories by nationality – colour blocks denote overindex to average

Source: Harrods Rewards Card 2024

CHINA	GCC	US	EU	ROW
Accessories	Womenswear	Womenswear	Womenswear	Womenswear
Womenswear	Fine Jewellery	Fine Jewellery	Fine Jewellery	Fine Jewellery
Fine Jewellery	Accessories	Accessories	Accessories	Accessories
Fine Watches	Beauty	Beauty	Menswear	Menswear
Menswear	Menswear	Fine Watches	Fine Watches	Fine Watches
Beauty	Fine Watches	Menswear	Beauty	Beauty
Food	Home	Home	Home	Home
Home	Childrenswear	Food	Food	Food

The patterns and uniqueness of each nationality are clear as is their preference for tailored exclusivity. For example, despite the broader headwinds for Chinese customers and the fact they remain highly price-sensitive, culturally relevant experiences continue to resonate strongly. This year Harrods offered a New Year celebration of emerging Chinese design talent for the Year of the Snake, including a family portrait photoshoot. The latter was especially popular, with all 200 public slots selling out within an hour of launch, highlighting yet again the power of exclusive, unique experiences.

Asian audiences have yet to regain their 2019 peak, but in 2024 Chinese visitors to the UK increased 27% year-on-year, a higher increase than any other nation. Indeed, the forecast for 2025 by VisitBritain suggests they will return to be the fifth largest visitor market, and worth at least £1.6bn to the economy.

According to data from VisitBritain, Chinese tourists to the UK are – compared to visitors from other markets – more likely to visit London, spend more and stay longer. Recovery in traveller numbers since the pandemic has been gradual, but projections for 2025 expect a recovery to 827,000 visitors – approximately 90% of 2019 levels, and crucially to 95% of the 2019 spend.

While the VisitBritain data includes all Chinese tourists, Chinese specialist marketing agency Tong Global has explored the

attitude towards the UK and its attractions among a group of luxury travellers in July 2025, in an exclusive report for Walpole.

The panel comprised more than 200 Chinese travellers, with \$10,000+ trip budget (excluding flights), currently residing in mainland China and who plan to holiday in London in the next 12 months.

Echoing the results of our own London Luxury Survey, London's varied retail scene, vibrant history and culture, selection of world-class hotels and dining locations are all attractions for visitors. They are also much less reliant than hitherto on travel agents, instead conducting independent research online through travel sites and social media.

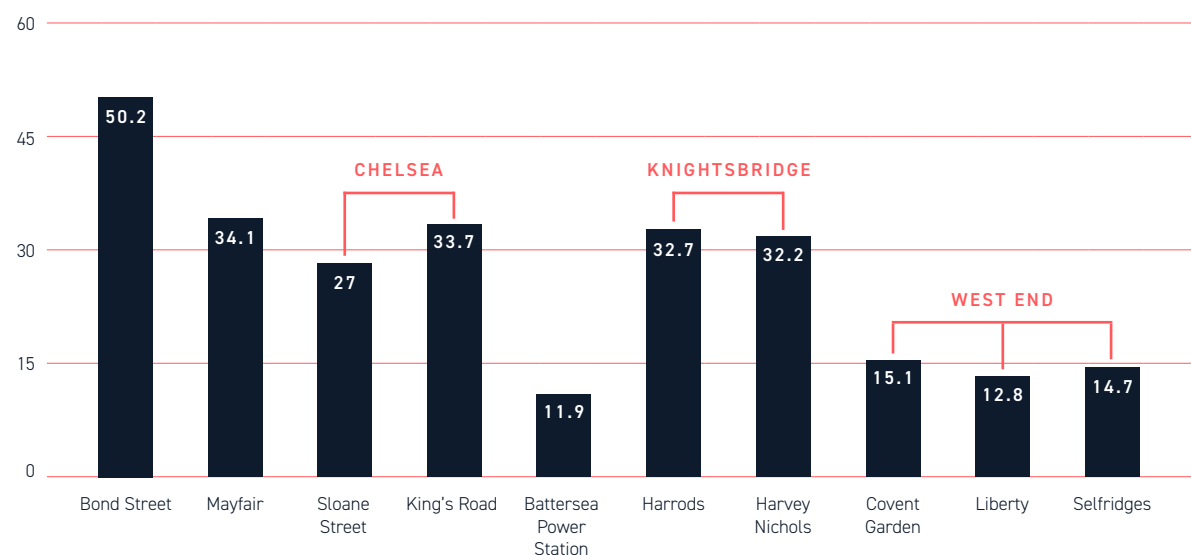
When asked to rank their top three plans for their trip to London, it's no surprise that visiting both museums and historical landmarks scored highly, at 40% and 62% respectively, but by far and away the highest motivator was shopping – with 76% of respondents including it in their top three. In a separate question, 97% of the group said shopping was either important or very important to them when choosing their travel destination.

Thinking about the different shopping destinations, locations include Bond Street (50%), Sloane Street (27%) and King's Road (33.7), and major department stores Harrods and Harvey Nichols (both 32%).

FIGURE 36: Most favoured London retail destinations by affluent Chinese tourists

Q: Which luxury retail destination(s) are you likely to visit during your trip?

Source: Tong Global 2025





Photography by Warren Dupuy



Top, left
Sloane Street

Above
Bond Street

Left
Knightsbridge

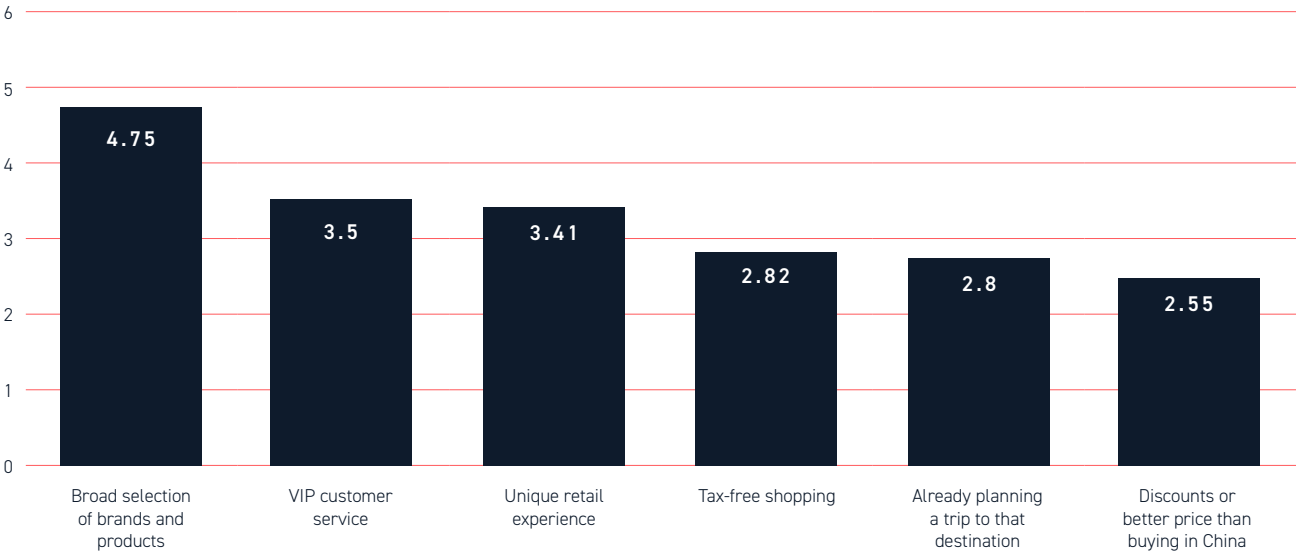
As we have highlighted throughout this report, curation of brands and products, unique retail experiences and VIP programmes are critical to the luxury customer. The data in the Tong Global study bears this out. When asked to rank factors affecting their choice of retail destination (Figure 37), respondents agreed that the breadth of brand and product choice was the most important factor – scoring 4.76 (out of a maximum 6), with VIP services the next most important factor, scoring 3.5. Discounts and special offers were ranked in last place at 2.55, with fewer than 20% of respondents citing it as either their primary or secondary motivation. Tax-free shopping remains important – with 24% placing it first or second in the ranking.

Curation of brands and products, unique retail experiences and VIP programmes are critical to the luxury customer and London's appeal

FIGURE 37: Chinese tourists consider brand and product offer most important factor when choosing a shopping destination

Q: Which factors are most important when choosing a luxury shopping destination? Please rank them from 1 to 6

Source: Tong Global 2025



The panel were also asked which VIP experiences they would be prioritising on their trip. The priority for visitors is fine dining – with more than four in five looking for that special Michelin experience. Private tour guides, by-appointment shopping experiences and spa experiences are also being sought out.

UK luxury brands targeting this market may also be interested in understanding the platforms used by the high-

end Chinese tourist when selecting destinations and services. While platforms such as WeChat may be well known as being core to ecommerce customer journeys in mainland China, the Tong Global study not only details some of the more specialist platforms used by Chinese luxury tourists in planning their UK trip, but also the level of importance ascribed to them. As Figure 39 details, of the list provided, Douyin is used most widely, but they perceive RedNote to be the most influential single platform.

FIGURE 38: Which luxury VIP experiences will you prioritise on your next trip to London?

Source: Tong Global 2025

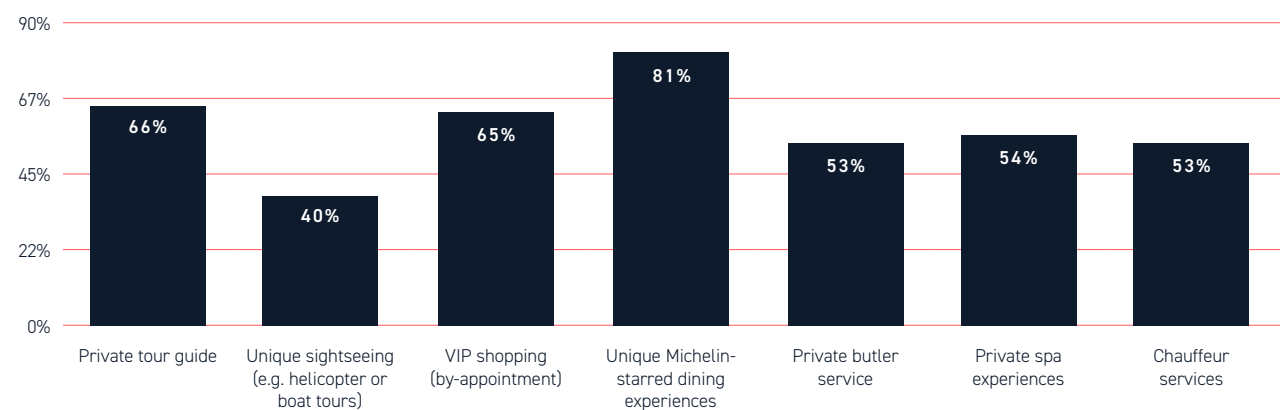
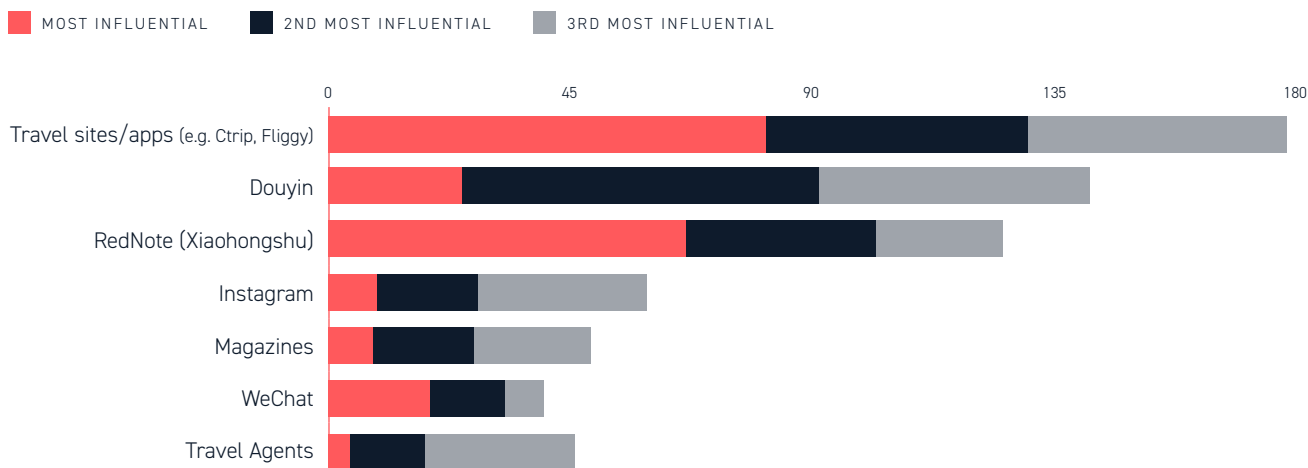


FIGURE 39: Of all the platforms used by Chinese visitors to London, RedNote is the most influential, though Douyin is used most widely

Source: Tong Global 2025 / 200+ Affluent Chinese Tourists to London in 2025



Jack Porteous, Commercial Director of Tong, also offers this advice to UK brands wishing to engage Chinese luxury customers:

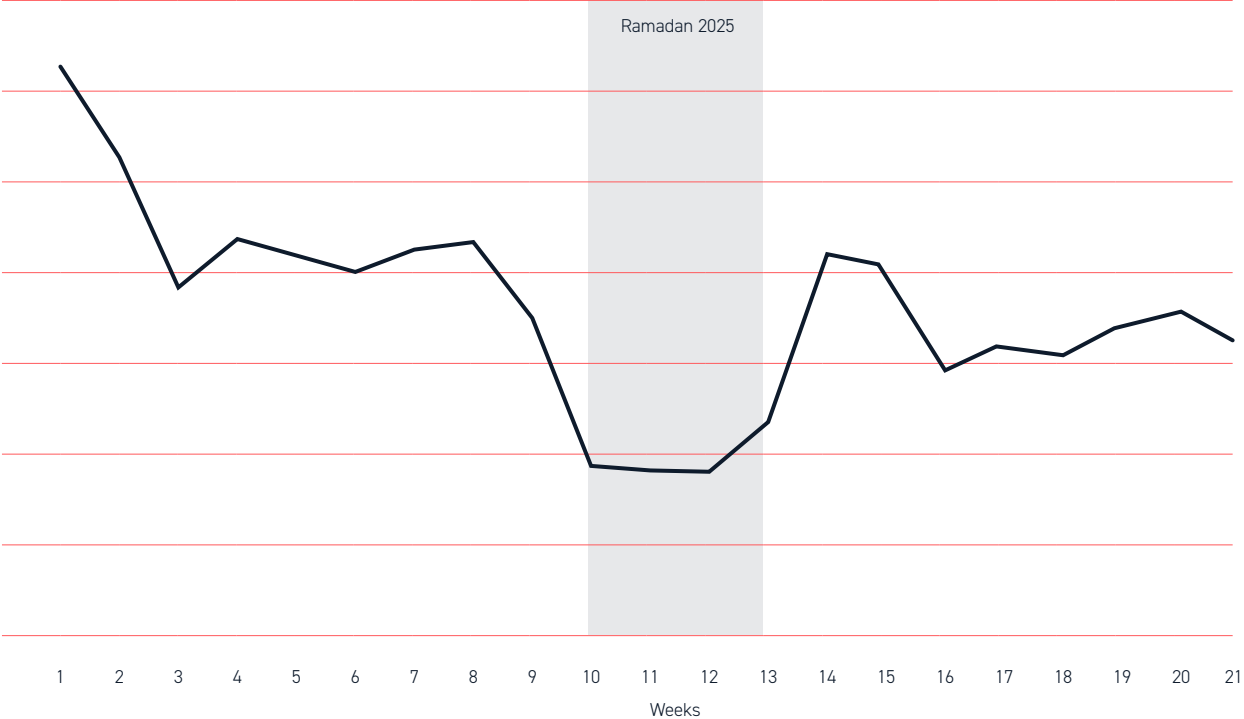
“We occasionally find some brands using the automatic translation options on the main platforms for global online campaigns. Using global platforms also potentially sometimes feels more efficient. However, particularly in China, automatic translation often emerges as stilted and awkward to the Chinese luxury tourist. And there is sometimes a lack of knowledge among luxury brands in the UK about the usage of these local platforms. We would argue it is even more critical for a luxury brand to ensure its message is delivered with clarity, and with exactly the right tone.”

The priority for visitors is *fine dining* – with more than four in five looking for that *special Michelin experience*

Thinking now about the Middle Eastern customer, the Harrods data in Figure 40 reveals the clear seasonality of their spend. Outside the Ramadan period, there is high engagement throughout the year. Within the Harrods customer base, 57% fall within the 31-50-year-old group. They also prefer to dine in the store more than other groups – 44% enjoy this, particularly preferring midweek dining.

Unlike the Greater China customers who typically focus their spend on select super brands, GCC customers spread their spend more widely.

FIGURE 40: Seasonality of GCC* markets' expenditure at Harrods
 Source: Harrods Rewards Card



*Gulf Cooperation Council countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates



Most industry reports, including those from VisitBritain, expect continued growth in US visitor numbers in 2025. This is driven by high disposable income among aspirational middle- and upper-class consumers, as well as the expanding population of UHNWIs across the country. Retail footfall and 'superbrand' sales also see noticeable spikes during peak US travel periods, notably for the UK's summer season as well as events such as the NFL London Games.

While exclusive offerings and unique experiences as outlined in the report help mitigate the impact of the absence of tax-free shopping, sales data from the brands highlights just how much the UK is losing out to its European neighbours. The UK's recovery in high-end visitor spending in 2024 lags significantly behind France, Italy and Spain where tax-free shopping is on average up 154% compared to 2019, whereas the UK is nearly 80 percentage points behind those, at only 79%.

To support the UK's tourism offer and the country's appeal to high-end spending international visitors, this report covers a set of recommendations, covered in depth in the 'Building future success' section on page 53.

In summary, these first sections of this year's report have highlighted the extraordinary consistency of the performance of our capital and its luxury offer: how it can withstand market or political headwinds and focus on what it does best. That is to deliver a level of excellence across all luxury sectors, with such creativity, energy and vitality that makes it not only world-class but world beating: from culture to wellness; from art to retail; from residences to experiences, London offers something that is truly unique.

In the next sections of the report we will hear from some of the most experienced voices in UK and international luxury, not only about how we keep attracting wealthy visitors and keep residents satisfied, but how we use our leverage and influence to grow all sectors of luxury further and faster. The report also looks to the future and the necessary policy recommendations that will build on London's current strength and how its offer can be strengthened through a high-end tourism strategy.

London delivers a *level of excellence* across all luxury sectors with such creativity, energy and vitality that makes it *not only world-class but world beating*



Church's.
Jermyn Street

KATHRYN SARGENT

LONDON BESPOKE TAILORING EDINBURGH



W

Building
future success

Building *future success*

The range of factors that make London a leading luxury destination, both for international visitors and longer-term residents, is explored throughout this report. Consumers, brands and investors all value the fundamental strength of the UK and London's economy and society.

However, there remains a risk of London becoming less competitive, as the challenging policy landscape of recent years becomes more embedded. Luxury is a vital £81 billion contributor to the UK economy. While London serves as the shop window, the engine room of luxury production is almost entirely regional, with the British luxury sector supporting over 450,000 high-quality jobs across the country.

There are a series of recommendations and policy changes that would strengthen luxury London's ecosystem and its ability to drive growth and prosperity for the entire UK.

ECONOMIC AND POLITICAL LANDSCAPE

An underappreciated part of the appeal of London and the UK remains its strong commitment to the rule of law, political stability and ease of doing business. While there have been challenging headwinds for the UK, it remains a beacon of stability in an era of geopolitical uncertainty. It is essential that policymakers recognise the fundamental importance to investors and businesses of this stability. Commitments such as the Government's Corporate Tax Roadmap help provide business and investors with the certainty they need to make long-term decisions about the UK.

However, the impact of recent changes to Employer National Insurance Contributions and other tax changes has been felt by luxury brands and has raised questions about the risks to the business climate in the UK.

As such, further tax rises on business in the Autumn Budget would be detrimental to the ability of businesses to

drive growth. Between 2017 and 2022, despite significant headwinds, the UK luxury sector grew on average by 11% a year. However, recent tax changes have made the landscape more challenging and business needs reassurance about the Government's future plans.

In particular, its intention this autumn to reform business rates, which could see premises with a rateable value over £500,000 charged even more would harm London's place as a leading luxury hub and could deter the kind of investment London has benefitted from in recent years.

VALUE OF TOURISM

Tourism and high-spending visitors are central to the luxury business model as evidenced throughout the report. According to recent Bain & Company research on behalf of the European Cultural and Creative Industries Alliance (ECCIA), across Europe the high-end and luxury sector acts as a catalyst attracting high-spending tourists, representing up to 25% of total tourism-generated value.

The value of this market is significant, with Walpole research showing that in the UK high-end visitors spend 14 times more than the average, and that for every £1 spent by those staying in high-end accommodation, £8 of value is generated in other industries such as culture, entertainment and retail.

The Government should use its Visitor Economy Action Plan, due to be published this autumn, to create a strategy for how the UK could attract these economically critical visitors through targeted tax incentives, the promotion of the UK overseas, reforming visas and a range of other mechanisms. Currently, however, London is losing out on this significant economic prize as travellers are increasingly shopping in Paris, Milan and Madrid instead of London. For example, sales data from brands and Global Blue shows that the UK's recovery in high-end visitor spending in 2024 lags behind France, Italy and Spain which are on average up 154% compared to 2019, where as the UK is nearly 80 percentage points behind at only 79%.

If London and the UK are to grasp this opportunity, then introducing a new VAT Retail Export Scheme that allows travellers to shop VAT free is essential. Research suggests that such a scheme would drive £4.2bn in additional GDP and generate £340mn for the Exchequer. The UK is currently uncompetitive compared to mainland Europe, where such a scheme exists and is highly valued by international visitors.

PROMOTING THE UK OVERSEAS – DEVELOPING A HIGH-END VISITOR STRATEGY

The loss of the UK's tourism incentive scheme offering tax-free shopping to international visitors has hampered the UK's competitiveness.

There is also a broader challenge as the UK's international competitors are not only offering incentive schemes but are also investing heavily in promoting their tourism offer internationally, further putting the UK at a competitive disadvantage in terms of tourism landscape.

The UK must follow suit and properly fund tourism promotion activities on both a national and regional level, with a specific focus on high-spending international travellers. Likewise, it must work with tourist-focused businesses such as high-end hospitality and retail to ensure that its activity is reflective of wider narrative about the UK that these businesses are including in their marketing.

Finally, if it is to be truly effective, the UK's tourism promotion work should work with the business community to ensure that the UK secures as many opportunities as possible when seeking to bring major events such as global conferences, cultural events and other such unique moments to London.

CRIME AND SAFETY

A crucial part of promoting the UK to international visitors is to ensure that London not only is a safe and low crime city, but feels like one. The viral nature of social media stories about crime in London has the potential to harm our

international reputation and requires a concerted effort to counteract.

Likewise, policymakers must recognise the nature of crime is changing, and that specific types of crime, such as phone and watch snatching requires a robust approach from law enforcement.

Walpole fully supports the High Streets UK recommendations to fight this kind of crime, including:

- Ringfencing policing uplift in and around flagship high streets
- Developing a clear plan for criminal justice system reform, including strengthened provisions around Criminal Behaviour Orders
- Building a coordinated, nationwide multi-agency approach to tackling organised crime
- Piloting a standardised, nationwide framework for businesses to report crime

ACCESS TO TALENT

Luxury hospitality and retail require a highly skilled workforce, and luxury brands invest heavily in training and development of their people to ensure that they can provide the bespoke service the customer expects.

However, given the Anglo-European nature of the luxury sector, access to European workers would bring significant benefits to both businesses and UK workers alike, as they can learn new skills and practices from their EU counterparts.

This allows accelerated development of the high-skilled workforce necessary to deliver luxury products and experiences. As such, we welcome the Government's commitment to secure a Youth Mobility Scheme with the EU. In order for business and the UK workforce to maximise the benefit of this, it is essential that the length of visa is two to three years rather than just 12 months.



W

Expert
voices



Michael Ward

Managing Director, Harrods

Why do you think London is still captivating for the international luxury visitor?

London is one of the truly international capitals of the world. And over the past 20 years in every category it has significantly upped its game – whether that is food, the arts or hospitality. Every aspect of London has improved to an extraordinary quality. It is *the* destination. Visitors come because we have the best opera in the world, we have the best restaurants, art galleries and exhibitions. This is the soft power that London offers to support Great Britain and our industry.

How important is the multicultural nature of London to international visitors?

You can hear seven different languages when you get on the tube in the morning. That is what the international visitor really loves. A meld of people. And it perfectly reflects where we are in the world geographically – where we sit between America, the Middle East, Africa and Asia. London is at the centre.

How do you serve the international luxury shopper?

We know from Walpole and Bain's research that a luxury shopper is eight times more important to the economy than a normal shopper. We should be upfront about targeting them. And providing items in London they can't get anywhere else. Why will they come to London? Because they get the most brilliant products of all the international brands in the world.

When we work with brands at Christmas – like Loro Piana last year – we agree a period of worldwide exclusivity on the product, which brings everybody to London. Last summer in the midst of the Middle East season, we had the worldwide exclusive for one month of the Francis Kurkdjian prestige Dior fragrances.

Another huge factor is curation. I look at what we have done for the summer to change the profile of our products for the international visitor, and it is enormous. We curate our products all the time, so it's always relevant to that target customer, at that point in time, in that season.

How have you used tech and AI to serve the international luxury shopper?

We have invested heavily in the single view of the customer. We are also unique in the luxury world in having so many touchpoints with our customers. Chanel will know what they sell to a woman in perfume, apparel and accessories.

But I know their lives. I know whether they also buy childrenswear, homeware, beauty and whether they buy for their husband. And if they don't buy from us, we can look at their signifiers of wealth. So, if you came in and spent £3,000 on Loro Piana children's cashmere, we can analyse what other people who spent the same on the same product spend elsewhere.



We now have a strong AI programme across the business, which we started two seasons ago. One application was to optimise our sizing and product range. We don't buy to normal distribution anymore. Nationalities differ by body shape and size and each nationality also favours different brands.

So, we looked at our historical buying and using AI looked at the ordering. Because we time stamp transactions, we could see the potential revenue difference if we had ordered correctly. We now do this by brand by category. Now, when the customer comes to the brand, the size they need is there ready for them. It has had an amazing effect on sell through. At the end of the season, we have reduced the stock we need to discount.

You have to be *unique and distinctive* in this market. That is what luxury shoppers expect

What advice would you give luxury brands in London now?

You have to be unique and distinctive in this market. That is what luxury shoppers expect. In retail, I think too many brands are still thinking of themselves as a shop. And if you sell the same product you sell in 20 different countries, you will fail.

If you walked into our new Schiaparelli rooms, it is a jaw-dropping experience. The ceiling and the walls of the room with jewellery are actually foiled gold.

And you have to be single minded. About ten years ago we decided we were going to own luxury perfumery in the UK. Now, of bottles sold for £150 and above, Harrods sells 50% of the UK volume. We managed to do this because we created the most beautiful unique boutiques for all the master perfumers. We created the Salon de Parfums. People thought we were mad putting it on the fifth floor. It is now one of our most successful categories.

How confident are you about London's future as a leading global luxury hub?

I am confident London luxury is resilient to anything anyone throws at it. We should celebrate London, not give ourselves caveats. It is a diamond we need to show off. But while I think we could do more of that across the industry, I actually think we are in very good shape.



Nicola Butler

Owner and Managing Director, NoteWorthy

How has the international luxury visitor profile changed? And what has that meant for your business?

We focus mainly on US and Canadian visitors to the UK, Ireland, Paris and Normandy. The profile of our guests is shifting to a younger, well-educated demographic, and there are more families and multigenerational groups travelling together. The age of the children has got younger, too. Ten to 15 years ago the children used to be 13 or 14 years old. Pre- COVID, the average age was around eight. And now it's babes in arms upwards. I had a group of friends last year who all flew in on a private jet and there were eight babies among them.

While clearly there is more wealth among younger people in the US than there was, there is a generational thing going on here also. We are more worldly than our parents and grandparents. There is a confidence about travelling that just wasn't there in the same way 30 years ago.

The shift in profile means we not only have to train our teams to manage logistics like the need for multiple cars with various sized car seats, but we also have to guide the guests themselves on what to expect from some of the types of experience we offer. 'Behind the scenes at the Changing of the Guard' is a different experience if you have a toddler in tow for example, than if your children are eight or ten years old.

What attracts international luxury visitors to London now?
London has everything for everyone – it has architecture,

history, art, culture, theatre, food and royalty. It offers the traditional and the modern in equal measure. For example, in the City you have Roman ruins and a seventh-century church just down the road from iconic modern architecture like The Shard.

It is a great base from which to explore Europe. Often we find that parents are introducing their children to Europe with London and the UK as the first stop. They enjoy the ease of it – knowing the language, a sense of familiarity, having seen it on TV as the location in the films they watch, through reading about it in school. We're able to bring it all to life for them. Parents want to show their kids the world. And they engage them in the process of choosing and planning it.

It's not just TV and film that are driving visits to certain locations – theatre is, too. Six has done amazingly well for the Tudors. All age groups love it. Hampton Court Palace has had a huge resurgence as a result.

Food and gastronomic experiences are now a massive draw. And London's offer is world-class. Guests research more about food than they do about Westminster Abbey. They now say to me, "I want to experience this chef". That didn't happen ten years ago. And they absolutely love our tradition of afternoon tea.

How have you evolved your offer?

We have had to talk to our partners and the experiences we



Changing of
the guard

work with on evolving to fit the new type of guest. We used to put a minimum age on the Changing of the Guard tour and we don't now.

A year ago, we created 'Room 58' with the Churchill War Rooms, a room that we've filled with all things 1940. It makes the visit tangible. Children nowadays don't have the same connection with war-time history. You can't touch anything in the rest of the War Rooms, but we created a space where our clients can try on siren suits and hats, use typewriters, talk into a microphone and it talks back in 1940s style. And it's exclusive to us.

It's all about unique immersive experiences that create memories and doing it in an easy way. People used to tour for eight hours a day. Now it's typically two to four hours. When designing a journey, we make sure it's interactive, tangible, has educational and fun elements, and that we're creating value for time.

What about shopping?

In our experience, the lack of tax-free shopping is not putting people off coming to London. They might save a couple of things for when they go to Paris, but they still want to explore the big shops and find items they can't find in the US. Fortnum & Mason, Selfridges, Harrods; small designer boutique shops in Marylebone. They want to go to Portobello Road to get an antique. Our guests are also picking up on English designers like Moloh and want to go to see brands in the Cotswolds.

**London has everything
for everyone – it has
*architecture, history, art,
culture, theatre, food and
royalty.* It offers the
traditional and the modern
in equal measure**

What other aspects are important for them?

I've seen a marked change in how American guests behave when travelling. Ten years ago, they wanted to be seen. There was a flashier tone behind their motivation for travel: "Look at me, I am behind the rope. I am behind the glass." This has really changed. They still want to be in the exclusive enclosure at Royal Ascot, but they won't shout about it in the same way. It's more about a sense of belonging and having a special immersive experience that makes them feel like a local – Royal Ascot yes, but also pulling a pint behind the bar in a London pub.



Divia Thani

Global Editorial Director, Condé Nast Traveller

What are the trends you have seen in global travel that affect the London luxury marketplace?

There are several micro trends that have exploded since the pandemic. The first is the rise of multigenerational travellers. It used to be much more common in the East for people to travel in large groups. But during the pandemic, a lot of young people moved back in with their parents and extended families. When borders opened up, they started moving together. Plus, travel became the way people reunited and reconnected post pandemic. Bigger groups need more space – large suites, interconnecting rooms, residences, villas that come equipped with private chefs and 24/7 service. The travel industry is catering to this demand. Another big

trend is wellness; there's greater focus on F&B, spiritual growth, as well as physical and emotional wellbeing. People want hyper-personalised and curated travel experiences. But most interestingly, it's the fact that luxury travel hasn't slowed down in the least since 2021/22. We used to think the 'revenge travel' period would cool off, but it still hasn't – despite the massive rise in airfares and hotel prices, some three times what they were in 2019. It's gone from revenge travel to simply travelling with a vengeance. Luxury has become so much more about meaningful experiences than trendy products.

Why do luxury visitors come to London?

London is one of the greatest cities in the world. People come here because it feels like a big, bustling, international city with loads of attractions like the museums and theatres. It's very diverse. You can find 'your' people, you can find 'your' food, but you can try food and meet people from all over the world. The restaurant scene is a big draw. Specifically, for luxury travellers from the Middle East, India and China, the weather in the summer is a big draw as are the beautiful parks. They enjoy walking around, picnicking, strolling the high streets and shopping. Kids' activities like Harry Potter World, London Transport Museum and Winter Wonderland are all very popular. Countryside estates like the Four Seasons Hotel Hampshire and Estelle Manor are

There is a sense of familiarity and comfort that luxury travellers feel in London



now an essential part of the trip. The social calendar in the summer is another main event: Wimbledon, RHS Chelsea Flower Show, polo, Ascot, all of which are unique to the UK. Fashion-themed exhibitions like Cartier and previously Chanel at the V&A are also major attractions. Over and above that, there is a sense of familiarity and comfort that luxury travellers feel in London – they know the language, it's easy to get around, the hotels, shopping and restaurants are world-class, and above all you have a network here. Everyone knows someone in London. People congregate here. It will be interesting to see if the figures for visiting friends and relatives change after the recent government policies around non-doms, who will now limit their time in the UK to under 90 days a year.

What should brands be doing to attract international luxury visitors to London now?

Above all, luxury travellers want unique, personalised experiences, so it is imperative that luxury products and brands root themselves in their place of origin and invest in innovative storytelling. If I wander down Bond Street, I don't see the story of craft or 'the making of' in the retail experience of British fashion brands and this is a missed opportunity. We have to work harder to make luxury travellers buy in London versus European destinations where high-value purchases can be significantly cheaper.

There is also great opportunity for travel and hospitality brands to promote other destinations across the UK. It's something luxury travellers really enjoy but there needs to be greater awareness, and you need to show them where they can go and how to navigate it easily. The UK needs to find ways to keep them here for longer and to spend more – especially as everyone knows it's only a short train ride to Paris. Why could we not have a 'tourist office' in Bond Street or Sloane Street?

How do you find the 'service' side of London?

Global travellers are often used to very high levels of service, and the notion that the customer is always right – or even, in some parts of the East, that the Guest is God. You can get things done 24/7 for a price in cities like New York or Dubai and they expect it here, too. Simple things like late-night eateries and late-night shopping in the summer would be great. I remember looking for a service to set up a gorgeous picnic in Regent's Park one sunny Saturday morning but couldn't find one. And while grabbing sandwiches and drinks at Pret have their own charm, I would have loved to have given my family a lovely surprise by showing up to find a beautiful set up with a spread of caviar, salmon and Champagne. Or even an afternoon high tea. Why not?



Simon Scoot

Chief Marketing Officer, Maybourne

How do you create unique experiences for today's international luxury visitor?

We never stop learning, and we never stop doing. Creative expression is a duty in luxury hospitality. We work with amazing talent and incredible partners and consciously root everything we do in both the Maybourne brand's values and each hotel's distinct positioning. Then we design experiences and activations around each of our hotels' brand pillars. We are mindful of seasonality, what's going on and plan to a quarterly and annual cycle, leaving some room for irresistible one-offs.

For Claridge's, we have created a platform built around art deco, with a nod to the Jazz Age and the Bright Young Things. It coincides with 100 years of art deco and the opening of *The Great Gatsby* musical at the London Coliseum. Our marvellous in-house archivist Kate Hudson gives guided tours of the hotel through her lens. This year, The Berkeley was all about alfresco living, which worked perfectly for the opening of La Môme London and its gorgeous terrace and Capri in the City at the hotel Rooftop Pool. For Engage, we even combined The Emory and The Berkeley rooftops to create a skyline theatre playground.

At The Connaught, we pay homage to the sense of Mount Street and Mayfair history, the long-held associations with the English gentry, and a sense of rarefied belonging. For

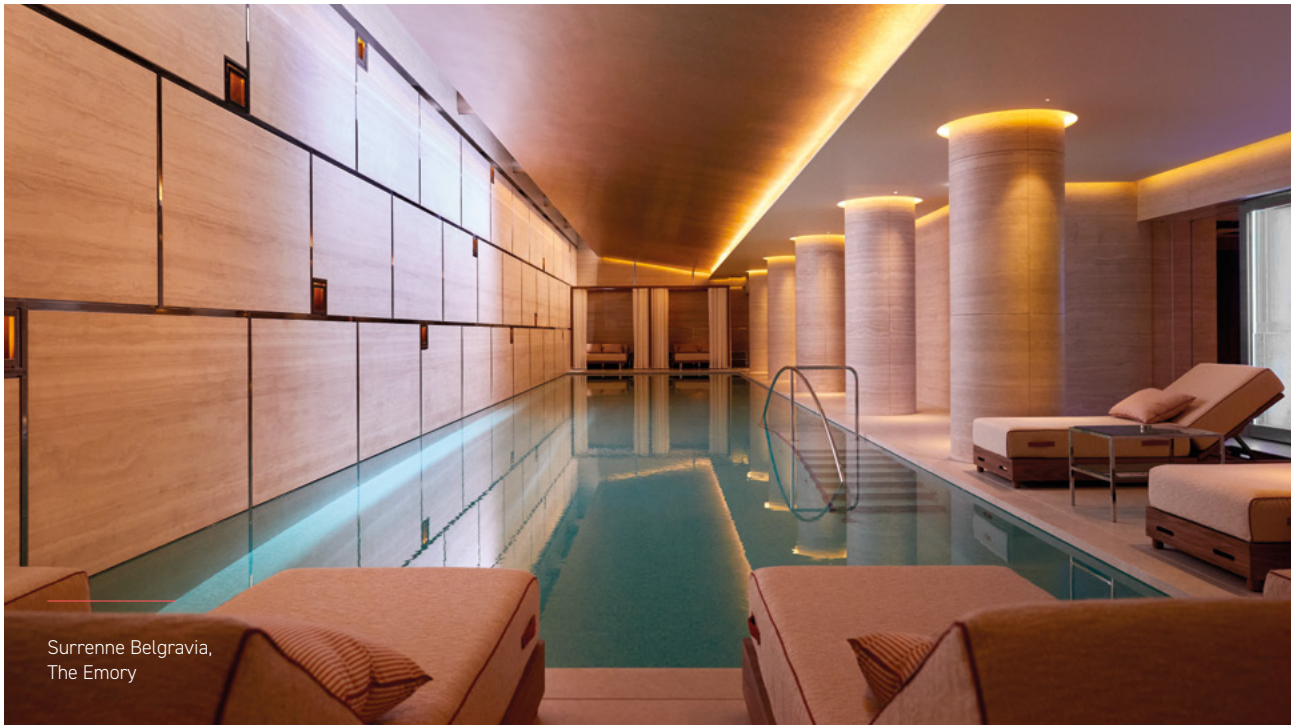
example, we have brought back the John Lobb shoeshine. However, I think it's important to quote my learned colleague, Paula Fitzherbert: "At Maybourne, we live *with* our history – we don't live *in* it."

At The Emory, we celebrate the hotel's modern interpretation of bespoke luxury through the activation of the idea of 'horology – celebrating the art of time well spent', which runs through the brand's proposition. For instance, we are offering podcasts and videos on watches and watch craft with well-known entrepreneurs and craftspeople in the space.

What do you offer international visitors in the wellness space?

Working with global leaders in the field, we have built a new brand, Surrenne, with proof of concept at Surrenne Belgravia, a private members' club, located over four floors below The Emory. Surrenne, the union of serenity and energy, is built on principles and protocols that define longevity and wellbeing. Opened in spring 2024, Surrenne offers a personalised, holistic approach to emotional wellbeing and physical health, rooted in science.

We now have many members from North America and Europe who are not residents of the UK. These are not just club members – they are a social community of curious, solution-oriented individuals who desire to learn.



Surrenne Belgravia,
The Emory

We have an advisory board with world-class scientists and include treatments such as hyperbaric oxygen chambers and personalised microbiome treatments. Surrenne is expanding across Maybourne and opened at The Maybourne Riviera this summer.

How do you look outside London to create additional value for your customers?

Most luxury brands have been collaborating outside their immediate field for years with some brilliant examples in hospitality, especially in retail and resorts. For summer 2025, we organised a pop-up residency at Claridge's Restaurant with award-winning restaurant Dante from New York's West Village, which also happens to be our partner at The Maybourne Beverly Hills. Like Claridge's, Dante was born in the art deco period. It brings 1915 Manhattan to Mayfair. It resonates with international customers but also, of course, Londoners, who can't get to Greenwich Village. I think it's a good example of cross-pollination and thinking outside our London context.

Why do you think London remains so resilient as a global luxury hub?

London's attraction is centred around its culture, its diversity, its innovation and its ever-changing skyline. The restaurant and bar scene are phenomenal, as are the art, events, sporting and cultural landscapes. There are the auction

London is a *dreamscape* that is actually a reality. What makes it *special* is it's not Hollywood – it's real

houses, too, before we even get to places like Savile Row. It's bookended by wonderful greenery, from Greenwich to Kew and Richmond to Hampstead Heath. We have all those fantastic garden squares, too, that are unique to this city. What could be better than a picnic from The Connaught in Mount Street Gardens?

London is a dreamscape that is actually a reality. What makes it special is it's not Hollywood – it's real. And the hidden gems you can find and odd conversations you can have, even if you've been here 50 times, make it very arresting. New York, Paris, Tokyo and the new emerging megacities all have something incredible to offer, but there's a Dickensian timelessness about London. For me, there's also a sort of surly steadfastness about it that offers a comfort blanket in a perpetually changing world.

About Walpole

Walpole is the sector body for the British luxury industry which is worth £81bn to the UK economy, supports over 450,000 jobs and contributes 3.7% of the UK's GDP. A not-for-profit organisation, Walpole speaks on behalf of more than 250 of Britain's finest brands including Alexander McQueen, Aston Martin, Burberry, Claridge's, Fortnum & Mason, Glenfiddich, Harrods, Rolls-Royce Motor Cars and Wedgwood, and is recognised in both Westminster and Brussels.

With a mission to promote, protect and develop the business of luxury in the UK, Walpole brings its members together to collaborate and connect. Key events include the annual Walpole British Luxury Summit and the Walpole British Luxury Awards. It also provides a collective voice for luxury on key topics, commissions industry-leading research and works with government on issues affecting the sector.

Walpole runs the flagship 'Brands of Tomorrow' programme to develop new British luxury brands – alumni include Bremont, Emilia Wickstead, Nyetimber and Orlebar Brown – and works with the London Business School MBA programme to help develop the talent of the future with 'Luxury Leaders of Tomorrow'. Walpole also spearheads the British Luxury Sustainability Manifesto, with the vision of making British luxury the global benchmark for luxury sustainability.

thewalpole.co.uk

About Cadogan

Cadogan's association with Chelsea began over 300 years ago. Since that time, the family and place have grown together – evolving the Cadogan Estate into one of London's most characterful and distinctive neighbourhoods, comprising 93 acres of Chelsea stretching northwards to Knightsbridge along Sloane Street and south through Sloane Square and along the King's Road.

Cadogan is a family business, property manager, investor and developer and this significant history shapes their values and purpose today. A commitment to invest in the long-term success of Chelsea means that the community lies at the heart of their strategy, influencing investments and initiatives to enrich the area's unique character, while safeguarding its future vibrancy.

cadogan.co.uk

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We would like to thank the following individuals for their time and expertise in the production of this report:

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Fran Cassidy is an experienced senior marketer and researcher. She has worked as a brand owner, a media owner and in agencies. For the past 20 years Cassidy has run an international consultancy that works across marketing effectiveness, brand reputation, media sales and commercial development. Among her clients are Financial Times, Channel 4, London Business School, Harrods, RBS, Honda, the IPA (Institute of Practitioners in Advertising) and LinkedIn. She researched and authored the first *The State of London Luxury Report* in 2023, and again in 2024, and, and *The New State of Luxury* for the *Financial Times* and the IPA. Cassidy has been a visiting fellow for several UK universities and is also an advisor and honorary fellow of The Marketing Society.

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