London Property Alliance

Global Cities Survey

December 2021

London Property Alliance

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Acknowledgements

Introduction

This is the first Global Cities Survey launched by London Property Alliance (LPA) with research undertaken by Centre for London. This quarterly report provides analysis – across a range of measures – of London's progress in dealing with and recovering from the Covid-19 pandemic compared to four of London's world city competitors: New York, Paris, Berlin and Hong Kong.

As the UK's leading world city, London's fight for talent, private sector investment and visitors is global. As the gateway to much of the rest of the UK for business, visitors and investment, London can only play its full role in the national recovery when it is competing effectively on the international stage.

Headline findings for a selection of our indicators (all provided further below in the report) are as follows:

In 2021, London recorded modest recovery in its economic output level, but it is still operating below pre-Pandemic (2019) levels

The cities in our survey share a basic economic pattern: they all record a fall in output over the first two quarters of 2020, recoveries in the second half of that year followed by generally lower levels of growth (and even some shrinkage) in 2021. However, London's recovery appears to have stalled in the second half of 2021 with Q3 growth of just 1.5% (quarter on quarter) compared to 4.6% in Q2.

There are mixed signals coming from London's labour market:

- London's **unemployment rate** of 5.6% (Q3, 2021) compares favourably particularly against New York and Berlin (both have unemployment rates of nearly 10%) but less so with Hong Kong (4.7%). London's unemployment rate remains the highest for any region in the United Kingdom.

- **Employment levels** – the number of people in work - in London have outperformed other world cities – the capital sits at the top of the table compared to pre-Covid figures - despite the impact of the pandemic.

- Notwithstanding this, London suffered the biggest reduction in posted **job vacancies** during 2020 but since then has seen vacancy rates increase significantly. When compared to London, job postings are higher in New York and Berlin but lower in Paris and Hong Kong.

In all cities, office vacancy rates have risen sharply during the pandemic period but there are signs of recovery except for New York

- New York (Manhattan) has seen one of the largest increases in office vacancy rates which is now very high at 19%.

- Paris and Berlin continue to outperform with lower vacancy rates.

- London and Paris are the only cities to have recorded a fall in office vacancy rates this year.

Prime office rent figures for Q3, 2021 show London's West End values rebounding but the City is still in negative territory

- Rents in the West End have shown strong performance - up 18% year on year (Q3, 2021 vs Q3 2020) but City rents showed some weakening (down 1.4%) over the same period.

- New York (Midtown), Hong Kong and Paris have witnessed continuing softening in rents with only Berlin in positive territory alongside London's West End.

High Street consumer activity is still below pre-Covid-19 levels in London, Paris and New York, despite the lifting of many restrictions

- **Retail visits as measured by Google** in London, Paris, Berlin and New York are between twenty and thirty percent below pre-pandemic levels. Hong Kong has seen the strongest recovery.

- **Restaurant bookings** for the end of November 2021 show London is still 15% below 2019 benchmark levels with New York some 35% off the pace.

With the notable exception of Hong Kong, office working activity remains significantly lower than pre-pandemic levels in London, Paris, Berlin and New York. This is reflected in levels of public transport usage. The potential impact of the Omicron variant is not yet reflected in these numbers

- In 2021, Google data indicated a modest return to office-based employment across all cities but this has stalled in Berlin and London.

- London is seeing a slower return to the office than all other cities apart from New York (London is -29% of its pre-Covid benchmark; New York is -33%).

- Prolonged reduced levels of public transport ridership present a material threat to public transport in London. This is because TfL is historically far more reliant on fare revenue than many other cities' public transport systems.

- At the time of writing, TfL was yet to conclude a lasting financial settlement with central government. This threatens the long term viability of the public transport system in London – whilst competitor cities continue to enjoy substantial levels of financial support from their central governments, associated with the impact of the Covid pandemic.

Whilst public transport use remains depressed, road congestion has exceeded pre-pandemic levels in London, New York and Paris

- London is more congested than before the pandemic – in November 2021, congestion was 18% higher compared to the pre-Covid benchmark.

- Only Paris is recording a higher level of congestion than London amongst our survey cities.
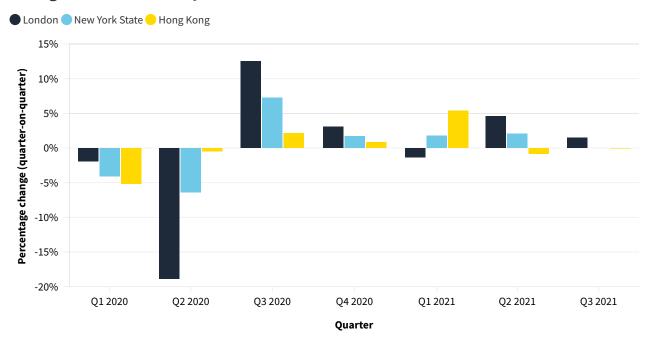
Air travel demand and visitors were gradually returning to many cities but London's position remains comparatively weak. Hong Kong numbers remain very depressed. This is before the impact of restrictions associated with the Omicron variant.

- **Airport passenger** numbers have seen some recovery since spring 2021, with New York, Paris and Berlin back to over 50% of pre-Covid levels. London is only at 34%.

- **Data on Airbnb occupancy** shows that despite the reopening of the UK to more international visitors in autumn of this year, occupancy in Paris, Berlin and New York is higher (all close to 40%) compared to London (31%). Hong Kong is struggling with only 8% occupancy.

Detailed analysis

Economic output

Change in economic output

● London ● New York State ● Hong Kong

The cities[1] in our survey (excluding Paris and Berlin for data availability reasons) share a basic economic pattern: they all recorded a fall in output over the first two quarters of 2020, recovery in the second half of that year, followed by generally lower levels of growth (and even some shrinkage) in 2021.

London has seen the most dramatic swings in its growth[2] alongside New York (state level). Hong Kong's depressed performance in Q3, 2021 seems set to continue amid political instability and strict lockdowns. None of these datasets reflect the impact of the Omicron variant which has recently emerged.

[1] No data are available for Paris or Berlin on a quarterly basis
[2] This could in part reflect the fact that the data are not seasonally adjusted

Unemployment

Unemployment rate

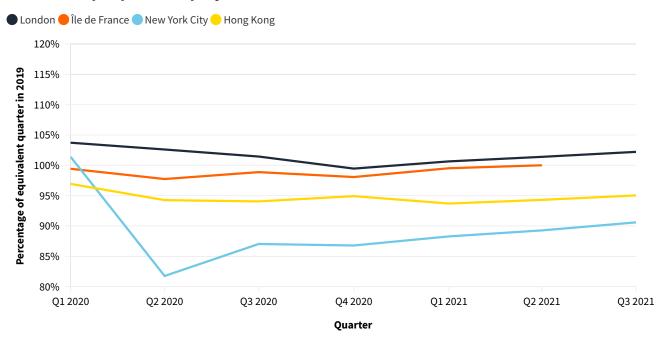● London ● Paris ● Berlin ● New York City ● Hong Kong

Unemployment rates tell a tale of two city groups. London, Paris and Hong Kong, all of which had significant furlough schemes in place have recorded comparatively lower increases in unemployment. However, at 5.6% (Q3, 2021) London's unemployment rate remains the highest for any region of the United Kingdom; well above the UK average of 4.3%.

Berlin and New York have suffered from consistently higher unemployment rates since the pandemic commenced with Berlin's latest unemployment level at nearly 10% (Q3, 2021). New York City experienced a quadrupling of its unemployment rate between Q1, 2020 and Q2, 2020 (to more than 18%) reflecting both the United States' historically low levels of unemployment in the year before the pandemic and the lack of a comprehensive furlough regime in a city heavily dependent on hard hit sectors such as transportation, tourism and hospitality. By Q3, 2021, NYC unemployment has receded but still hovers at c10%. Hong Kong's unemployment rate is the lowest out of our analysed cities. At 4.7% its rate is almost back to pre-pandemic levels.

Employment

Number of people in employment

● London ● Île de France ● New York City ● Hong Kong

London, the Paris region (Île de France) and Hong Kong experienced comparatively low falls in employment from their pre-Covid levels. This was a reflection in part of their furlough schemes. New York experienced a deep decline in jobs early on in the pandemic. At one point (Q2, 2020) it saw an 18% reduction in employment compared to Q4, 2019.

In the latest period (Q3, 2021) London's employment performance compares well followed by Paris (Q2, 2021 data). Hong Kong and New York sit in third and fourth place respectively with New York well down (by nearly 10%) on its Q4, 2019 levels.[3]

[3] No data were available for Berlin

Job vacancies

Job vacancies

● London ● Paris ● Berlin ● New York City ● Hong Kong

Source: Indeed • Data shows number of job vacancies posted on Indeed compared to pre-pandemic (01/02/2020) for Greater London, the Paris region, the Berlin region, New York metro area and Hong Kong.

Job vacancies posted on Indeed, an employment website, provide us with an indicator of changes in demand for labour. London, Paris, Berlin and New York all witnessed steep falls in job postings, followed by substantial increases in the last part of 2021 (to the end of November 2021).

New York has a posting level nearly 50% above its pre-Covid-19 benchmark followed by Berlin (c38%) and London (c31%). Hong Kong and Paris are both close to 10% above benchmark. Hong Kong's figures are likely to be affected by the comparatively early effects of the pandemic on its economy.

Office vacancy rates

Office vacancy rate

● Central London ● Paris CBD ● Berlin ● Manhattan

Q1 2020

Q2 2020

Q3 2020

Q4 2020

Q1 2021

Q2 2021

Q3 2021

0%   2%   4%   6%   8%   10%   12%   14%   16%   18%   20%

Percentage change from equivalent quarter in 2019

Source BNP Paribas for all European quarters except Q1 2020, where London is https://content.knightfrank.com/research/104/documents/en/the-london-office-market-report-q1-2020-7270.pdf, Paris is https://www.colliers.com/en-fr/research/2020-1q-office-market-report, and Berlin is https://pdf.euro.savills.co.uk/european-commercial-markets/european-offices-spring-2020.pdf, https://www.realestate.bnpparibas.co.uk/2021/nov/central-london-office-market-update-q3-2021, https://www.realestate.bnpparibas.fr/fr/etudes-tendances/etudes-de-marche-france/glance-2021-t3-bureaux-idf, https://www.realestate.bnpparibas.de/en/marketreport/current/35/1/30/en, https://www.cushmanwakefield.com/en/united-states/insights/us-marketbeats/new-york-city-area-marketbeats • Primary source is quarterly BNP Paribas report - some variation in consistency. Where BNP Paribas data is missing, we have used a different source where and noted where this is the case. Only available NYC data is Manhattan-specific, hence the divergence.

In nearly all cities[4], office vacancy rates have risen sharply during the pandemic period. New York (Manhattan) and Berlin have seen the largest increases; Manhattan's rate is now 19% (Q3, 2021) up from 11.3% in Q1, 2020.

Whilst Central London's latest rate (7.6%) is still higher than it was pre-pandemic (5.7%) this is an improvement on Q2 2021 levels (8.6%). London and Paris are the only cities to have recorded a fall in vacancy rates this year. Berlin has seen its office vacancy rate double over the pandemic (3.2%) but

from a much lower base level (1.2%). BNP Paribas analysis explains this trend, which has left Berlin with among the lowest vacancy rates in Europe since 2014 by reference to the significant proportion of office space under construction absorbed before completion.[5]

Given the unavoidable data lags caused by the length of commercial letting agreements, court case delays and widespread moratoria on commercial evictions throughout the pandemic, these rates should be interpreted with a degree of care.

[4] No data were available for Hong Kong on a like with like basis
[5] BNP Paribas Real Estate. At a Glance Q1, 2021 Office Market Berlin.
Retrieved from: https://www.realestate.bnpparibas.de/sites/default/files/document/2021-04/bnppre-office-market-berlin-2021q1.pdf

Prime office rents

Change in office rents

● London - West End ● London - City ● Paris ● Berlin ● New York - Midtown ● Hong Kong

Source: https://www.cbre.co.uk/research-and-reports/global-office-rent-tracker • Data show percentage change in Prime Rent. No consistent historical data available

As with many of our other datasets, prime office rent changes (Q3 2021) show a divided picture. At one end, London's West End and Berlin are showing sustained growth. The West End has recorded the strongest year on year growth in prices by far – for two consecutive periods - whilst the London City market has seen rents soften in Q3 2021.[6]   New York (Midtown) and Hong Kong have experienced continuing and significant declines in their prime rents.

The snapshot these data provide supports the view that the combination of Covid-19 restrictions and political and economic pressure from the Chinese government have had a negative impact on Hong Kong's status as an international finance centre.[7]   London's West End prime market may be benefitting from the broad offer of activities and amenities it presents to occupiers as well as its generally more diverse economic base.
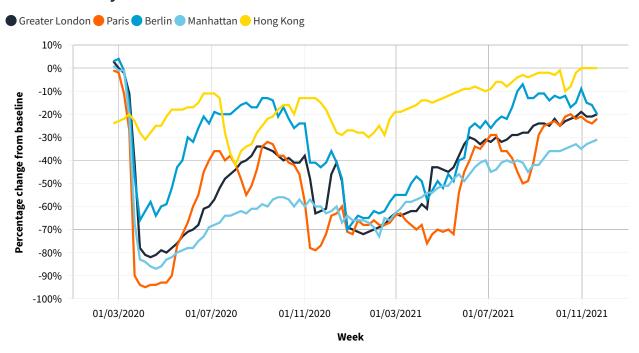
Note that given the long duration of many office leases, a full view of the effects of the pandemic on office rents is not yet clear.

[6] Data for Q2, 2021 has been requested
[7] Kinder, T. Banks warn travel quarantine threatens Hong Kong's international status.
  Retrieved from: https://www.ft.com/content/9ea6786b-55b3-4133-bcaa-fe5a034637fc

Retail visits

Retail mobility across cities

● Greater London ● Paris ● Berlin ● Manhattan ● Hong Kong

Source: https://www.google.com/covid19/mobility/ • Percentage change on equivalent weekly periods in 2019. Data averaged into 7-day rolling periods to improve readability and reduce noise from weekend-weekday comparison. Gaps where data quantity doesn't meet Google's privacy threshold. New York County refers to Manhattan, as Google's data is only available on a state or county basis, rather than as metro totals.
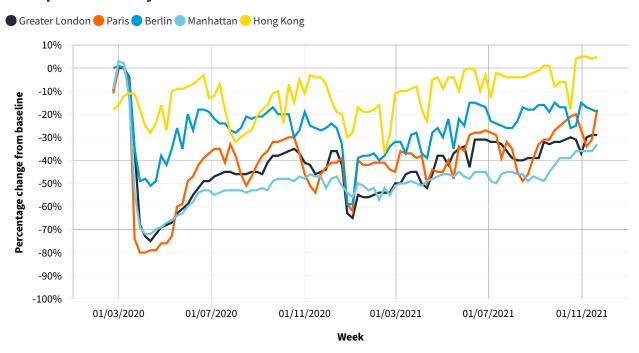
Towards the end of November 2021, with the exception of Hong Kong, retail visitor activity across all cities remained below pre-pandemic levels (benchmarked to corresponding 2019 weekly periods). Hong Kong and Berlin have seen much stronger recoveries in retail visits (although Berlin has recently weakened again). Retail visits in London, Paris and New York (Manhattan) were still struggling between twenty and thirty-five percentage points below pre-pandemic benchmark levels, despite the lifting of most covid restrictions.

Growth in internet sales during the pandemic may in part help to explain why retail visits remain depressed. It is however unlikely that the significant divergence between Berlin and Hong Kong on the one hand and London, Paris and New York on the other, would be simply due to a differential in the take-up of e-commerce. A slower return to the office (see below) may explain some of the difference – office workers may not spend as much near home as they would if they came into city centres.

With the recent re-introduction of some travel restrictions, the recovery in retail visits for many international visitor markets is likely to remain sluggish. The UK also took the dramatic decision to remove VAT refunds at the point of sale ("duty free") at the beginning of 2021 which will have made the country and London in particular, less attractive to some international visitors who shop abroad as part of their holiday or business trip experience.

Workplace visits

Workplace mobility across cities

● Greater London ● Paris ● Berlin ● Manhattan ● Hong Kong

Source: https://www.google.com/covid19/mobility/ • Percentage change on equivalent weekly periods in 2019. Data averaged into 7-day rolling periods to improve readability and reduce noise from weekend-weekday comparison. Gaps where data quantity doesn't meet Google's privacy threshold. New York County refers to Manhattan, as Google's data is only available on a state or county basis, rather than as metro totals.

Despite the lifting of working-from-home requirements across the five cities, office related mobility remains far below pre-pandemic levels except in Hong Kong where it is now 5% above benchmark (2019 corresponding week). Hong Kong's strict "zero Covid-19" strategy may explain why office working has almost consistently been higher than other cities in the survey. A combination of prolonged lockdowns, higher unemployment and/or furloughing plus cultural factors and commuting challenges may be behind sustained double-digit reductions particularly in New York (Manhattan) (-33%) and London (-29%). Paris and Berlin November 2021 data were 18% and 19% below benchmark respectively.

Station visits

Station visits across cities

● Greater London ● Paris ● Berlin ● Manhattan ● Hong Kong

Source: https://www.google.com/covid19/mobility/ • Percentage change on equivalent weekly periods in 2019. Data averaged into 7-day rolling periods to improve readability and reduce noise from weekend-weekday comparison. Gaps where data quantity doesn't meet Google's privacy threshold. New York County refers to Manhattan, as Google's data is only available on a state or county basis, rather than as metro totals.
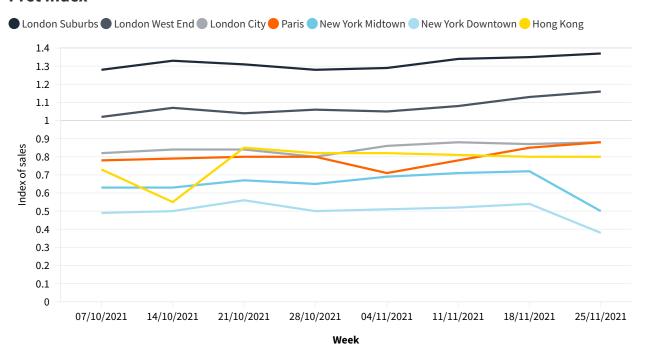
Station visits refers to footfall going through mass transit and train stations. In September 2021 both Hong Kong and Paris had effectively returned to their pre-pandemic transport levels. Hong Kong's latest data are above pre-Covid benchmark although only just (1%). November station visits are still depressed in Berlin (-24%), and even more so in London (-31%) and New York (Manhattan) (-27%). The divergence between Paris (down just 5%) and London is noteworthy. Parisians have been somewhat quicker to return to their commute, perhaps because they have on average shorter journeys to work, reflecting the compact nature of the city.

Lower levels of public transport use for commuters in London will be of real concern to Transport for London (TfL). TfL is far more reliant on farebox revenue to fund its services than New York or Paris, which receive much greater subsidies in the form of grants and or local taxes.[8]

[8] Brown R. (30 March 2020). Funding London's transport in the aftermath of coronavirus. Retrieved from: https://www.centreforlondon.org/blog/funding-london-transport/

Pret index

Pret Index

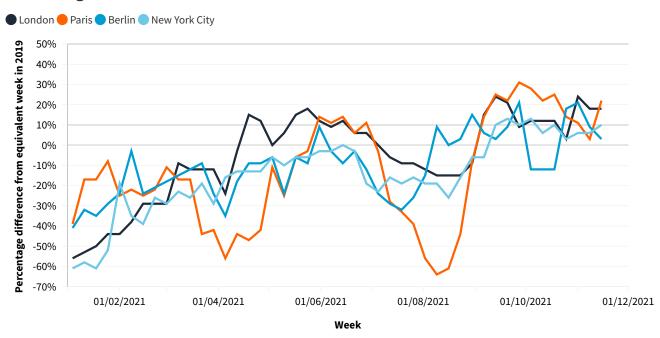● London Suburbs ● London West End ● London City ● Paris ● New York Midtown ● New York Downtown ● Hong Kong

Source: https://www.bloomberg.com/graphics/pret-index/ • Indexed to January 2020. NYC Downtown is defined as stores between the Financial District to Astor Place, Midtown is defined as between 30th and 56th Street. London City is defined as the City of London and Canary Wharf, London West End as Oxford Street, Marylebone, and St James, London Suburbs as outside Zones 1 and 2.

Spending in Pret a Manger stores is an informal indicator of consumer activity in city centres, and therefore an indicator that perhaps tracks return to the office activity. Based on transaction volume (not transaction value), overall recovery has been strongest in London (especially the suburban market where it is 37% above pre-Covid benchmark levels) and particularly weak in New York (50% down for Midtown, 62% down for Downtown stores).

It should be noted there are many more Pret stores in London than in other cities – which provides a more granular picture of consumer activity for the UK capital. London continues to see a 'doughnut recovery'; suburban outlets are experiencing higher activity than before the pandemic, while sales in the City of London remain subdued from lower levels of commuting. The West End is a notable exception to this; store activity has overtaken its pre-crisis level, which may well reflect pent-up consumer demand for leisure and hospitality following the pandemic. The numbers may also reflect the impact of store closures (leading to demand transferring to other stores) and promotional offers to drive footfall, post-pandemic.

TomTom congestion index

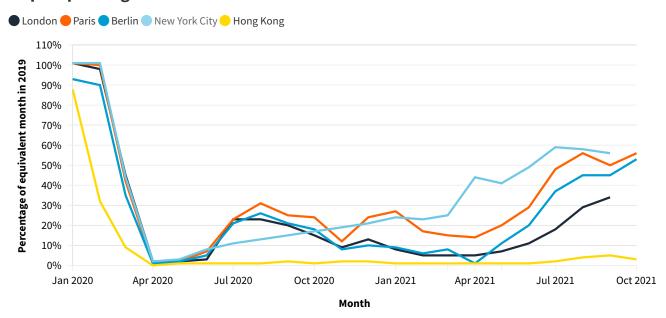## Road congestion

● London ● Paris ● Berlin ● New York City

Source: https://www.tomtom.com/en_gb/traffic-index/london-traffic/, https://www.tomtom.com/en_gb/traffic-index/paris-traffic/,, https://www.tomtom.com/en_gb/traffic-index/berlin-traffic/, https://www.tomtom.com/en_gb/traffic-index/new-york-traffic/ • Relative difference of average congestion levels in 2021 from standard congestion levels in 2019. The weekly standard congestion level represents the mean of average weekly congestion levels in 2019. Hong Kong data has been removed due to anomalies and may be replaced in later editions.

Whilst public transport use remains depressed, by November of this year, road congestion has for many cities returned to pre-pandemic levels, especially in Paris (22% above benchmark), London (18%) and New York (10%).[9] London and Paris are the most congested compared to before the pandemic. Working from home means people's travel needs may have changed (cars are likely to be used more often for short trips in the suburbs). Reduced levels of office working and leisure travel make it difficult to judge how much of the change is attributable to a modal shift and indeed how much of the change is here to stay.

[9] No data were available for Hong Kong

Airport passenger demand

Airport passengers

● London ● Paris ● Berlin ● New York City ● Hong Kong

Source: https://www.caa.co.uk/Data-and-analysis/UK-aviation-market/Airports/Datasets/UK-airport-data/, https://www.parisaeroport.fr/en/group/finance/investor-relations/traffic, https://www.berlin-airport.de/en/press/background-information/traffic-statistics/index.php, https://www.panynj.gov/airports/en/statistics-general-info.html, https://www.hongkongairport.com/en/the-airport/hkia-at-a-glance/fact-figures.page • Percentage of equivalent month in 2019. Hong Kong's numbers for August and September 2021 are provisional. London Airports are defined here as Heathrow, Gatwick, Stansted, Luton, Southend, and London City. Paris Airports are defined as CDG and Orly. Berlin Airports was defined as Schönefeld, Tegel, and Tempelhof before 31/10/2020 and has been defined as Willy Brandt since then. New York City Airports are defined as LaGuardia and JFK.

New York, Paris, and London's airport passenger numbers began to reflect the effects of the pandemic in Q1, 2020, when the first swathe of national lockdowns came into effect. Hong Kong's early lockdown, meant that by February 2020 passenger numbers had flatlined with around a 99% reduction in passenger numbers.
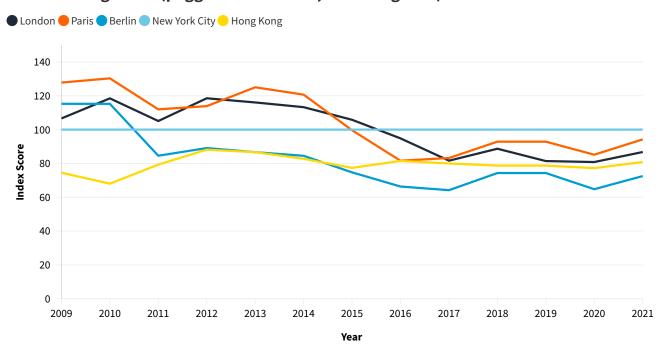
European air travel benefited from the first tentative attempts at unlocking in summer 2020, with Paris returning to 31% of its 2019 figures in August. However, as the second wave of infections spread over the summer, increased restrictions and national lockdowns quashed air travel. In New York City, on the other hand, numbers have consistently risen since the initial collapse of demand for flights in April 2020 despite the onset of the Delta wave (the impact of the Omicron virus are not captured in the time series).

Hong Kong only registered 3% of its pre-Covid benchmark air passenger numbers in October 2021, demonstrating the effects of the city's continuing strict restrictions on foreign travel, which generally include long compulsory quarantines on arrival.

In all other cities, the success of vaccination campaigns has allowed for a rebound of passenger numbers with New York and Paris leading the pack (at around half benchmark levels). London's figures remain comparatively depressed, reaching only 34% of benchmark levels in September 2021 (latest data), much lower than for Paris (50% for the same month). It is yet to be seen whether air passenger numbers will settle at a lower baseline than before the pandemic – as lasting changes to corporate travel policies may kick in.
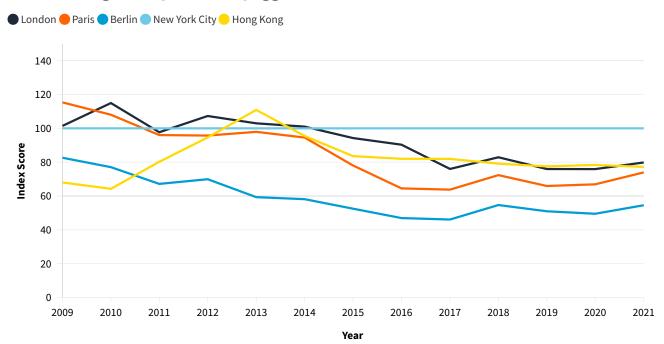
Cost of living

Cost of Living Index (pegged to New York, excluding rent)

● London ● Paris ● Berlin ● New York City ● Hong Kong

Source: https://www.numbeo.com/cost-of-living/rankings.jsp • All data is indexed to New York, so New York is 100. Fluctuations in other cities reflect both changes in their costs of living and in that of New York. Numbeo data is based on a standardised basket of goods for a four-person family, priced by a mixture of established price sources and crowdsourced data.

Cost of Living Index plus Rent (pegged to New York)

● London ● Paris ● Berlin ● New York City ● Hong Kong

Source: https://www.numbeo.com/cost-of-living/rankings.jsp • All data is indexed to New York, so New York is 100. Fluctuations in other cities reflect both changes in their costs of living and in that of New York. Numbeo data is based on a standardised basket of goods for a four-person family, priced by a mixture of established price sources and crowdsourced data.
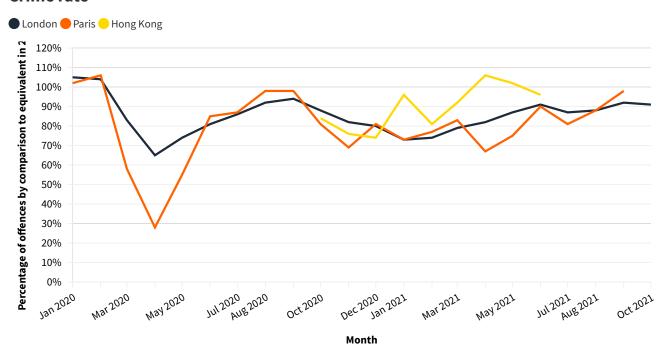
Cost of living

For our world city survey, New York has by far the highest cost of living where rents are included; less so when factored out. For nearly all cities and all measures, there has been an increase in the cost living in 2021 compared to New York. With rent included, London is in second place to New York just above Hong Kong but Paris moves into second position when rents are excluded. Berlin is the least expensive by both measures.

Please note that the dataset uses a mix of sources – some of it crowdsourced from websites of supermarkets, taxi company websites, governmental institutions; and some of it from twice per year established monitors. It should therefore be treated with some degree of caution. Note that these figures do not take into account adjustments for purchasing power parity.

Crime

Crime rate

● London ● Paris ● Hong Kong

Source: https://www.met.police.uk/sd/stats-and-data/met/crime-data-dashboard/, https://www.data.gouv.fr/en/datasets/chiffres-departementaux-mensuels-relatifs-aux-crimes-et-delits-enregistres-par-les-services-de-police-et-de-gendarmerie-depuis-janvier-1996/, https://www.police.gov.hk/ppp_en/09_statistics/csd.html • Hong Kong data is limited in availability, Berlin only publishes annual data, showing a minor decrease to 98% of 2019 crime rates in 2020, NYC data is inconsistent between months.

Trends in crime rates across all of our cities[10] for which consistent data are available (London, Paris, Hong Kong) are relatively similar – when benchmarked with corresponding 2019 data. London and Paris experienced very significant drops in their reported crime rates relative to 2019 as the first coronavirus lockdowns were introduced in March 2020, with London falling to 83% of its 2019 rate and Paris to just 28%. By September/October of this year, levels are back up in the 90% plus zone.
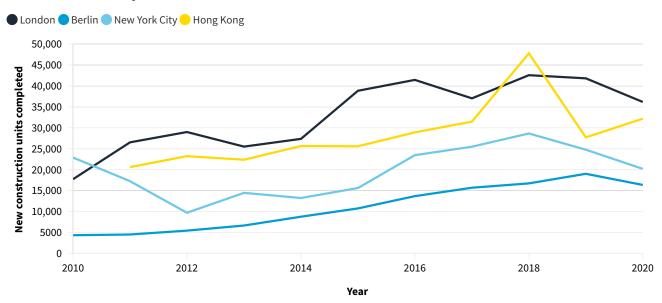
Hong Kong's data are relatively limited. The data we do have show a rise in rates from October 2020 to the end of 2020, followed by a spike in January and then April 2021. This could have been caused in part by a crackdown on pro-democracy protestors (in the new year).

The composition of these total crime rate means – different kinds of crime are likely to vary to different degrees in different circumstances. The pandemic may have altered the mix of crimes in all cities.

[10] No data are included for Berlin or New York because of material differences in how they are compiled

New homes completed

New homes completed

● London ● Berlin ● New York City ● Hong Kong

Source: https://www.gov.uk/government/statistical-data-sets/live-tables-on-energy-performance-of-buildings-certificates#epcs-for-all-new-domestic-properties-including-new-build-dwellings-conversions-and-change-of-use, https://www.statistik-berlin-brandenburg.de/bauen-und-wohnungen, https://storymaps.arcgis.com/stories/1c9138dc24064b2e8142ff156345a719, https://www.thb.gov.hk/eng/psp/publications/housing/private/pshpm/stat202106.pdf, https://www.housingauthority.gov.hk/en/about-us/publications-and-statistics/actual-public-rental-housing-production/index.html, https://www.thb.gov.hk/eng/psp/publications/housing/private/pshpm/stat202106.pdf • London data calculated from domestic Energy Performance Certificates issued for new dwellings (including new builds, conversions, and change of use). Hong Kong data combines private, public, and homes for subsidised rent construction. Île-de-France only tracks authorisations and new starts, so not comparable.
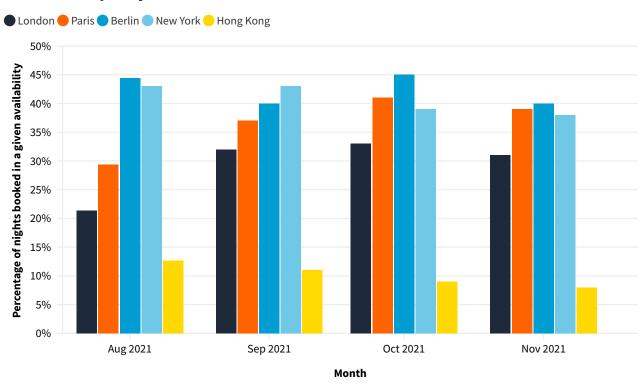
Most cities [11], with the exception of Hong Kong, saw a notable decrease in the number of new homes completed in 2020, due to the pandemic's effects on construction labour, materials, and supply chains. Provisional estimates for 2021 indicate that London's growth in new construction is likely to recover.

Note, data on new homes completed across our sample of global cities are prepared using varying criteria and comparisons should be made with this in mind.

[11] Some cities, such as Paris, only publish permissions granted and new starts – hence there is no data included for Paris in our analysis

AirBnB occupancy

AirBnB occupancy

● London ● Paris ● Berlin ● New York ● Hong Kong

Source: https://analytics.alltherooms.com/market/

Following the UK's reopening to international travel, London has seen increases in short term lettings on AirBnB since the summer. Occupancy rates in Paris, Berlin and New York are out-performing London; entry requirements were eased earlier in Paris and Berlin. Having a higher proportion of visitors from within the country may explain New York's higher occupancy rate.
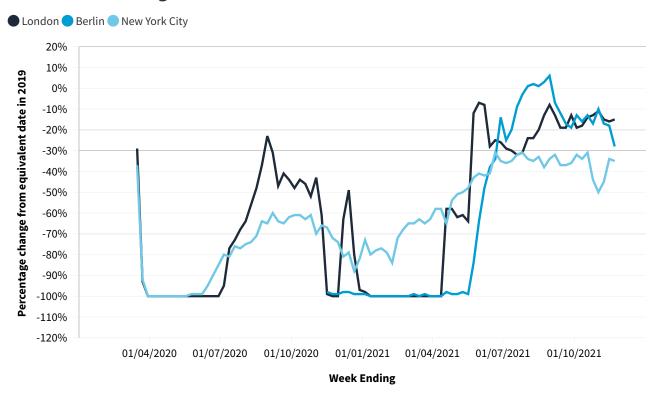
The strict quarantine requirements in Hong Kong – including from neighbouring countries - have kept visitor numbers to a very low level.

This data pre-dates the Omicron wave and the new travel restrictions introduced by European governments, which will have depressed bookings again.

Comparisons over time may be impacted by landlords adding short-term lettings back onto the market, after having withdrawn them during course of the pandemic and changes to regulations governing AirBnB lettings that city governments might pursue.

Restaurant bookings

Restaurant Bookings

● London ● Berlin ● New York City

Source: https://www.opentable.com/state-of-industry • Daily data has been averaged into 7-day rolling periods. No comparable data available for Paris or Hong Kong.

While the media showed West End streets showed consumers eager to return to hospitality venues following months of lockdown – restaurant bookings were still 14 per cent below 2019 levels in London by mid-October of 2021. Bookings in Berlin and New York were also depressed, with New York showing the greatest decrease compared to 2019.

There are several factors driving demand (and the lack of it) – from reduced household incomes, fewer foreign visitors and in some cases, continuing Covid-19 restrictions. This data doesn't yet reflect the impact of Omicron on London in December, which has led many to cancel their bookings.

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