

LUXURY MEMO

## London's global stature propelled by best-in-class retail, airport connectivity: Resonance

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*Park Crescent overlooking Regent's Park, London*

By JEN KING

Despite the surprising outcome of June's Brexit vote, London remains the world's top city in a time when place equity matters more than ever.

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Resonance's "[World's Best City Brands 2017](#)" report explores 100 cities, judging each locale on six categories to measure the perceived appeal of a place for residents, visitors and investors. As more and more content, commerce and communication shifts to the online space, sense of place and how individuals tap into the energy and excitement of a location will become intertwined with prosperity.

"The World's Best City Brand rankings are particularly useful for luxury brands in both the hospitality and retail sectors in terms of deciding which cities they need to have a presence in and the relative value of that presence from one city to the next in terms of elevating the perception and positioning of their own brands," said Chris Fair, president of [Resonance](#).

Resonance Place Equity Index measures the relative quality, reputation and competitive identity of global cities with a metropolitan population of more than 2 million and metropolitan capitals with more than 1 million people. Resonance considered six key factors: place, product, programming, people, prosperity and promotion.

Ace cities

Overall, London, Singapore and New York were found to be the top three city brands.

Considered the "capital of capitals," London ranked first when looking at all six factors of a city's place equity. As the capital of the United Kingdom, London boasts best-in-class qualities such as renowned luxury retail such as Savile Row, a network of coveted universities and colleges and, due to its multi-ethnic society, an envious dining scene.

These characteristics have attracted a record number of visitors to London.

In 2015, London saw 31.5 million tourists, a 20 percent increase from 2010. While many feared the decision to leave the European Union would hamper tourism, cheaper prices for Asian tourists has resulted in a boom that may see 2016 surpass the visitor volume from the year-ago ([see story](#)).



*View from One Hyde Park*

London's transportation infrastructure, notably Heathrow Airport, ensures visitors will continue to view the city as an appealing destination. Being easily linked to the rest of the world through its airport connectivity, London has seen a surge in foreign real estate buyers.

Ranked second is the city-state of Singapore, whose financial aptitude has spearheaded its livability and innovation. While established only 50 years ago, Singapore has developed from an unskilled former British colony to Asia's wealth management capital. Singapore topped all cities considered in the Index for prosperity with low unemployment, a growing number of Global 500 companies and a high per capital GDP, 29th overall.

According to a Borderfree report in 2015, Singapore offers "unapologetic luxury" with many residents having \$97,000 in disposable household income.



*Image courtesy of Ritz-Carlton Singapore*

The country also boasts some of the best shopping in the Asian market, drawing both local consumers and tourists to its retail districts. Because of this, Singaporean consumers are well-versed in Western brands and more receptive to labels and retailers entering the local marketplace ([see story](#)).

Resonance ranked New York third on its top 10 list due to the city's openness, density and creative heritage, qualities that placate the potential of urbanism.

In addition to cultural advantages, New York benefits from the city's retail prowess. Within Resonance's Index, New York is second overall in shopping.

The attractiveness of New York's retail offering also commands rental prices that are more than two times higher than other high-streets around the world.



*New York's Fifth Avenue*

According to Cushman & Wakefield's retail rental report, New York's Upper Fifth Avenue rents have dropped slightly due to ecommerce's growth, but the high-street's prices still outsteps that of Hong Kong's Causeway Bay and London's Bond Street, for example ([see story](#)).

"There's really no one defining characteristic that London, Singapore and New York share in common," Mr. Fair said. "In fact, the only categories in which all three of these cities are in the top 10 are for product and promotion.

"Product speaks to the infrastructure and institutions of a city while promotion speaks to how many online references and recommendations each city has," he said. "What they do share is that they generally perform well across all six of areas measured in the index, hence their position atop the overall ranking of the World's Best City Brands."

#### Paris' plan

Resonance's top 10 also included Paris, Sydney, Amsterdam, Los Angeles, Tokyo, San Francisco and Toronto.

Ranking fourth was the "City of Lights," Paris. The French capital has been the target of numerous terrorism-related instances which damped Paris tourism for a time, but pre-attack levels of tourists returned by June 2016.

Marking its resistance and commitment to its way of life, Paris looked to increase its tourism numbers with a promotional film that tours the multifaceted city through the eyes of locals and visitors.



*Image courtesy of Four Seasons' Hotel George V, Paris*

Starting in September, the film was screened in Galeries Lafayette stores in Paris, Berlin and Beijing, as well as on Air France flights and screens in international cities. Following fatal terror attacks in November, Paris' influx of tourists has dwindled, but the city's government and key business players invested 2 million euro, or about \$2.250 million, into a recovery plan ([see story](#)).

Due to its "commitment to haute everything," Paris scored in Resonance's top spot for its product category, second globally for airport connectivity, fourth in convention space and fifth for the quality of its museums. Paris has also invested into its infrastructure with the opening of six new hotel properties in the past year and a the opening of Flow Paris, a 600-seat concert hall on the banks of Seine, contribute to the city's draw.

As other markets continue to strengthen, evolve and mature the six categories measured by Resonance, cities such as Moscow and Dubai, United Arab Emirates have the potential to crack the top 10.

"The cities that have the best potential to rise in the rankings are probably those that are already performing well in one or two of the individual categories," Mr. Fair said. "Cities such as Melbourne, Madrid, San Diego, Berlin, Moscow, Seattle and Dubai perform very well in one or two particular categories.

"As they continue to develop and make improvements in other categories, their overall ranking is likely to rise as a result," he said.

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