

# **LONDON & PARTNERS**

## **FDI BAROMETER**

### **JUNE 2011**

As the official promotion agency for London and the voice of foreign direct investment (FDI) in London, London & Partners (formerly Think London) have commissioned a long-term study that tracks the satisfaction, confidence and loyalty of overseas-owned companies towards London as a business location.



The survey is conducted on behalf of London & Partners by Ipsos MORI three times a year, tracking movements in business confidence and changes of opinion amongst the capital's more than 20,000 overseas-owned companies.

The survey respondents are C-level decision makers with some responsibility for selecting and maintaining a company's location. Interviews were conducted over the phone. The results of the interviews are treated on an anonymous basis and the data are weighed by sector and country of origin to match the profile of foreign-owned businesses in London.

Every effort has been made to ensure that the survey fully represents the diversity of London's FDI in terms of sector, size and country of origin. More than 270 companies have participated in the fourth survey, representing an employment base in excess of 100,000 staff across the capital.

#### **SUMMARY OF KEY FINDINGS:**

- **93%** of overseas-owned companies are **satisfied with London** as a location for their business, an increase of 3 percentage points from the first survey undertaken in January 2010. Within this group of satisfied businesses, more respondents are 'very satisfied' with London as a location for their business, rather than just 'fairly satisfied'.
- With nearly one year to go before London stages the 2012 Olympic and Paralympic Games **86%** of interviewees feel that the 2012 Olympic and Paralympic Games will have a beneficial effect on London, while **75%** expect the legacy of the Games to provide long-term benefit to the capital.

- Optimism is higher, **75%** of respondents are expecting **increases in revenue and 64% expect increases in gross profit** over the course of the next 12 months. Also, **more than half** of the businesses surveyed expect to increase staff numbers over the next 12 months.

“We wanted to enter the UK market and London is the best place. More staff and customers are in London.”

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- **Proximity to markets and customers** still remains the principal reason for overseas businesses having a London presence, across all four surveys conducted, with **over 70%** of businesses agreeing this is the principal factor in this most recent survey undertaken.
- More executives are citing **access to talent** as the principal reason for their London presence (15%, compared to 11% in November 2010).

Survey conducted between 21<sup>st</sup> February and 12<sup>th</sup> April 2011

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