



TECH CITIES 8

London's creativity, culture and diversity wins in the digital age

FIG. 1: London at a glance, composite rankings



Categories are weighted
Source: Savills World Research



London ranks sixth in Savills top twelve tech cities, just ahead of New York at seventh. London is a great example of how the lure of a world city attracts tech talent despite the lack of obvious tech infrastructure.

London's biggest strength in the tech industry is its ability to attract human capital, it is second only to Austin, Texas in this respect. It has a particularly young population with a high 'millennial to boomer' ratio and positive inflows of highly qualified people, from the rest of the UK and around the world. Home-grown talent can also be found in London's top universities and other educational establishments. London scores third after New York and Tel Aviv for the quality of its tech education*.

Having educated its population, London's buzz: its culture, events, theatre, restaurants, venues, stadia, bars and clubs all combine to retain the population within the city but its overall 'Quality of life' ranking is lower at seventh because of high living costs and a lower standard of living (e.g. pollution and commute times) compared to small tech cities like Berlin, Stockholm and Austin. London's real estate costs are second only to Hong Kong's. Other cities, especially small ones, offer much cheaper accommodation. →

* 'Quality of tech education' is a sub-measure within our 'talent pool' ranking



“The importance of affordable housing, great urbanism, quality of life and streetscapes that facilitate the right human interactions has never been greater for London”

FIG. 2: City broadband - quality score



Score is comprised of fixed line and mobile internet speeds and cost
Source: Savills World Research / netindex.com

FIG. 3: Tech Cities: overall rankings

1	AUSTIN	7	SINGAPORE
2	SAN FRANCISCO	8	DUBLIN
3	TEL AVIV	9	BERLIN
4	NEW YORK	10	HONG KONG
5	STOCKHOLM	11	SEOUL
6	LONDON	12	MUMBAI

A measure of ‘city quality’ is becoming ever more important in the digital age. In the industrial revolution proximity to materials mattered, in the service and financial age it was access to capital but in the digital age it is human capital that employers and entrepreneurs are seeking. This means cities are becoming an important commercial asset because they themselves are attractors of human talent and creativity.

Despite the fact that London is a centuries-old city and often criticised by its inhabitants for the quality of its tech infrastructure, it really does hold its own with other tech cities in this respect. Average broadband speeds are a smidgen slower than New York’s and not significantly behind San Francisco’s and Austin’s. The big winners on broadband speeds are the Asian cities of Singapore, Hong Kong and Seoul or Scandinavian Stockholm whose governance and infrastructure systems have enabled citywide and very fast broadband systems to be installed in recent years.

The levels of tech engagement in the London population are high among our elite Tech Cities. Only the inhabitants of Tel Aviv, San Francisco and New York are more likely to be using an app or attending a tech event than a Londoner. London also excels in the investment and regulatory environment that it offers tech businesses – but it is less good in encouraging and supporting start-ups.

London is a very good illustration of how a city’s success in the digital world depends on so much more than hardware. London is creative and diverse and acts as a magnet to a wide variety of people, new business and investment, not just in the tech arena. The important thing about this is, it is not just the physical infrastructure of technology itself that makes London a top tech city but an attitude of mind and an understanding of the creative and intensely human nature of the dawning digital age that will make a difference for London.

Looking forward, it seems likely that the biggest challenges to London’s world-class status in the digital era will come from much smaller cities, not just overseas but also in the UK, which are able to attract a wide variety of talent and creativity. The importance of affordable housing, great urbanism, quality of life and streetscapes that facilitate the right human interactions has never been greater for London. In an economy where any kid with a laptop can become a multi-millionaire, London’s ability to attract and house that budding entrepreneur will determine whether it is a winner or loser in the long-term tech race. ♦

