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Where to shop in London during the Olympic Games

By Hadley Malcolm and Jayne O'Donnell, USA TODAY

Melinda Show, 64, won a sweepstakes for an all-expenses-paid trip to the [London Olympics](#) and arrives in the city today with her sister.



Topshop

British retailer Topshop's flagship London store in Oxford Circus boasts five floors and includes a hair salon and tattoo and piercing services.

But as excited as she is to watch swimming, basketball and beach volleyball this week at [Olympic Park](#), she's just as excited to pick up an argyle sweater she has on hold at discount designer shop House of Hanover.

Show searched the Internet for the specific sweater after seeing golfer [Adam Scott](#) wearing it at the [British Open](#). She figured out what brand it was — Aquascutum — and called House of Hanover to ask them to put it on hold for her.

"For my husband's 70th birthday, I think it's so fun to say I got a sweater in London," Show says. She's not the only tourist thinking this way.

At least 250,000 Americans were to head across the pond to cheer on the [U.S.](#) Olympic team, the U.S. Embassy in London estimates. And many of those spectators will also be participating in a different kind of sport: shopping. London retail sales are expected to increase by 2.6% while the Olympics are on, according to the U.K.-based Centre for Retail Research.

While there's never been any official study comparing retail sales increases in Olympic hosting cities, Centre for Retail Research Director Joshua Bamfield says he would guess London will attract more shoppers than usual.

"We feel there's a certain category of tourists who will come in order to see the Olympics but also in order to spend money," Bamfield says, adding that tourists who attended the Beijing, Sydney or [Athens Olympic Games](#) were probably lured more by the landscape and attractions than the shopping. In addition, corporate sponsors of the Olympics often bring 1,000 or more clients to attend the Games and would typically send people to two Olympic events a day, says Christopher Welton, CEO of Helios Partners, which represents countries hoping to host sporting events, including the Olympics, and companies that sponsor them.



By Christopher Hanewinkel, USA TODAY Sports

Debbie Turner shops at L.K. Bennett, a London shoe store made popular by the Duchess of Cambridge.

"Here, a lot of them aren't doing that; they're giving their guests the option of going to one event and spending the other half of the day either shopping or at a cultural or historical event," says Welton.

But with an unfavorable dollar-to-pound exchange rate, the time-consuming process involved in claiming back the taxes visitors pay on [U.K.](#) goods, and additional taxes collected by the U.S. if you spend more than a certain amount, it can be difficult to decide when you're really getting a good deal, and when it's worth it to splurge.

When shopping in London, or anywhere overseas, there are several financial considerations to keep in mind.

- The exchange rate.** The British pound equals about \$1.57. That's better than several years ago, but still adds about 50% to the cost of what you buy. Some brands, including Burberry, which sell around the world, adjust their prices so they're about the same no matter what currency you're shopping in. If you come across a must-have you'd never be able to find back home, the exchange rate is probably not a deal breaker. Load a currency app, such as the one for international currency site [XE.com](#) onto your phone so you can instantly convert your London purchase into U.S. dollars.

- Credit cards.** Credit card companies often charge a foreign-transaction fee that can total 3% or more of a purchase, although many are starting to drop these fees, especially upscale travel and rewards cards. Check before you go to see if your credit card company charges one, and consider getting a card that doesn't if you're planning to spend a lot. Steven Dengler, CEO of [XE.com](#), recommends swiping your card in pounds, as the rate your credit card company will charge to convert your purchase to dollars is going to be better than the one the store will charge to convert it to pounds.

- Currency exchange.** Several USA TODAY Road Warriors (a group of some of the world's most frequent travelers) who travel often to London say it pays to wait to exchange money in the city rather than at the airport. Exchange only as much money as you think you'll need for taxis and other small purchases, Dengler says. The exchange rate for cash is always a bit higher than it is for credit card transactions. If you have more pounds than you need, you may wind up paying currency exchange fees at both ends of your trip or overspending to get rid of it.

- Value-added tax.** This VAT totals 20% of nearly all purchases in the [United Kingdom](#). Those leaving the U.K. can apply to have the VAT refunded at the airport if purchases were made at stores that participate in "tax-free shopping." It's not easy, however. The lines can be long, and the process involves a lot of paperwork. You need to keep all your receipts to prove you paid the tax, but some stores won't provide them, frequent travelers say.

- U.S. Customs duty.** On your way home, your first \$800 worth of purchases will be exempt from duty, but you'll need to fill out a form detailing what you bought and how much each item cost. Have receipts ready in case you're asked to show them. If you spend more than \$800, the next \$1,000 will be charged a flat 3% duty. After that, duties will be assessed based on what you bought — right down to the type of fabric or precious metal. Don't try to cheat; Customs officers do random inspections based on the answers travelers give to questions, where they're coming from and "past history of compliance," says [John Wagner](#), executive director of admissibility and passenger programs at U.S. Customs and [Border Protection](#).

While it might seem like a lot to keep track of, London shopping has its perks.

British retailer Topshop has three U.S. stores, but the flagship in [Oxford Circus](#) boasts five floors that include a "blow-dry bar" by London salon Hershesons, nail and waxing services, and a tattoo and piercing area. Shoppers can also pick up sandwiches, cupcakes, frozen yogurt and candy at concessions throughout the store.

Then there are specialty London department stores such as the iconic Harrods, known for its gourmet food court, and Liberty, which currently features a collection of silk scarves inspired by London landmarks in honor of the Olympics, says Alice Bland, a retail strategist for consulting firm Kurt Salmon in London. She says most London brands will have better and wider selection at their London stores than in the U.S. or at Heathrow's duty-free shops.

"The London stores for U.K.-based brands, those are the ones they invest in the most," Bland says.

While British retailer L.K. Bennett says the store's merchandise doesn't differ between U.S. and U.K. locations, Allyson Stewart-Allen, who is CEO of London-based International Marketing Partners but grew up in California, says the store is still a hot destination, since Duchess of Cambridge Catherine Middleton has been seen wearing the brand's classic pumps.

Seeking something unique

You aren't likely to find cheaper goods at these stores, but for some, the experience of shopping at them is worth the extra money.

"If you go into Harrods, their food court is just elaborate," says Catherine Hennessy, 27, who is in London this week for the Olympics, her fifth trip to the city. "Spend some good quality time shopping and then have a nice meal. ... It's a nice experience, even though you're paying more dollars." Hennessy's parents moved to London three years ago for work, and she and her husband are staying with them during the Olympics. She says she's already mapped out with her mom the stores they'll visit, including Topshop, as well as department store Selfridges, which she likens to Target — "fashionable for affordable prices."

Hennessy, of Chicago, has also been looking forward to purchasing a raincoat at Burberry. Why not buy it here? "It's the experience," she says. "Just being there with my mom and a special memory and keepsake I'll always have."

But some say one of the best things about London is the charming, often quirky, shops that are off the beaten path.

"London is like Paris that way," says Stewart-Allen.

She recommends shops including Les Senteurs, a "really fantastic, upmarket" retailer that stocks hard-to-find fragrances. Les Senteurs' website boasts that it's now selling the Bex London brand, which includes "scents inspired by the villages of London." For artisan chocolates, she suggests shoppers try William Curley in the Pimlico neighborhood.

"If you don't want to go to [Bond Street](#) and shop for Chanel, you still have plenty of choices here," Stewart-Allen says.

Most of those who travel frequently to London say shopping is most worth your time and money when you're picking up items you won't find back home.

"My wife and family love it when I travel to London, because they know they will get something cool that they can't find here in the U.S.," says Robert Kirkbride, an editor of a trade publication in [Grand Rapids, Mich.](#)

Kirkbride says he makes a point of stopping by jewelry store Tatty Devine for his wife and daughter and sporting goods store Lillywhites for U.K. sport team jerseys for his son.

While cold-weather clothing might be the last thing on travelers' minds in the heat of summer, London is well-known as a place to get high-quality cashmere.

"Our cashmere is a much higher quality than you get in the States because we're getting a lot of the Scottish cashmere," says Belinda Robertson, who sells cashmere clothing bearing her name at a store in Edinburgh and some U.S. boutiques.

If you're looking to shop duty-free, while liquor and tobacco products are usually a good deal because you can avoid the high taxes placed on them in the U.S. to discourage purchases, the best bets at these stores are also quintessential British treats, travelers say.

Claudia Stephenson, who relocated to London from Dallas last year, recommends stopping by the duty-free shops on your way out of the country to pick up things such as Cadbury chocolates and Tetley teas. Other items, including McVities chocolate biscuits, Stewart's Scottish Shortbread and Romney's Kendal Mint Cake, can be found at gift shops as well, says Judith Briles, an author and consultant from Aurora, Colo.

Bottom line, seasoned travelers, and even those who advise consumers on credit card usage, duties and currency exchange, say not to sweat the small stuff when shopping in London. It's overlooking whether stores offer tax-free shopping or applying to get their VAT refunded that's the biggest mistake, given the higher prices, travel experts say.

On his frequent trips to London, travel agent Rob Walters says he likes to shop for Wedgwood china and, like Melinda Show, Aquascutum.

"There are wonderful stores — from Harrods to the smaller boutiques," says Walters, owner of Worldwide Travel Associates in Avondale, Pa. "But shopping in the U.K. is not for the faint of wallet."

Contributing: Yasmeen Abutaleb

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