



Market Report

A Snapshot of your Market Sector

Adventure Tourism

This pack has been designed to provide information on setting up a business in the Adventure Tourism industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in August 2018. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Adventure Tourism market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ In Scotland, domestic overnight stays fell by **9% in 2016, from 6.5 million to 5.9 million**. Expenditure fell by 15.4%, from £2 billion to £1.7 billion in the same period. Domestic holidays in England remained fairly flat in 2016, with a slight increase of 0.1%. This took the number of **visits from 44.7 million to 44.8 million**. Expenditure in England fell by 1.1%, from £10.5 billion to £10.4 billion (Mintel, *Domestic Tourism*, October 2017).
- ◆ The domestic camping and caravanning market (which accounts for the vast majority – over 90% – of trips) has also seen a **3.1% decline in value between 2011 and 2015** but this has to some degree been mitigated by increases in average spend per trip, particularly in the rented static caravan sector, where holiday park customers have shown an increased willingness to trade up to more highly specified units (Mintel, *Camping and Caravanning*, April 2016).
- ◆ Over the five years through 2023-24, industry revenue is forecast to **grow at a compound annual rate of 2.3% to reach £3.8 billion**. Weather patterns and fluctuations in exchange rates will continue to influence consumers' choices concerning travel at home and abroad. The weak currency is expected to continue to encourage domestic tourism over the next few years, as the UK remains a cheap holiday destination (IBISWorld, *Caravan & Camping Sites in the UK*, July 2018).
- ◆ This analysis forecasts the global adventure tourism market to **grow at a CAGR of 45.99% during the period 2016-2020**. According to the adventure tourism market report, increased preference for adventure over other tourism activities will be a key driver for market growth (PR Newswire, *Adventure Tourism Market Growing at Nearly 46% CAGR to 2020*, October 2016) (tinyurl.com/y8ua5w5h).
- ◆ The national organisation for this industry is [Activity Scotland](#). Other industry bodies include [Visit Scotland](#), [Visit Britain](#) and [Adventure Travel Trade Association](#).



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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel – Domestic Tourism (October 2017).** Mintel’s research has found that 51% of the UK population aged 16+ have been on a holiday in the 12 months ending August 2017. There are 52.3 million people aged 16+ in the UK; this means that approximately 26.6 million people aged 16+ took a domestic trip in the 12 months to August 2017 (i.e. 51% of the population aged 16+). Short and long holidays are split almost evenly in the domestic market. 48% of domestic holidaymakers’ last holiday was one to three nights in length, while 45% took a break of four to seven nights. A further 6% took a break of eight or more nights.
- ◆ **Mintel – Camping and Caravanning (April 2016).** Camping and caravanning market volume (measured in terms of the number of trips taken) has fallen back from its peak during the economic downturn and staycation trend to a level some 10% below that of 2011. To some degree this apparent trend of decline paints a slightly false picture because the camping and caravanning market enjoyed something of a boom time during the downturn, as consumers sought out budget holiday options and chose to holiday more often in the UK, particularly for short breaks, rather than venturing abroad to more expensive destinations.
- ◆ **Mintel – Special Interest Holidays (March 2018).** The UK is the preferred destination for 33% who have been on a special interest holiday or are interested in going on one. At 80%, the vast majority do choose an overseas location as their preferred special interest holiday destination. This is most likely due to the greater sense of adventure on offer.

There are also a number of online resources you may find helpful:

- ◆ **Highlands and Islands Enterprise, Adventure Tourism in Scotland Research Report, August 2015** (tinyurl.com/y7tcpvdm). There are high levels of optimism for future business performance within the sector. In all, over two thirds of AT businesses (68%) are looking to expand their turnover in the near future, most of whom expect it to grow moderately, with just 3% expecting sales to drop. AT businesses are slightly less optimistic about increasing employment, although over half (57%) do plan to expand employment over the next three years. Again, just 3% of businesses are expecting employment to contract over this time.
- ◆ **Visit Scotland, Tourism Statistics 2017, July 2018** (tinyurl.com/yayn7jb4). Here you can find the latest statistics, trends and insights into Scotland’s tourism industry including visitor volume, number of trips, nights and spend with a comparison between Scotland and Britain as a whole.
- ◆ **Adventure Travel Trade Association, Adventure Travel Research** (tinyurl.com/yb2cp6g3). This website has a number of relevant reports. Some of these incur a cost if you are not a member of the association but some are free of charge.

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as Yell, Thomson Local or Google Maps
- ◆ Trade specialists like EuroPages (European directory), The Wholesaler or Free Index
- ◆ Business to business (B2B) specialists such as Kompass

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the Companies House website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Retaining and Grow Your Customer Base](https://tinyurl.com/c2fw4o4) (tinyurl.com/c2fw4o4) will help you to identify who your customers are, how to use this information to sell more effectively and how to actively compete in your marketplace.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the National Records of Scotland (NRS). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the Census Area Profiles. Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ Understanding Scottish Places has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ Scottish Government Statistics provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ The Scottish Household Survey provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ Office for National Statistics (ONS) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Account](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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