



# Market Report

A Snapshot of your Market Sector

## Ancestral Tourism

This pack has been designed to provide information on setting up a business in the Ancestral 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](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in April 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 Ancestral 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:

- ◆ The popularity of weekend breaks within the United Kingdom is likely to have been enhanced by the fall in the value of the pound through the current year, as this has made trips abroad more expensive. The depreciation of the pound amplified the trend of domestic tourism, and this had a negative effect on overseas trips, on which operators generate most of their revenue. In addition, the economic uncertainty caused by the referendum is expected to have lowered discretionary spending in the UK, hindering demand for the industry. As a result, revenue is expected to contract over **2017-1** by **1.4%** and **1.3%** in each year respectively. However, over the **five years** through **2017-18**, revenue is forecast to expand at a compound annual rate of **0.9%** to reach **£12.4 billion**. (IBISWorld, *Tour Operators in the UK*, February 2017)
- ◆ The number of domestic holidays in Great Britain decreased by **2.1% in 2016** while expenditure fell by **4%**, marking a decline after one year of growth. The fall in the value of Sterling and ongoing Brexit negotiations mean that the UK faces economic uncertainty going forward, meaning that overseas trips are more expensive. The benefit of this for domestic tourism is that **46%** of holidaymakers will be staying in the UK instead of going abroad. (Mintel, *Domestic Tourism*, UK, October 2017).
- ◆ The United Kingdom travel & tourism industry grew by **3.3% in 2017** to reach a value of **\$267.4 billion**. In **2022**, the United Kingdom travel & tourism industry is forecast to have a value of \$327.3 billion, an increase of **22.4%** since **2017**. The United Kingdom accounts for **16.6%** of the European travel & tourism industry value. (Marketline, United Kingdom, Travel & Tourism, January 2018)
- ◆ The national organisation for this industry is [Visit Scotland](#). Other industry bodies include [Association of Genealogists and Researchers in Archives](#), [Association of Independent Tour Operators](#), [Scottish Tourism Alliance](#) and [Scottish Centre for Diaspora Studies](#).



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## Where can I find more information on my market?

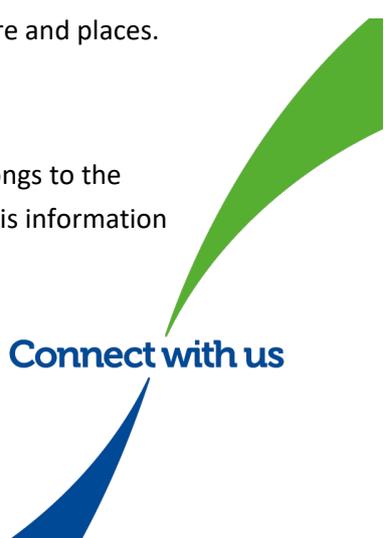
The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ **Mintel – Domestic Tourism – UK – October 2017** - 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 4% took a break of eight or more nights. Trips of 1-3 nights are increasingly popular in 16-34 year olds, as they are keen on multiple short holidays throughout the year. Expenditure and average spend have also decreased, down 4% and 2% respectively between 2015 and 2016.
- ◆ **IBISWorld – Tour Operators in the UK – November 2017** - There has been strong growth in domestic packages during recent years. According to research from ABTA, approximately 27% of British holidaymakers took a package holiday in the UK during the year through July 2015, up from just 12% in 2011. This trend is expected to continue through 2017-18, supported by the weakening of the pound. Trips centred on activities such as walking, cycling have generated a high associated spend as people are willing to travel around the country and take part in them.
- ◆ **IBIS World – Travel Agents in the UK – November 2017** - Despite rising competition, there are still numerous opportunities to serve niche markets and many inexperienced travellers continue to seek advice from professionals when booking parts of their journeys. There has, however, been a distinct change in the advice and information now being sought from travel agents, as easy internet access has widened the scope of information available to the prospective traveller. Travel agents often face more in-depth questioning on destinations and proposed itineraries, including accommodation standards, internal flight schedules and local tourist activities and attractions.

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

- ◆ **The Scottish Government** estimates that around 50 million people around the world have Scottish ancestry, with the largest volume in North America and in other parts of the UK. Many of these people claim to be able to trace Scottish ancestry back five generations or more. ([tinyurl.com/jrlv9pj](http://tinyurl.com/jrlv9pj))
- ◆ **Visit Scotland** has some useful resources on Ancestral Tourism. ([tinyurl.com/n2nu8b9](http://tinyurl.com/n2nu8b9))
- ◆ **Scotland's People** has almost 90 million records from Scottish sources. (<http://www.scotlandspeople.gov.uk/>)
- ◆ **Tourism Intelligence Scotland** Ancestral Tourism: Opportunities for Growth – While this report is from 2013, there is still some useful information contained. ([tinyurl.com/jgvas2d](http://tinyurl.com/jgvas2d))
- ◆ **The Scots Magazine** – Contains various news and information such as people, culture and places. ([www.scotsmagazine.com/](http://www.scotsmagazine.com/))

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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](mailto:info@bgateway.com) or by calling **0300 013 4753**

## 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](mailto:info@bgateway.com) or by calling **0300 013 4753**.



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## 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](#).

**Last updated:** April 2018

**Updated by:** James Brown

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