



# Market Report

A Snapshot of your Market Sector

## Children's Play Area

This pack has been designed to provide information on setting up a business in the Children's Play Area 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 June 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 Children's Play Area 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:

- ◆ Data from the Office of National Statistics shows that just **22% of children age 5-15** meet government-set daily activity recommendations for their age-group. Mintel's research finds that exercise falls low on children's list of priorities for their free time, with most preferring to spend their time participating in sedentary activities such as playing games online and watching television (Mintel, *Lifestyles of Children and Teens*, July 2017).
- ◆ The indoor play market is **highly fragmented with well over 600 independently operated sites**. Many pubs and restaurants feature indoor play equipment but certainly in more recent years, the independent operator has started to dominate the industry. There is a growing need to encourage energetic free play moving away from static screen based entertainment. (Play Providers Association – *Industry Information*) ([tinyurl.com/y7cjrg2g](http://tinyurl.com/y7cjrg2g))
- ◆ The API (Association of Play Industries) has provided an overview of their organisation's activities and advantages of working with API members. (API, *API – At a Glance*) ([tinyurl.com/muz3co2](http://tinyurl.com/muz3co2)).
- ◆ It is recommended that children over five should engage in at least **60 minutes (1 hour)** of moderate to vigorous intensity physical activity every day. Children under five who are capable of walking unaided should be physically active for at least **180 minutes (3 hours)**, spread throughout the day (Sustrans, *Physical activity and health – fact and figures*) ([tinyurl.com/lky7s8q](http://tinyurl.com/lky7s8q)).
- ◆ Adolescence is thought to be the time when children go off exercise - but a study in The British Journal of Sports Medicine suggests it happens much earlier, **around the age of seven**. Sitting is replacing physical activity from the time children start school, the research suggests (The Play Providers Association, *Exercise levels decline 'long before adolescence'*, 14<sup>th</sup> March 2017) ([tinyurl.com/menfjjo](http://tinyurl.com/menfjjo)).
- ◆ The national organisation for this industry is [Play Scotland](#). Other industry bodies include [Play England](#), the [Association of Play Industries](#) and [The Play Providers Association](#).

## 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 - *Lifestyles of Children and Teens (July 2017)*** – While it might be considered encouraging that 78% of all children and teens say that they do exercise outside of school, this makes a significant variation depending on gender and age, with teenage girls the least likely to be taking part in sport outside of school. The childhood obesity rate remains high; 28% of children aged 2-8 qualified as either overweight or obese in 2015. Sugar consumption is one of the biggest villains in the battle to get children to be healthy, however inactivity is also a key issue. Despite their lackadaisical attitudes towards exercise, PE/Sports prove among the most popular subjects at school. This could reflect how children enjoy the collaborative nature of sport in school and suggests that creating more opportunities for children to keep fit together could be appealing.
- ◆ **Mintel Analyst Insight – *Children’s exercise levels decline (March 2017)***. New research published in the British Journal of Sports Medicine in March 2017 shows that children’s physical activity levels begin to decline from the age of just seven. The Gateshead Millennium Cohort study tracked the activity levels of the children over an eight year period, using monitors worn for a week at a time. The amount of exercise the children did was measured at age seven and then again at age nine, 12 and 15. The findings notably contradict the common conception that children’s activity drops off as they reach their teenage years, showing instead that children’s activity levels are already in decline by the time they leave primary school.
- ◆ **IBISWorld – *Sporting and Outdoor Equipment Retailers in the UK (November 2017)***. Households with children - this segment has been the largest market for industry operators and is estimated to account for 47.6% of revenue. As parents encourage their children to become more active, families are getting involved in sport together.

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

- ◆ The Office of National Statistics - *Children’s engagement with the outdoors and sports activities, UK: 2014 to 2015*, published January 2018 ([tinyurl.com/y7wbd24u](http://tinyurl.com/y7wbd24u)) - Children spent three times longer on sports and exercise activities (33 minutes) than entertainment and culture activities (11 minutes) where entertainment and culture activities includes visiting historical, wildlife and botanical sites, leisure parks, urban park playgrounds or designated play areas)
- ◆ **Third Force News – Guide aims to help organisations create inspiring play areas (May 2018)** ([tinyurl.com/y7wbd24u](http://tinyurl.com/y7wbd24u)) - Free to Play aims to ensure that all children and young people, including those with additional support needs, can exercise their right to play in their local communities.
- ◆ **Royal Society for the Prevention of Accidents (ROSPA), *Indoor Soft Play*** ([tinyurl.com/kwjvwoh](http://tinyurl.com/kwjvwoh)). ROSPA have provided standards and guidelines for soft play areas in addition to issues worth considering in the planning of this type of business.

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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**.

## 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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**Updated by: Fiona Elliot**



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