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 2019. 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:

♦ Escorted touring is the largest segment of the groups market; 12% of adults have been on one in the UK and 11% abroad in the past five years. Adventure/physical activity group holidays are the second-largest specialist segment; 11% of adults took one in the UK and 9% abroad over the past five years. (Mintel, Group Holidays and Escorted Tours UK, May 2019).

♦ The ABTA has reported that fewer people are planning to spend more on their holidays in 2019 than in 2018, with approximately 14% of people saying they will spend less, suggesting a slightly more cautious approach to holiday spending in the coming years. This is anticipated to extend the staycation trend, as domestic holidays can be much cheaper than going overseas, benefiting operators that offer domestic short breaks. (IBISWorld, Tour Operators in the UK, February 2019).

♦ The market experienced a high growth rate from 2014-2017; however, with the growing popularity of other types of tourism such as sports and luxury tourism, the pace at which the adventure tourism market is growing currently is likely to slow down by 2021. This is because of the saturation of regions like North America and Western Europe that accounted for the majority share in the global adventure tourism market. In 2017, North America accounted for more than 11% of the market's global revenue with the US contributing the highest country-wise revenue share. (Technavio, Global Adventure Tourism Market 2018-2022).

♦ Cycling holidays have enjoyed a growing appeal in recent years as part of a wider trend towards more active styles of holiday taking. The most receptive group for cycling holidays are those who already cycle regularly. There is a natural progression amongst enthusiasts from commuting to work by bike, to weekend leisure riding, to a cycling holiday. (Mintel, Domestic Tourism UK, October 2018)

♦ The national organisation for this industry is Activity Scotland. Other industry bodies include Visit Scotland, Visit Britain, Wild Scotland and the Adventure Travel Trade 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.

♦ Mintel – Group Holidays and Escorted Tours UK (May 2019). The boundaries between escorted tours and adventure travel are growing more porous as a new generation of over-50 travellers seek out increasingly adventurous trips. In January 2019 Saga Holidays introduced a new range of ‘small group, big adventure’ escorted tours designed to provide a more immersive experience for 12-17 guests.

♦ Mintel – Special Interest Holidays UK (April 2019). Walking/hiking is by far the most popular type of physical activity break, taken by 53% of physical activity holidaymakers (equivalent to 8% of all UK adults). This is followed by watersports, cycling breaks, boating and snowsports.

♦ IBISWorld – Tour Operators in the UK (February 2019). Adventurous tourists are continuing to seek new holiday destinations, particularly outside Europe and North America. According to the ABTA, 45% of British holidaymakers plan to visit a new country in the 12 months through August 2019 and the availability of cheap long-haul flights to Asian destinations, as well as a favourable exchange rate, is driving demand for trips to Asia.

♦ Technavio – Global Adventure Tourism Market 2018-2022. In 2017, the global adventure tourism market generated a revenue of $1.22 trillion, which is likely to increase by more than five-fold by 2022. Innovative adventure sports are being introduced by organizers that involve high risk but give the experience of a lifetime, which is driving the growth of the market.

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

♦ Visit Scotland – Scotland’s Tourism Performance Summary Report 2018 (tinyurl.com). 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.

♦ ABTA – Travel Trends Report 2019 (tinyurl.com). This report reflects on how the market performed in 2018 and looks at the trends and how the UK travel market is predicted to perform in 2019.

♦ Adventure Travel Trade Association, Adventure Travel Research (tinyurl.com). This website has a number of relevant reports. Some of these incur a cost if you are not a member of the association but others 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
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 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 Accountant” 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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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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**Updated by:** Liesel