



# Market Report

A Snapshot of your Market Sector

## Alternative & Complimentary Therapy

This pack has been designed to provide information on setting up a business in the **Alternative & Complimentary Therapy** 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 **October 2020**. 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 Alternative & Complimentary Therapy 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:

- ◆ Over the last five years there has been a steady increase in the proportion of people who deem themselves to be very healthy for a person of their age. This evidences growing awareness of the importance of holistic health, and many consumers' proactive efforts to build this ethos into their lifestyles. 25-34s have the most confidence in their healthiness, with **27% ranking themselves as very healthy** for a person of their age. This age group are particularly engaged with health, being most likely to eat healthily all of the time and to exercise at least four times a week (Intel, *Managing a Healthy Lifestyle – UK*, January 2020).
- ◆ At present, approximately **one in six UK residents** is at least 65 years old, and this figure is expected to continue rising. Over the four years through 2018-19, the number of elective admissions into hospitals increased by 6.5%, according to NHS hospital admission data. The industry's sustained expansion is in part a natural result of the ageing of the population and the bodily decline that accompanies this. Individuals aged 65 and over are a key market for the industry. Physiotherapy, optometry, occupational health therapy, dietetics, prosthetics, and paramedic services have all been in strong demand as efforts have been made to keep the elderly fit and mobile. (IBISWorld, *Allied Health-Care Services in the UK*, March 2020).
- ◆ Government-imposed social distancing restrictions have resulted in the closure of health and fitness centres and the majority of offices. These measures have eliminated a large chunk of the industry's customers, as well as restricted their ability to provide services, except through virtual consultations. Forecast rises in unemployment levels are expected to reduce industry demand. According to the ONS, job vacancies sank by 52,000 over the three months through March 2020, compared with the same period in 2019, to 795,000. (IBISWorld, *Corporate Wellness Services in the UK*, July 2020).
- ◆ There are a number of industry bodies for this industry including [The General Regulatory Council for Complementary Therapies](#), [Complementary & Natural Healthcare Council](#), [National Council for Osteopathic Research](#) and [British Homeopathic 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 - Managing a Healthy Lifestyle – UK** (January 2020). Mintel thinks that whereas the diet and fitness have dominated conversations around health in the past, the consumer definition of health has become increasingly tripartite in recent years, with mental and emotional wellbeing having become a principal consideration in its own right. Indeed, mental/emotional wellbeing and diet/exercise are deemed of equal importance among two thirds of adults. This links with the Mintel Trend Total Wellbeing which looks at how consumers are treating their bodies like an ecosystem and seeking solutions that complement their personal health and evolving needs.
- ◆ **IBISWorld - Allied Health-Care Services in the UK** (March 2020). The industry's performance needs to be considered in relation to the overall UK economy. GDP is expected to grow at a compound annual rate of 1.5% over the decade through 2024-25. In comparison, industry value added, a measure of the industry's contribution to the economy, is expected to grow at a compound annual rate of 1% over the same period. This figure might have been higher were it not for the restraint placed on NHS spending. Nevertheless, rising demand for industry services such as physiotherapy has led to a number of small operators entering the industry in the past five years. Over the five years through 2019-20, the number of enterprises operating in the industry is expected to rise at a compound annual rate of 2.1%.
- ◆ **Euromonitor - Wellness redefined: exploring the case for emotional wellbeing** (October 2020). The COVID-19 pandemic has had far-ranging consequences, with the most immediate impact being concerns over physical health and disease prevention. Measures to mitigate the virus's spread, such as home seclusion and social isolation, as well as prevailing uncertainty regarding the economic fallout have had less easily measurable impacts on health, notably increased anxiety and disturbed emotional balance. In a policy briefing earlier in 2020, the UN warned of a looming mental health crisis as an escalating threat to whole societies and populations of all ages and called for urgent and substantial investment and support solutions in this space, both short-term and beyond the pandemic.

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

- ◆ **Complementary and Natural Healthcare Council** provides updated information on latest government announcements on working during COVID-19. ([tinyurl.com/y5cy2ogc](https://tinyurl.com/y5cy2ogc)).
- ◆ **NHS, Complementary and alternative medicine.** The NHS has produced a guide to complementary and alternative medicine (CAM), including information on finding a practitioner, professional associations and accredited registers for CAMs and questions to ask before starting treatment. ([tinyurl.com/y7tpwmbd](https://tinyurl.com/y7tpwmbd))

**Disclaimer:** This report has been updated in October 2020 - we have included Post COVID-19 market material where available. Please note that this research may contain copyrighted material. Copyright belongs to the holders credited above and, as such, recipients of this research reproduce and repurpose this information at their own risk.



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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**



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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](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 [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

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 websites, 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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