



# 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 **December 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 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 outbreak of the coronavirus in the current year has reduced travel by all international tourists, meaning Britain is expected to suffer from a lower level of tourism from overseas visitors during 2020-21. Over the five years through 2020-21, industry revenue is forecast to decline at a compound annual rate of 7.4%, including an expected fall of 13.1% in the current year, to £9.5 billion. The trend for solo holidays has grown over the past five years; according to figures published by the ABTA, 15% of UK consumers chose to go on holiday by themselves in 2018, up from the 12% that took a solo holiday in 2017. (IBISWorld, *Tour Operators in the UK*, September 2020).
- ◆ The total value of domestic holidays taken by British residents is expected to decline by 45% in 2020, whilst the total value of overseas holidays taken by UK residents is expected to decline by 75%. UK adults who are planning on taking a holiday in the UK in the next 12 months are most likely to consider the South West (29%), Scotland (27%) and Wales (25%), whilst just 16% would consider London. This shift is a result of greater interest in visiting less crowded cities and areas of natural beauty. (Mintel, *Travel Trends: Inc Impact of COVID-19 - UK*, August 2020).
- ◆ The proportion of adults visiting UK visitor attractions rose by two percentage points during the year to August 2019, rising to 77% overall (versus 75% in 2016/17). Interest in history is highlighted by the repeated position of museums (39%), gardens (38%) and historic buildings (37%) as the most visited attractions, with all three showing a four percentage point increase in attendance in 2019 compared to the previous year. (Mintel, *Visitor Attractions – UK*, October 2019).
- ◆ 66% of visitor had an existing connection to Scotland, with visitors from rest of UK more likely to have family (31%) or friends (20%) living in Scotland or to have visited before (20%), and long haul visitors most likely to mention ancestry (29%). (Visit Scotland, *Visitor Interests & Activities*, 2016).
- ◆ The national organisation for this industry is [Visit Scotland](http://www.visitscotland.org) ([www.visitscotland.org](http://www.visitscotland.org)). Other industry bodies include [Association of Genealogists and Researchers in Archives](http://www.agra.org.uk) ([www.agra.org.uk](http://www.agra.org.uk)), [Association of Independent Tour Operators](http://www.aito.com) ([www.aito.com](http://www.aito.com)), [Scottish Tourism Alliance](http://tinyurl.com/y5rde8sp) ([tinyurl.com/y5rde8sp](http://tinyurl.com/y5rde8sp)) and [Edinburgh Centre for Global History](http://tinyurl.com/y2knheko) ([tinyurl.com/y2knheko](http://tinyurl.com/y2knheko)).

## 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 – Visitor Attractions UK (October 2019).** As the 5G network continues to roll out across the UK, attractions are beginning to take advantage by offering virtual (VR) and augmented reality technology (AR). With the potential to improve learning, visitor experience and accessibility, Mintel expects these technologies to become popular fixtures across the sector. In April 2019, the Scottish Borders Council commissioned a new £6.7 million visitor attraction to house the Great Tapestry of Scotland. The project is part of a wider regeneration project in Galashiels and hopes to attract an additional 50,000 visitors to the area, expected to open in Q2 2020.
- ◆ **The Tourism Alliance – UK Tourism: 2020 and Beyond.** Tourism has been one of the UK's largest, most successful and dynamic industries, generating £146bn per annum, employing 3.1m people and delivering £26bn per annum in export earnings. Tourism, especially business and educational tourism, is also a very important component of the UK's projection of soft power overseas, enhancing the country's status as a place to invest and supporting international diplomacy. The value of the Tourism industry to the UK was recently recognized by the Government through the signing of a Sector Deal which aims to deliver a 23% increase in inbound visitors by 2025. ([tinyurl.com/y5rde8sp](https://tinyurl.com/y5rde8sp))

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

- ◆ **Visit Scotland** has an ancestral tourism toolkit with useful links for marketing and business planning, and a list of support services across Scotland ([tinyurl.com/yxvyqo4b](https://tinyurl.com/yxvyqo4b)).
- ◆ **The Scottish Tourism Alliance** has a campaign called 'The Big Five Questions' which collates a number of resources for supporting businesses in the tourism industry, including guides on understanding your customer, being smarter online and developing tourism in your area ([tinyurl.com/y2v55tdc](https://tinyurl.com/y2v55tdc)).
- ◆ **Visit Britain** has a 2020 inbound tourism forecast with infographics and statistics on overseas visits to the UK and average expenditure. The central scenario forecast for inbound tourism to the UK in 2020, as of December 3rd, is for a decline of 76% in visits to 9.7 million and a decline of 80% in spending to £5.7 billion. This would represent a loss vs the pre-COVID forecast of 32.3 million visits and £24.7 billion spending. ([tinyurl.com/y28yctqa](https://tinyurl.com/y28yctqa)).
- ◆ **The Scottish Government** report 'Tourism in Scotland: The Economic Contribution of the Sector' (April 2018) contains infographics and collated statistics from a number of authoritative sources such as the Office for National Statistics (ONS) and Visit Scotland to present an overview of the tourism industry and the demographics of tourists visiting Scotland ([tinyurl.com/y4x8267t](https://tinyurl.com/y4x8267t)).

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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 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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