



# 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 February 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 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 depreciation of the pound since the EU referendum has encouraged domestic tourism and constrained demand for overseas trips, from which operators generate most of their revenue. Despite this, revenue is estimated to grow at a **compound annual rate of 4.4%** over the five years through 2018-19 as consumers have prioritised travel over other activities. In the current year, revenue is expected to **rise by 2.9% to £14.9 billion** as disposable incomes begin to rise and boost outbound tourism, while the continued low value of the pound supports spending on domestic tourism” (IBISWorld, *Tour Operators in the UK*, June 2018).
- ◆ “The UK travel & tourism industry is expected to generate total revenues of \$266.1bn, representing a compound annual growth rate (CAGR) of **2.4% between 2014 and 2018** [...] The United Kingdom accounts for **15.6%** of the European travel & tourism industry value” (Marketline, *Travel & Tourism in the United Kingdom*, December 2018).
- ◆ “Intel’s research points to a significant level of consumer expectation that overseas travel will be adversely impacted by Brexit: 47% of adults agree that ‘Brexit will make travel between the UK and Europe more difficult’, while 34% disagree and 19% don’t know” (Intel, *Domestic Tourism – UK*, October 2018).
- ◆ “History and culture is a major selling point for domestic tourism. Some **72% of adults** agree that ‘British history and culture make visiting UK destinations more appealing. [...] Those aged over 45 are especially drawn to visiting historical attractions” (Intel, *Domestic Tourism – UK*, October 2018).
- ◆ “The proportion of adults visiting UK visitor attractions fell marginally during 2018 but still topped 70% overall, with museums, gardens and historic buildings proving most popular” (Intel, *Visitor Attractions – UK*, November 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](#).

## 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 2018.** The past decade has been a golden era for domestic tourism, with trip numbers likely to have risen by a staggering 10 million by the end of 2018. The word ‘staycation’ has morphed from its original usage (as a cheaper alternative to the holiday abroad during the last recession), to become a fashionable lifestyle choice.
- ◆ **Mintel – Visitor Attractions, UK – November 2018.** The majority of decisions to visit an attraction are taken in the week leading up to the trip, with the sweet spot in the planning process appearing to be a few days before the visit – close enough to be confident of the weather but far enough out to organise travel and prepare.
- ◆ **IBISWorld – Tour Operators in the UK – June 2018.** The Tour Operators industry is comprised of approximately 2,000 enterprises, which vary from sole operators in niche locations or markets to larger companies with broader product offerings. According to the Office for National Statistics, 63.7% of establishments in the industry employed fewer than five people in 2017. This demonstrates the large share of the industry accounted for by small operators.

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](http://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](http://tinyurl.com/y2v55tdc)).
- ◆ **Visit Britain** has a 2019 inbound tourism forecast with infographics and statistics on overseas visits to the UK and average expenditure. This forecast was updated in February 2019 and is set to be updated again in the Summer of 2019 ([tinyurl.com/y66k3a3h](http://tinyurl.com/y66k3a3h)).
- ◆ **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/y4wbjzrz](http://tinyurl.com/y4wbjzrz)).

**Disclaimer:** 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.



Connect with us

## 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**



Connect with us

## 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](#) 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](#).

Although every effort has been made to ensure the accuracy of the information provided, Business Gateway will not be held liable for any inaccuracies or omissions in the data supplied, or for the content of any website that the document above may contain links to. By using this information, you accept this disclaimer in full. Also, please note that Business Gateway does not endorse any business or individual that may be referred to above.

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.

**Last updated:** February 2019

**Updated by:** Rebecca B

Connect with us