



Market Report

A Snapshot of your Market Sector

Arts and Crafts

Cost of Doing Business Support

For information on **reducing the cost of running your business**, the [Find Business Support](#) website has links to advice, funding and regional support.

This pack has been designed to provide information on setting up a business in the **Arts and Crafts** 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 2023**. 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 Arts and Crafts 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:

- ◆ Participation in arts and crafts over the period November 2019 to December 2022 has increased by 5%. Participation in nature interests in 2022 is down by 4%; gardening, language learning, and **arts/crafts are each down by 3%**; photography is down by 2%. (Mintel, *Hobbies and Interests-UK*, 2023).
- ◆ Some **34% of adults have participated** in art and craft activities in the past 12 months. Amongst this group, over 50% have done painting or drawing, and 47% have taken part in textile activities. More specialist creative activities, in order of popularity, include plant/flower craft, jewellery making, metal or woodwork, soap/candle making, pottery, and sculpture. (Mintel, *Hobbies and Interests-UK*, 2023).
- ◆ Hobbycraft, the UK's leading arts and craft specialist retailer, has reported **strong Christmas 2022 sales, a 15% revenue increase to £203.1 million** at end of February 2022, and **18% increase in kids' crafting kits** to January 2023. Under-35s are the most likely to engage in creative activities with 40% of 16-34s participating in arts and/or crafts, 41% in photography and 47% in home improvements/DIY. (Mintel, *Hobbies and Interests-UK*, 2023).
- ◆ Over a third, **(36%) of Generation Z view themselves as creative**. This aligns with the 14% of Gen Z who want to pursue a career in the arts and culture industry. (Mintel, *Lifestyles of Generation Z-UK*, 2022).
- ◆ In 2020 it was reported that across the UK, the number of **people buying craft** was **37.7 million**. The increase in the volume of craft objects bought annually between 2006 and 2020 rose from 5.6m to 24.7m objects. (Crafts Council, *The Market for Craft*, May 2020 – full report available at tinyurl.com/36t38ct5).
- ◆ As of June 2023, **ravelry.com** was the most visited crafts website worldwide, with around **13 million visits**. As of that month, hobbylobby.com ranked second with roughly 12.9 million visitors. Overall, the remaining crafts websites listed in the ranking reported a total of approximately 9 million visits as of June 2023. (Statista, *Hobbies: Most visited crafts websites worldwide June 2023*).
- ◆ There are around 300 commercial galleries selling art, craft and design across Scotland. There has been a significant increase over the past 15 years in the number of craft galleries selling locally made products. (Creative Scotland, *Selling Platforms for Art, Craft and Design in Scotland: A Report*, 2021 - full report available at tinyurl.com/5n7xa5e6).
- ◆ The national organisation for this industry is [Craft Scotland](#). Other industry bodies include [Creative Scotland](#), [Textiles Scotland](#), [Crafts Council](#) and the [Creative Industries Council](#).



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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.

- ◆ **Statista - Art market in the United Kingdom - statistics & facts (May 2023).** The United Kingdom is the leading European art market and one of the major hubs for the global art trade. In 2022, the UK made up approximately 18 percent of art and antiques sales worldwide, ranking second behind the United States and with China in third place.
- ◆ **IBISWorld - Ceramic Household & Ornamental Article Manufacturing (March 2023).** Demand for UK-manufactured ceramic items/ornaments is determined by the quality and price of imports. The exception to imports and price as a determinant is when consumers seek quality and craftsmanship in their products, as many domestic operators have a competitive advantage in this area. The industry is fragmented and comprises many small-scale pottery firms operating in narrow regional and niche product markets, as demonstrated by the fact that 84.8% of firms in the industry employed fewer than 10 people in 2020. From 2023/24 to 2028-29, industry revenue is forecast to grow at a compound annual rate of 2.9% to reach £568m.
- ◆ **IBISWorld – Textile Weaving & Finishing in the UK (April 2023).** Demand from clothing manufacturing is staying steady in 2022-23, following massive drops in the previous two years. Technological change is pushing down the cost of manufacturing textiles, making domestic weavers more competitive. With the current push back against fast fashion, there is a rising preference for quality products manufactured in the UK, a trend supported by the Made in Britain campaign. This has increased the competitiveness of UK goods in both domestic and foreign markets and consumers are often willing to pay a higher price for these goods owing to their perceived high quality.

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

- ◆ The **Crafts Council** is the development agency for contemporary craft in the UK. Their website has a number of useful resources including a directory of craftspeople, a section on business skills and learning, events listings and more (tinyurl.com/r5fezw3u).
- ◆ **Craft Scotland** has several resources for the maker community including sector research, a list of trade and retail events in the UK and worldwide and information on funding. (tinyurl.com/9eumwbdw).
- ◆ **Craft Scotland - Collect 2023** was an international fair for visitors and galleries held at Somerset House in London, March 2023. Craft Scotland showcased a collection of ambitious new work from 10 of Scotland's talented makers. In 2023, approximately 1,335 artworks were available to purchase in Collect 2023's digital edition, with Collect being one of the most visited fairs on Artsy.net (tinyurl.com/yerrmrwe).
- ◆ **Creative Scotland** also publishes research on the creative industries, including 'Arts and Health Mapping' (February 2022), and a 'Audience Intentions Survey: Wave 5' (March 2023) which looks at the Scottish population's behaviours and attitudes to arts attendance (tinyurl.com/mr34ba3k).

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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**



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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 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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Last updated: August 2023

Updated by: Jan Leach

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