



# 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](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **July 2022**. 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:

- ◆ COVID-19 has significantly impacted the uptake of hobbies. Compared to the pre-pandemic period in 2019, participation in home improvements/DIY in the year ending November 2021 is up by 10%; gardening and **arts/crafts are each up by 8%**; baking/cooking for pleasure is up by 6%; and photography and language-learning are both up by 5%. Hobbycraft, the UK's largest art and craft specialist retailer, has reported **1.3 million new customers**, with strong growth in children's arts and craft. (Mintel, *Hobbies and Interests-UK*, 2022).
- ◆ Some **37% 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 44% have taken part in textile activities like sewing or knitting. More specialist creative activities, in order of popularity, include making jewellery, plant/flower craft, metal/woodwork, pottery and sculpture. (Mintel, *Hobbies and Interests-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/yvwp3kp8](http://tinyurl.com/yvwp3kp8)).
- ◆ As of April 2022, **hobbylobby.com** was the most visited crafts website worldwide, with around **14.7 million visits**. As of that month, ravelry.com ranked second with roughly 13.8 million visitors. Overall, the remaining crafts websites listed in the ranking reported less than five million visits as of April 2022. (Statista, *Hobbies: Most visited crafts websites worldwide April 2022*, May 2022).
- ◆ 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. Gen Z are the most likely to have creative hobbies and interests compared to other generations, with 50% having done arts and/or crafts in the past 12 months. (Mintel, *Lifestyles of Generation Z-UK*, 2022).
- ◆ 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](http://tinyurl.com/5n7xa5e6)).
- ◆ The national organisation for this industry is [Craft Scotland](#). Other industry bodies include [Creative Scotland](#), [Textiles Scotland](#), and the [Crafts 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](mailto:info@bgateway.com).

- ◆ **Statista - Art market in the United Kingdom - statistics & facts (May 2022).** The United Kingdom is the leading European art market and one of the major hubs for the global art trade. In 2021, the UK made up approximately 17 percent of art and antiques sales worldwide, ranking third behind the United States and China.
- ◆ **IBISWorld - Ceramic Household & Ornamental Article Manufacturing (March 2022).** Demand for UK-manufactured ceramic items and ornaments is also 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.
- ◆ **IBISWorld – Textile Weaving & Finishing in the UK (January 2022).** Rapidly changing fashion trends require downstream clothing manufacturers to alter their product lines quickly. This can be advantageous for UK textile manufacturers, as the time it takes for domestically produced textiles to reach the market is shorter than it is for imported products. Increasing preference for UK-made goods, technological advancement, and rapidly changing fashion trends have all supported industry demand. The Made in Britain label on UK products is also gaining appeal as a fashion marker because of its association with high quality, domestic job creation and corporate responsibility.

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](https://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](https://tinyurl.com/9eumwbdw)).
- ◆ **Craft Scotland - Collect 2022** was an international fair for visitors and galleries held at Somerset House in London, February 2022. Craft Scotland showcased a collection of ambitious new work from 11 of Scotland's talented makers. In 2021, over 1,300 artworks were available to purchase in Collect 2021's digital edition, with Collect being one of the most visited fairs on Artsy.net. ([tinyurl.com/mun7chmw](https://tinyurl.com/mun7chmw)).
- ◆ **Creative Scotland** also publishes research on the creative industries, including 'Arts and Health Mapping' (February 2022), and a 'Covid-19 Population Survey: Wave 4' (February 2022) which looks at the Scottish population's attitudes to attending cultural events and venues. ([tinyurl.com/7d824u25](https://tinyurl.com/7d824u25)).

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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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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: Eleanor**

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