



# Market Report

A Snapshot of your Market Sector

## Cleaning Services

This pack has been designed to provide information on setting up a business in the **Cleaning Services** 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 **September 2021**. 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 Cleaning Services 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:

- ◆ In 2020-21 alone, revenue is anticipated to have fallen by **15.1%** as a result of the COVID-19 (coronavirus) pandemic. In 2021-22, however, the industry is expected to rebound as more businesses resume operations and increasingly demand cleaning services in order to comply with safe working procedures, allowing revenue to increase by **5.4% to reach £846.2 million**. Industry revenue is expected to grow at a compound annual rate of **2.8%** over the five years through 2026-27 to reach **£971.4 million**. Demand for cleaning services from the healthcare sector is expected to increase, supported by the UK's ageing population raising the need for more and intensive healthcare services. (IBISWorld, *Industrial Cleaning activities in the UK, May 2021*).
- ◆ Revenue is forecast to somewhat recover during the current year, growing by **7.7%** over 2021-22 in line with the reopening of the economy as lockdown restrictions are eased. However, revenue is expected to be restricted as many companies are still allowing employees to work remotely, and construction activity is expected to remain subdued throughout the year, limiting the growth in revenue. Over the five years through 2026-27, revenue is forecast to rise at a compound annual rate of **0.6% to £5.5 billion**. Demand for cleaning services is expected to grow due to growth in the number of residential and commercial buildings that need to be cleaned. Additionally, the number of businesses operating in the United Kingdom is expected to rise, which should support revenue growth. (IBISWorld, *General Building Cleaning in the UK, May 2021*).
- ◆ As a service industry the cleaning and hygiene industry is directly impacted by the operating of other sectors. Latest data shows that the service sector has not recovered to prepandemic levels (ONS 2021). Services to Buildings and Landscape Activities (SIC 81) monthly gross domestic product (GDP) in February 2021 is 13% below its February 2020 level, the last full month of “normal” operating conditions. (The British Cleaning Council, *The Cleaning, Hygiene and Waste Industry Research Report 2021* ([tinyurl.com/mepzjeks](http://tinyurl.com/mepzjeks))).
- ◆ The national organisation for this industry is [British Cleaning Council](#). Other industry bodies include the [British Cleaners Association](#), the [Cleaning and Support Services Association](#), the [Cleaning and Hygiene Suppliers Association](#) and [ISSA - The Worldwide Cleaning Association](#).



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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).

- ◆ **IBISWorld – General Building Cleaning in the UK (May 2021)** Demand for cleaning services from commercial clients is expected to rise over the next five years as more commercial buildings are completed. Projected growth in the number of businesses operating in the United Kingdom is also likely to support industry expansion in the coming years. In addition, the industry is poised to benefit from the rising demand for co-working spaces. According to MTW Research, workers who share an office space are more than twice as likely to contract a virus than private office workers in 2019, highlighting the need for more frequent cleaning services. However, for this reason, co-working spaces may be less popular in the short term, until the coronavirus pandemic has subsided.
- ◆ **IBISWorld -Window Cleaning Services in the UK (August 2021)** The industry offers window cleaning services to both residential and non-residential markets and is mostly made up of small firms. Industry demand is mainly affected by the level of construction activity, the number of UK businesses, business and consumer confidence and the level of real household disposable income. The industry has exhibited a very high level of revenue volatility over the past five years due to volatile economic conditions. Overall, industry revenue is expected to decline at a compound annual rate of 3.6% over the five years through 2021-22 to £218.9 million.
- ◆ **IBISWorld – Combined Facilities Support Activities in the UK (September 2021)** Firms in this industry provide a range of services, including repairs and maintenance to buildings and equipment, cleaning, security and reception services. Industry revenue is expected to grow at a compound annual rate of 0.5% over the five years through 2021-22.

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

- ◆ **Health and Safety Executive, *Cleaning industry health and safety*** ([tinyurl.com/5dsfkf](https://tinyurl.com/5dsfkf)). Here you can find a range of relevant health and safety topics for the cleaning industry, along with case studies, resources, risk assessments and an online forum.
- ◆ **Equality and Human Rights Commission, *Cleaners' Rights, February 2019*** ([tinyurl.com/yxly3mrn](https://tinyurl.com/yxly3mrn)). This site provides pocket guides on knowing your rights and working in the UK, along with information on a UK cleaning taskforce detailing their commitment, members and supporters and a review of their activities.
- ◆ **Point Franchise** published an article in May 2021 on the top cleaning trends of 2021 ([tinyurl.com/5724kf7m](https://tinyurl.com/5724kf7m)) such as better informed clients and environmentally friendly products.

**Disclaimer:** This report has been updated on **29<sup>th</sup> September 2021**, 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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**Updated by: Patrick**

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