



# Market Report

A Snapshot of your Market Sector

## Electrician

### 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 **Electrician** 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 **March 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 Electrician 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 Covid-19 (coronavirus) outbreak and resultant economic shock has significantly affected the comprehensive construction sector, and electricians have not been immune. In 2020-21, revenue is expected to **fall by 13.1% to £20.9 billion**. However, over the five years through 2025-26, **industry revenue is expected to recover**, rising at a compound annual rate of **2.3%**, reaching just shy of **£23.5 billion** (IBISWorld - Electricians in the UK, March 2021).
- ◆ Residential construction activity rose over the five years through 2018-19 which increased demand for electrical equipment **repair and maintenance**, because residential buildings have electrical equipment such as circuit breakers and generators that need to be repaired and maintained (IBISWorld – Electrical Equipment Repair and Maintenance in the UK, September 2021).
- ◆ The construction of new **single-unit housing** is estimated to account for **62.3%** of the Residential Building Construction industry in the UK for 2021-22. Repair, renovation, and remodelling work on existing residential properties is estimated to account for 28.7%, and the construction of new flats for 9% (IBISWorld – Residential Building Construction in the UK, October 2021).
- ◆ Repair, Maintenance, and Improvement (RMI) demand for electrical contracting fell by 13% in 2020. Activity in 2021 has improved strongly and a return to low levels of growth is expected. One factor holding back the full resurgence of the market is the level of vacant buildings in the commercial sector, reflecting other wider market trends and the potential for structural changes in demand (Intel – Mechanical and Electrical Engineering UK, September 2021).
- ◆ There are currently around **19,000** electricians employed in Scotland, 71% of which work full-time and 26% as self-employed (My World of Work, [My Career Options - Electrician](#)).
- ◆ The national organisation for this industry is [SELECT – Electrical Contractors' Association of Scotland](#). Other associations include the [Electrical Contractors' Association](#) (ECA), the [National Inspection Council for Electrical Installation Contracting](#) (NICEIC), [UK Energy](#), and the [Health and Safety Executive](#) (HSE).

## 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 – Electricians in the UK (March 2021).** Demand for industry services is typically procyclical and highly contingent on the level of downstream construction activity. Market sentiment, business profit, disposable income levels and unemployment are some of the primary external factors that determine the level of investor sentiment and demand conditions across the residential, commercial, infrastructure, and industrial construction markets.
- ◆ **Mintel – Mechanical and Electrical Engineering UK (September 2021).** There has been a return to growth in the electrical contracting sector in 2021, but there remain some structural changes in the market due to the impact of the pandemic. Now that employees are free to return to offices, there remain questions over the long-term impact of the remote working that was strongly promoted during 2020. The retail sector has also been strongly impacted. However, one of the strongest markets in recent years has been the development of data centres, and the continued development of cloud computing and the further digitalisation of business and consumer habits make it a strong growth prospect over the next few years.

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

- ◆ **My World of Work** has a job profile overview for an Electrician which looks at required skills and qualifications, what it's like on the job and typical working conditions. It also has a 'job opportunities' search tool ([tinyurl.com/8payt2b3](https://tinyurl.com/8payt2b3)).
- ◆ **Electrical Safety First** have a range of Professional Resources offering guidance to electrical professionals. These include Best Practice guides, information on wiring regulations, safer installations, and more ([tinyurl.com/2d2z4b94](https://tinyurl.com/2d2z4b94)).

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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: Rebecca Brown**

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