



Market Report

A Snapshot of your Market Sector

Electrician

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), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **March 2024**. 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:

- ◆ Revenue is forecast to climb at a compound annual rate of 1.4% over the **five years through 2023-24 to £97.6 billion**. Economic uncertainty associated with Brexit caused a slowdown in commercial construction activity, constraining revenue growth. Over the five years through **2028-29, revenue is forecast to grow at a compound annual rate of 2.1% to reach £32.8 billion**. Recovering economic conditions will aid a rebound in demand from the commercial market and government policy support for residential and non-residential construction will drive contract opportunities. However, in the short term, recessionary pressures and the cost-of-living crisis are likely to limit demand from commercial construction projects. (IBIS World, *Electricians in the UK*, October 2023).
- ◆ Revenue is forecast to grow at a compound annual rate of 5.9% over the **five years through 2023-24 to £958.8 million**. Resilient construction activity has supported expanding revenue prospects as government-backed policies and frameworks, particularly in the residential and infrastructure sub-sectors. However, weakening demand from industrial industries has constrained revenue growth. Weakening electricity production levels have caused asset utilisation rates to dip in electricity generation markets, lessening the need for equipment to be repaired and maintained. Over the five years through **2028-29, revenue is expected to expand at a compound annual rate of 3.7% to reach £1.1 billion**. (IBISWorld, *Electrical Equipment Repair & Maintenance in the UK*, September 2023).
- ◆ The significant role of housebuilding and home repairs and improvements to the total market is exposing the market to negative influences in 2023, with both inflation and high interest rates impacting these sectors. However, the **total market will return to growth in 2024**, where it will continue to be a feature of the market up to 2027. Both new construction and RMI activity will continue to be subject to the inflation of materials and products, and some areas of supply disruption have already become evident following both Brexit and the Ukraine situation. Skills shortages will also continue to constrain market development. (Mintel, *Electrical Wholesalers UK*, 2023).
- ◆ The national organisation for this industry is [SELECT – The Electrical Contractors' Association of Scotland](#). Other industry bodies include the [Electrical Contractors' Association](#), the [National Inspection Council For Electrical Installation Contracting](#), the [National Association for Professional Inspectors and Testers](#) and the [Contractors Health & Safety Assessment Scheme](#).



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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.

- ◆ **IBIS World - *Electrical Equipment Repair & Maintenance in the UK (September 2023)***: Demand for repair and maintenance of electrical equipment is on the rise. This is primarily due to government-funded construction activities which utilise large amounts of electrical generators and motors, increasing the need for servicing. The replacement of aging electrical infrastructure dampens the need for repair. This, along with weak industrial activity and high inflation pressures impacting consumer spending, has resulted in a decline in demand for electricity distribution and control apparatus repairs.
- ◆ **Mintel – *Mechanical and Electrical Engineering – UK 2022 (November 2022)***: 2022 has generally continued to see a strong level of demand as pandemic-related restrictions have lifted, headed by a return to the buoyancy of the housing sector. There are also some notable exceptions: the offices sector has seen increasing evidence of structural change, and entertainment, which has been financially challenged by the prolonged imposed restrictions from the pandemic and subdued demand from the education sector, notably with a reduced expenditure in the universities sector. The largest individual market in the new construction sector continues to be housing, which has seen long-term growth in recent years, though this was disrupted in 2020 by the pandemic. The prospects for the sector remain strong, with the continued demand/supply imbalance in housing.

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

- ◆ The **Nomis *Occupations by Trade Report***, which is part of their Annual Population Survey, found that Scotland has around **37,700** individuals employed within the Electrical and Electronic Trades, **2,000 are Electrical and electronics technicians** and **1,400 Electrical engineers** (www.nomisweb.co.uk/employmentbyoccupation).
- ◆ **Electrical Safety First** have a range of professional resources offering guidance to electrical professionals. These include Best Practice guides, information on wiring regulations, safe installations, and more (www.electricalsafetyfirst.org.uk).
- ◆ **My World of Work** has a job profile 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 (www.myworldofwork.co.uk/electrician).

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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 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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