



Market Report

A Snapshot of your Market Sector

Fine Arts

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 **Fine Arts** 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 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 Fine Arts 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:

- ◆ Over the past five years, players have been forced to adapt to funding cuts and generate income from other sources, which has partially attributed to a **decrease in industry profit margins over the five-year period through 2022-23**. Visitor numbers are expected to have increased over the two years through 2019-20, partly due to operators increasing their online presence to attract a wider variety of visitors. Most charities in the industry are supported by volunteers, with volunteer and membership numbers steadily rising over the past five years. (IBISWorld, *Libraries, Museums & Cultural Activities in the UK*, September 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. When comparing the global art market share in the UK and the European Union, **the United Kingdom alone generated a higher value than all the 27 EU member countries**. That said – likely due to the impact of Brexit on the art market – the UK market share dropped by three percentage points in 2021 over the previous year, while the EU share experienced an increase. (Statista, *Art Market in the United Kingdom*, May 2022)
- ◆ **Painting/drawing and textiles are the most popular arts and craft hobbies**. Around half of those who have participated in arts and craft activities in the past 12 months have done each of these (equating to around 18% of all adults who have participated in painting/drawing and 16% who have done textiles). More niche activities include plant/flower craft (6% of adults overall have done this in the past 12 months), jewellery making (5% of adults overall), metal/woodwork (5% of adults), soap/candle making (5% of adults), ceramics/pottery (4% of adults) and sculpture (3% of adults) (Mintel, *Hobbies and Interests*, February 2023).
- ◆ According to Art Marketing, ‘there are several ways in which the growing demand for sustainable and eco-friendly art may manifest in 2023 and beyond. Some examples of this trend could include an increased focus on artworks made from **sustainable or recycled materials**, such as repurposed or upcycled paper, wood, or plastic and growing interest in artworks that explore environmental themes or issues, such as climate change, pollution, or the natural world’. (<https://tinyurl.com/2p8wukcd>)
- ◆ The national organisation for this industry [Creative Scotland](#). Other industry bodies include [Visual Arts Scotland](#), [Society of Scottish Artists](#), [Scottish Potters Association](#), [Craft Scotland](#), [Fine Art Trade Guild](#) and [Association of Leading Visitor Attractions](#).



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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.

- ◆ **Mintel – *Lifestyles of Generation Z, UK (February 2022)***. Despite the pandemic causing serious detriment to the arts and cultures industry, 14% of 16-24 year olds aspire to a career in this sector. This corresponds with the 36% of 16-24 year olds who perceive themselves as creative. Brands can garner favour from Gen Z by assisting them with their pursuit into the arts industry, which is traditionally difficult to enter without considerable financial support
- ◆ **Statista – *Online art market - statistics & facts – (April 2022)***. The global online art market consists of buyers and sellers trading via the internet in works of art, antiques, digital artworks, and collectibles that are commonly associated with the arts and culture sector. While online transactions represented around a tenth of the global art market value prior to the coronavirus (COVID-19) pandemic, this changed drastically in 2020, as the measures introduced during the health crisis boosted digital sales. The positive trend continued in 2021, driven by the interest in crypto art and non-fungible tokens (NFTs). That year, sales of the online art and antiques market peaked at 13.3 billion U.S. dollars, accounting for roughly a fifth of the total art market value.
- ◆ **Statista – *Crypto art - statistics & facts (December 2022)***. Crypto art refers to digital artworks whose ownership can be authenticated, just like with physical art. Usually, the authenticity of physical artworks can be proved in different ways, for example, by examining the artist's signature or receiving authentication certificates. In the case of crypto art, different methods must be used. The authentication and proof of ownership of digital files relies primarily on non-fungible tokens (NFTs), which are unique digital assets that are stored in blockchain.

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

- ◆ **The Art Newspaper** has many news articles on the art industry and related topics. (<https://tinyurl.com/dr6nukv3>)
- ◆ **Collecting Contemporary: Curating Art Collections in Scotland** is a site sponsored by University of Edinburgh and others that brings to light how and why contemporary art should be collected. (tinyurl.com/yckr48jx).
- ◆ **Visit Scotland** has a page dedicated to **Arts and Culture** where you can find museums, galleries, textiles, crafts and art tours highlighted. (tinyurl.com/yhxm7d4w)
- ◆ **Association of Leading Visitor Attractions** has a listing of visitor numbers to a variety of museums and other attractions. (tinyurl.com/2mzp4s29)

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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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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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