



Market Report

A Snapshot of your Market Sector

Marine Tourism

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 **Marine Tourism** 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 **November 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 Marine Tourism 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:

- ◆ Industry revenue is forecast to **grow at a compound annual rate of 7.7%** over the five years through 2028-29 to reach **£3.3 billion**. Demand for cruises will continue to climb, as tourists have pent-up demand for holidays with many people not going away for over two years during the height of the pandemic. Cruise ship companies are set to continue to invest in their fleet offerings, with the planned addition of several new ships and itineraries facilitating further expansion. (IBISWorld, *Sea & Coastal Passenger Water Transport in the UK*, August 2023).
- ◆ In 2022, Mintel estimates that nearly 1.4 million sea cruises were taken by UK and Irish passengers with associated spending of roughly £2.4 billion. **In 2027**, the size of the UK and Ireland cruises market is forecast to have **grown to 2.3 million sea cruises and £4.1 billion in expenditure**. The modernisation of fleets, the UK's ageing population and the desire to try new experiences will be important drivers of growth (Mintel, *Cruises - UK*, August 2023).
- ◆ In 2022 British and Irish holidaymakers took around **1.7 million cruises**, up from 479,000 the previous year with the Mediterranean remaining the number one destination for cruise travellers from the UK and Ireland. Intent to cruise is stronger than ever. **85% of cruise passengers from the UK and Ireland say they intend to take a holiday at sea again** (a 6% increase from 2019), and 60% will do so in the next two years (up from 53% in 2022). Interestingly, 70% of those who have never cruised before would consider a cruise in the next few years (up from 68% in March 2022), showing more people are open to trying a cruise than ever before. (Cruise Lines International Association, 2022 Europe Market Report)
- ◆ The global cruise tourism market was valued at \$29,376.14 million in 2022 and is estimated to grow to \$50,405.25 million in 2027 at an estimated **CAGR of 11.4%** between 2022 and 2027. factors such as the development of port infrastructures, an increase in accommodation facilities, the inclusion of new destinations, the emergence of new cruise ships with technological advancements, and the advent of repositioning cruise ships are expected to drive the growth of the market during the forecast period. (Technavio, *Global Cruise Tourism Market 2023-2027*, April 2023)
- ◆ The national organisation for this industry is [British Marine](#). Other industry bodies include [Cruise Scotland](#), [The Boating Association](#), [CLIA \(Cruising\)](#) the [Scottish Tourism Alliance](#) and [Visit Scotland](#).



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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 – Cruises - UK** (August 2023). Mintel found that In December 2022, 31% of UK adults showed interest in taking a cruise holiday in the next five years, which is significantly higher than the share who have taken a cruise holiday in the past (19%). River cruises show the highest growth potential of the holiday types surveyed, with future interest being nearly three times higher than participation. Mintel's research found that the chance to visit multiple destinations during one trip in a convenient way is a key attraction of both sea and river cruises. Also the wide range of on-board activities adds value to the sea cruise experience, while the scenery is considered a strength of river cruises.
- ◆ **IBISWorld - Sea & Coastal Freight Water Transport in the UK** (August 2023). Increasing demand for cruise services is expected to drive growth. This is mirrored in substantial investments in the construction of new ships. P&O Cruises expanded its fleet with the 5,200-capacity Iona Cruise ship in 2020 and will add the Arvia ship in December 2022. Stena Line also plans to launch five new ferries. Cruise companies are expected to offer luxurious cruises and destinations to meet rising demand, with Cunard unveiling over 150 international voyages in 2023 and a new ship in 2024.

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

- ◆ According to **Visit Scotland**, cruise tourism to Scotland has been strongly concentrated in the Highlands and Islands. During 2019, the Highlands and Islands had almost three in four (73%) of Scotland's total cruise calls, and welcomed 61% of cruise passengers, largely at Kirkwall, Lerwick and Invergordon (<https://tinyurl.com/2hbw4duk>).
- ◆ **Cruise Lines International Association** found that the average age of UK & Ireland cruise guests last year was 55.8 years, as cruising continues to diversify and attract holidaymakers of all ages. Globally, over a quarter (27%) of those who sailed for two or more nights in the last 12 months travelled in a party consisting of three or more generations, a sign that cruise holidays offer a great experience for all ages. tinyurl.com/4ukjuarg
- ◆ **Giant Strides 2020-2025** is a the strategy to boost Scotland's marine tourism, launched in Spring 2020. This represents the next evolution of the successful '**Awakening the Giant**' strategy. Giant Strides takes a broader view of marine tourism, it's role within coastal and island communities and the benefits marine tourism can deliver for communities, the environment and the Scottish economy. The five-year plan aims to grow the industry's economic contribution to over £500 million by 2025. (tinyurl.com/4ukjuarh)

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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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