



# Market Report

A Snapshot of your Market Sector

## Outdoor Activities

### 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 **Outdoor Activities** 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 **August 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 Outdoor Activities 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:

- ◆ Sports facilities' revenue has declined at a compound annual rate of 2.1% over the five years through 2022-23 to £5.5 billion, including growth of 3.4% in 2022-23; the average industry profit margin will reach 0.2% in the current year...revenue will grow at a compound annual rate of 5.1% over the five years through 2027-28 to £7 billion, with the industry's average profit margin increasing to 1.6%. Despite loyal sports fans continuing to pay for match tickets amid the cost of living squeeze, many smaller facilities will struggle as people forgo memberships to afford rising energy prices (IBISWorld, Sports Facilities in the UK, January 2023).
- ◆ Following a dip during the pandemic, the proportion of consumers attending live sporting and music events has recovered to the levels seen to prior the COVID-19 outbreak. Despite 46% saying they plan to reduce spending on socialising/entertainment as a result of rising prices (according to Mintel's British Household Confidence Tracker - January 2023), the live events sector is holding up well. Having been deprived of attending events as a result of the pandemic, significant pent-up consumer demand remains for live music and sporting events, which will lead to many people prioritising spending money on such events (Mintel, Leisure Outlook, Winter 2023).
- ◆ Over the five years through 2027-28, industry revenue is expected to increase at a compound annual rate of 2% to reach £12.9 billion. International sporting competitions are expected to continue to boost industry performance, while rising health consciousness and government investment promoting sport participation are also anticipated to increase demand for industry products. Additionally, niche markets such as ultra-endurance or extreme sports equipment are forecast to present opportunities for firms to enter the industry, with industry enterprise numbers anticipated to increase at a compound annual rate of 3% over the five years through 2027-28 (IBISWorld, Sporting and Outdoor Equipment Retailers in the UK, March 2022).
- ◆ The national organisation for this industry is the [Outdoor Industries Association](#). Other industry bodies include [Scottish Outdoor Education Centres](#), the [National Outdoor Events Association](#), [Wild Scotland](#), [Sport Scotland](#) and [Institute for Outdoor Learning](#).



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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 – Sporting and Outdoor Equipment Retailers in the UK (October 2022)**. In general, rising levels of health consciousness have supported industry demand over the past five years. The success of Great Britain in the Tokyo Olympics has sparked a wave of interest in sporting activities, encouraging demand for sporting goods and equipment. According to fitness market research firm the Leisure Database Company, the number of UK residents with gym memberships reached fell by 4.7% to 9.9 million in 2022, from 10.4 million in 2019. However, this decline is anticipated to be offset by a rise in home gyms, which has boosted demand for industry products.
- ◆ **IBISWorld - Sports Facilities in the UK (January 2023)**. Two of the main factors influencing industry demand are the level of interest from consumers towards attending sports matches, and the level of interest from consumers for participating in sports events. Increasing health consciousness positively influences industry demand. As consumers become more aware of the need for exercise and a healthy lifestyle, they are more likely to participate in sports, and demand for sports facilities is likely to increase.
- ◆ **Mintel – Leisure Trends UK (December 2022)**. Returning to social leisure activities was a priority for most demographics as COVID-19 restrictions were lifted during 2021. Mintel’s COVID-19 Tracker research, for example, found that in November that year, staying in touch with family and friends was more important to 41% of online adults than it had been before the outbreak of the pandemic. A year later, people’s leisure priorities indicate that this initial thirst has been quenched, with only 29% including sociability among the three things they most seek in these activities. Instead, the longer-term impact of people’s experience of COVID-19 is a strengthened focus on wellbeing: 59% want leisure activities to provide an escape from day to day living, 54% want them to improve their mental health and 39% seek better physical health.

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

- ◆ **Visit Scotland**, Outdoor Activities ([tinyurl.com/vgaufbd](https://tinyurl.com/vgaufbd)). Recent reports on popular activities such as walking tourism, cycling and Astro-tourism, as well as useful links to other activity information.
- ◆ Online registration with the **National Library of Scotland** offers access to COBRA business opportunity fact sheets ([tinyurl.com/tfsc253](https://tinyurl.com/tfsc253)) including one on Outdoor Activity Centre, and Outdoor and Extreme Sports Instructor which contain useful information on licensing and good practice, as well as industry updates.
- ◆ Government statistics on **Scotland’s National Performance**, including indicators such as access to green space and visits to the outdoors ([tinyurl.com/tawgx6y](https://tinyurl.com/tawgx6y)) and Government policy on children’s outdoor play and learning ([tinyurl.com/t93qram](https://tinyurl.com/t93qram)).

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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**

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