



# Market Report

A Snapshot of your Market Sector

## Painting and Decorating

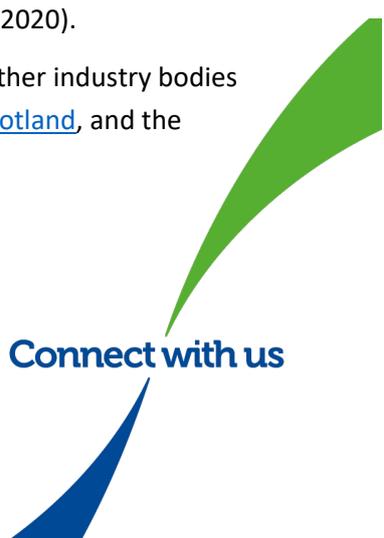
This pack has been designed to provide information on setting up a business in the **Painting and Decorating** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway 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 **February 2021**. 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 Painting and Decorating 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:

- ◆ 66% of those who undertook home improvement projects in the past year carried out the work personally. Some 35% of this was undertaken by friends and family, while 26% of consumers paid a professional to do the work for them, up 2 percentage points on 2018. This will change significantly in 2020, which could create a legacy moving forward. (Mintel, *DIY Retailing UK*, May 2020).
- ◆ Over the five years through 2025-26, revenue is forecast to **increase** at a compound **annual rate of 4.2%** to reach **£4.1 billion**. Public-sector support for housebuilding, infrastructure and public non-residential schemes is expected to boost industry demand in the coming years, aiding a modest recovery in output from coronavirus-induced lows recorded in the current year. (IBISWorld, *Painting in the UK*, December 2020).
- ◆ According to the National House Building Council (NHBC), **1.4 million new homes** were registered to be built across the UK market over the 10-year period through 2019, helping to drive five consecutive years of growth among UK homebuilders collectively through 2018-19. However, with post-referendum uncertainties continuing unabated, epitomised by decelerating property prices relative to historical rates, the potential yield earned by homebuilders on new unit sales has come under pressure. Meanwhile, lower levels of homeowner equity have discouraged excessive spend on **home improvement**, further weakening industry revenue, which **declined by 3.3% in 2019-20**. (IBISWorld, *Residential Building Construction in the UK*, December 2020).
- ◆ The first two years following a house move are the most important time for spending on the home as households alter décor and even the house itself to achieve the look they want. This shows that there is a link to spending on the home and buoyancy of the housing market. Families with a mortgage are a key target group as they have above average spending activity for most of the categories in this research. (Mintel, *Consumer Trends, Attitudes and Spending Habits for the Home UK*, January 2020).
- ◆ The national organisation for this industry is [Painting and Decorating Association](#). Other industry bodies include the [Scottish Decorators Federation](#), the [Federation of Master Decorators-Scotland](#), and the [British Coatings Federation](#).



Connect with us

## 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 – Residential Building Construction in the UK (December 2020).** More recently, the 2020 Budget, announced in March 2020, confirmed allocations from the Housing Infrastructure Fund totalling £1.1 billion to build 70,000 new homes in high-demand areas across the country. It simultaneously affirmed promises to extend the Affordable Homes Programme with a multi-year settlement of £12.2 billion, representing the largest cash investment in affordable housing in a decade, confirming the government's intention to navigate the pandemic with robust public spending.
- ◆ **IBISWorld – Painting in the UK (December 2020).** Income and property price uncertainty since the EU referendum has weighed on household expenditure on specialist contracted services. Homeowners and small businesses have opted for cost-saving DIY projects, limiting demand for specialist painting and leading to decline in revenue over the two years through 2017-18.
- ◆ **Mintel – DIY Retailing UK (May 2020).** Of those who expect to spend more on the home over the next month, this is greatest among younger consumers: with 16% of 16-44 year olds expecting to increase spending compared to just 8% of those over-45s. Total spending was higher among males (14%), and is driven by younger males, peaking among men aged 16 to 34 years old (18%).
- ◆ **Mintel – Consumer Trends, Attitudes and Spending Habits for the Home (January 2020).** Homes built in the current decade are 18.6% smaller than those of the 1970s as typical room sizes have fallen and as more people live in flats. This creates the need for better storage solutions as well as furniture that fits into smaller spaces.

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

- ◆ **Startups** ([www.startups.co.uk](http://www.startups.co.uk)) – How to become a painter and decorator – useful advice on skills required, awareness of trade regulations, costs and potential earnings. ([tinyurl.com/5dsd7pj4](https://tinyurl.com/5dsd7pj4))
- ◆ **Professional Painter and Decorator Magazine** ([www.paintinganddecoratingnews.co.uk](http://www.paintinganddecoratingnews.co.uk)) – this provides industry news, product reviews and industry event information.
- ◆ **InsightDIY** ([www.insightdiy.co.uk](http://www.insightdiy.co.uk)) – offers daily news articles and insights on the DIY industry, including a section with economic data.

**Disclaimer:** This report has been updated in **February 2021** - we have included Post COVID-19 market material where available. Please note that this research may contain copyrighted material. Copyright belongs to the holders credited above and, as such, recipients of this research reproduce and repurpose this information at their own risk.



Connect with us

## 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**



Connect with us

## 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](#).

Although every effort has been made to ensure the accuracy of the information provided, Business Gateway will not be held liable for any inaccuracies or omissions in the data supplied, or for the content of any website that the document above may contain links to. By using this information, you accept this disclaimer in full. Also, please note that Business Gateway does not endorse any business or individual that may be referred to above.

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.

**Last updated:** February 2021

**Updated by:** Liesel

**Connect with us**