



Market Report

A Snapshot of your Market Sector

Painting and Decorating

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

This market report was updated by Business Gateway in **March 2022**. 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:

- ◆ Three quarters of consumers spent on the home in 2020. 73% of consumers spent money on the home in the past 12 months, up sharply on the past three years. This underlines the central thread of this Report, as extended periods inside since March have pushed the home up the agenda for many consumers. This spending has been concentrated in lower-ticket home improvement sectors, such as decorating and gardens. However, the immediacy of disruption has limited this in more significant projects. (Mintel, *Consumer Trends, Attitudes and Spending on the Home UK*, January 2021).
- ◆ The industry is segmented into four distinct areas: graphic design, industrial design, interior design and fashion design. Industry revenue is anticipated to rise at a compound annual rate of 2.2% over the five years through 2021-22 to reach £8 billion. Robust advertising spending and strong growth in online expenditure have propelled industry demand during most of the period. However, economic uncertainty has constrained industry growth, as client companies have tightened their spending budgets, limiting advertising activity. (IBISWorld, *Specialist Design Activities in the UK*, February 2022).
- ◆ According to the NHBC, 160,319 homes to be built in the United Kingdom were registered with the NHBC in 2019, an 80.5% increase on the 88,838 homes registered a decade prior (2009) and representing the strongest year for NHBC new home registrations since 2007 (198,580). However, with confidence in the housing market's resiliency waning, demand for property became subdued compared with historical levels, causing prices to decelerate and, in turn, narrow the potential yield homebuilders could earn on new unit sales. (IBISWorld, *Residential Building Construction in the UK*, October 2021).
- ◆ Over the five years through 2026-27, industry revenue is forecast to increase at a compound annual rate of 4.4% to reach £4.6 billion. Industry revenue is expected to record a modest recovery from the COVID-19 (coronavirus)-induced slump during the opening of the period. However, output is expected to remain below pre-pandemic levels in the medium term, owing to a collapse in the value and quantity of contracts tendered during 2020-21, which would be expected to come to fruition during the opening of the coming five-year period. (IBISWorld, *Painting in the UK*, October 2021).
- ◆ 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](#).



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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.

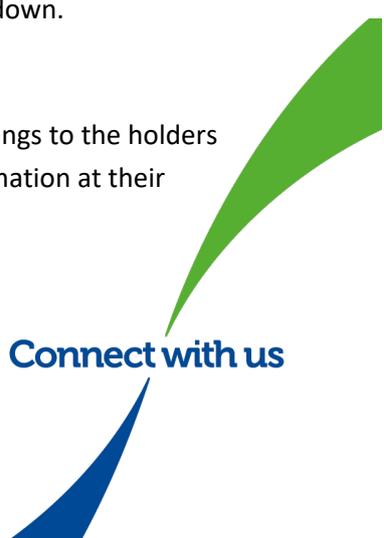
- ◆ **IBISWorld – *Painting in the UK (October 2021)***. Demand from the residential construction market grew over the three years through 2019-20, with resilient housebuilding activity supported by a backdrop of policy support for the housing market. Demand-side initiatives such as the Help to Buy Scheme, which provides an equity loan to buyers of new residential properties, has been vital in revitalising the residential market. Government funding commitments towards boosting the housing stock, including the £4.5 billion Home Building Fund to support the construction of 100,000 new homes across England, has maintained abundant demand from new residential construction markets, despite EU-referendum related uncertainty.
- ◆ **IBISWorld – *Specialised Design Activities in the UK (February 2022)***. The interior design segment is expected to account for 18.2% of total industry revenue in 2021-22 and includes services related to refurbishment, design and decorating. Services are provided to residential, commercial and public clients. Many interior designers work as specialists for larger design firms on a contract basis and have increasingly been employed as cost-efficient alternatives to architects or outsourced architectural services.
- ◆ **Mintel – *DIY Retailing UK (May 2021)***. The surge in flexible living and the need for living spaces to do more have underpinned a constant wave of new opportunities amid extended periods since the outbreak in March 2020. However, despite these behavioural changes and the windfall of new opportunities, broadly speaking, total activity remained remarkably consistent year-on-year. This remains spearheaded by smaller projects, such as decorating, minor interior alterations, such as putting up a shelf, or putting up curtains. Significantly, nearly half (47%) of the consumer base undertook multiple home improvement projects in the past year.

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

- ◆ **Startups** (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/2p83xedc)
- ◆ **Professional Painter and Decorator Magazine** (paintinganddecoratingnews.co.uk) – this provides industry news, product reviews and industry event information.
- ◆ **InsightDIY** (insightdiy.co.uk) – offers daily news articles and insights on the DIY industry, including a section with economic data which is accessible through the *knowledge centre* dropdown.

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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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