



# Market Report

A Snapshot of your Market Sector

## Unmanned Aerial Vehicles (UAV)

This pack has been designed to provide information on setting up a business in the **Unmanned Aerial Vehicles (UAV)** 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 **March 2024**. 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 Unmanned Aerial Vehicles (UAV) 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:

- ◆ The **global UAV market** was valued at **\$33,592.01 million in 2023** and is estimated to **grow to \$53,996.37 million in 2028**. This will create an incremental growth opportunity worth \$20,404.36 million between 2023 and 2028, which translates to around 61% of the market size in 2023. (Technavio, *Global UAV Market, 2024-2028*).
- ◆ **UK was the 4th-largest country in the consumer drones' market** in 2022. It will grow at a compounded annual **growth rate of 14.63% between 2022 and 2027**, which is lower than that of the overall market. Among the key countries, UK will be the 3rd-fastest growing country and will grow from **\$216.64 million in 2022 to \$428.78 million in 2027**. (Technavio, *Global Consumer Drones Market, 2023-2027*).
- ◆ The global **commercial drones' market** was valued at **\$10,720.66 million in 2022** and is estimated to grow to **\$55,570.72 million in 2027**. Among the key countries, **UK will be the 2nd-fastest growing country** and will grow from **\$428.83 million in 2022 to \$2,778.54 million in 2027**. (Technavio, *Global Commercial Drones Market, 2023-2027*).
- ◆ Between 2018 and 2023, the drone market size in the UK fluctuated. In **2023, the UK drone market generated revenues of roughly £94.66 million**. In the coming years up to 2028, this value is forecast to vary, dropping to around **£90 million in 2028**. (Statista, *Consumer Electronics Market Insight, March 2023*).
- ◆ The **heavy-lift cargo drone industry, valued at \$116.9 million in 2022**, is on track to increase at a compound annual growth rate of 36.4% to reach about **\$1.91 billion in 2031**. (Frost & Sullivan, *Heavy-Lift Cargo Drones, February 2024*).
- ◆ The **CAA regulates all airspace** use in the United Kingdom, including drones. Recreational and commercial operations have distinct requirements. In the UK, drones cannot operate at night unless special permission from the CAA is obtained. [CAP 722](#) provides guidance and policy on the operation of unmanned aircraft systems within the UK. (UK Civil Aviation Authority, 2022 [www.caa.co.uk](http://www.caa.co.uk) ).
- ◆ Industry bodies include the [Association of Remotely Piloted Aircraft Systems UK](#) (ARPAS-UK), the [Royal Aeronautical Society](#) , [UK Civil Aviation Authority](#) , [Search & Rescue Aerial Association Scotland](#) and the [British Association of Remote Sensing Companies](#) (BARSC).



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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).

- ◆ **Frost & Sullivan - *Global Drone Civilian Infrastructure Inspection Growth Opportunities*** (February 2024). The adoption of autonomous drone applications will increase in the next 2 years as users become increasingly aware of their benefits and their impact on operative costs. The global market share of Chinese-made drones is expected to decrease over time as other countries develop their own drone production base. Drone applications throughout the commercial ecosystem are subject to restrictive regulatory frameworks, which limit the potential of drone technology by end users. Current rules require users to obtain lengthy permits to perform BVLOS operations, which are often required to fully inspect infrastructure, such as powerlines.
- ◆ **Statista – *Consumer and commercial drones - statistics and facts*** (January 2024). Drones are at a stage where they are still continuously evolving, as are the laws to regulate their use. Overall, the global drone market is forecast to grow considerably in the coming years, reaching a market size of US\$4.7 billion by 2028. The latest development in the consumer drone sector is FPV (first-person view) racing, where the pilot has an immersive flying experience through augmented reality (AR) glasses that display the live view through a low-latency drone camera. Commercial drones with industrial applications help monitor telecommunication towers or utilities like water lines, electricity grids, and telephone networks, as well as maintain or aid site inspections in mining operations.

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

- ◆ **Civil Aviation Authority** - Information on the latest guidance and regulatory developments relating to drones and their operation in UK. ([caa.co.uk/drones](http://caa.co.uk/drones)). 2023 UK drone Survey – survey publication reveals insights into the UK drone market. ([2023 UK drone survey results revealed](#)).
- ◆ **Commercial UAV News** – October 2023, article **The United Kingdom and Commercial Drones** – “*The drone industry in the UK is primarily composed of small companies, with 84% of them having fewer than 50 employees. Participants in the 2023 drone industry survey specifically mentioned several challenges, including legislative hurdles, slow processing, public acceptance, and domestic politics.*” ([The United Kingdom and Commercial Drones](#)).
- ◆ **PWC** – [Skies Without Limits v2.0, 2022](#) - By 2030, the increasing use of drones could result in a £45bn increase in UK GDP, £22bn in net cost savings to the UK economy, a reduction in carbon emissions by 2.4m tons and 650,000 jobs in the drone economy. ([PWC - Drones](#)).
- ◆ **Nesta** – this British charity supports innovation and has offices in London, Cardiff and Edinburgh. They offer an online **Drone Industry interactive map**. ([UK Drone Industry Map](#)).

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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 websites, 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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**Updated by: Eleanor**

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