



Market Report

A Snapshot of your Market Sector

Virtual Office / PA

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 **Virtual Office / PA** 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 **December 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 Virtual Office / PA 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:

- ◆ Serviced office supply in the UK has shown steady growth over the past five years, rising from **3,741 offices in 2019 to 4,184 in 2023**, in line with growing demand. The number of serviced offices is expected to rise to **5,630 by 2028**. (Mintel, *Serviced Offices – UK*, October 2023)
- ◆ Hybrid working and the resulting more geographically dispersed workforce continues to increase demand for flexible office space in regional towns, cities and suburban areas. City centres are still a priority for **36%** of serviced office providers, while **24%** are looking to expand in suburban areas, and **12%** hope to expand in rural areas. (Mintel, *Serviced Offices – UK*, October 2023)
- ◆ As of the start of 2023 there are estimated to be **5.6m UK private sector businesses**, with 5.51m of these being classed as small (0 – 49 employees), 36,900 medium (50 – 249 employees) and 8,000 large (250+ employees). **Scotland is estimated to have 298,000 private sector businesses**. (Department for Business & Trade, *Business population estimates for the UK and regions 2023: statistical release*, October 2023)
- ◆ Flexible and homely workspaces offered by serviced office providers have become very attractive to businesses who utilise hybrid working, with industry revenue expected to rise by **7.2% during 2023-24**. Revenue is forecast to rise at a compound annual rate of **3.7% to £3.1bn through 2028-29**. UK tech start-ups will power growth and more tech businesses will engage in hybrid working. (IBISWorld, *Serviced Offices in the UK*, December 2023)
- ◆ In the UK the virtual assistant market is expected to grow in value from **\$414m to \$1932m by 2027**. The UK is currently the **3rd largest country** in the virtual assistant market and is expected to remain so through to 2027. It is also expected to be the **3rd fastest growing country** in the market, however its contribution to the market is expected to decline from **5.96% in 2022 to 5.7% in 2027**. (Technavio, *Global Virtual Assistant Market 2023 – 2027*, January 2023)



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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 – The Working Life - UK (May 2023).** Since the pandemic there has been a significant increase in flexible and remote working, with **13%** of the workforce working entirely at home, **34%** working a variety of hybrid options and **51%** never working from home. Traditional workplace locations such as offices and shops remain the most common. The cost-of-living crisis is having a detrimental impact on consumer finances and on how workers make ends meet: **35%** have found ways to supplement their income including increasing their hours or taking a second job, while **19%** have found a better-paying job. Workers are also opting for cheaper and often lower-carbon commuting options such as walking, cycling or public transport.
- ◆ **IBISWorld – Serviced Offices in the UK (December 2023).** Demand for serviced offices outwith city centres had grown by **267%** through the first nine months of 2020, and this trend has continued. In the coming years it is predicted that hybrid offices will gravitate towards local communities and satellite towns outside major UK cities, providing opportunities to office providers to expand. Despite the pandemic, serviced offices represent a growing share of the UK economy as office needs continuously change.
- ◆ **Technavio – Global Virtual Assistant Market 2023 – 2027 (January 2023).** The best performing type of virtual assistant worldwide is spoken commands which currently has a **70.16%** market share, compared to text-to-speech options that have **29.84%** of the market. The sectors making the most use of virtual assistants worldwide are the automotive, and banking and financial services industries, taking a **24.5%** and **21.76%** market share, respectively.

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

- ◆ [Businesses in Scotland](#) is published annually by the Scottish Government and offers information on numbers of businesses operating in Scotland, broken down by industry, business size, local authority area, urban/rural area and country of ownership.
- ◆ [The Savills Blog](#) contains numerous articles based on Savill's research which examine the market for flexible office space, including the global and the European flexible office sector.
- ◆ Bodies for this industry include the [Flexible Space Association](#), [UK Association of Virtual Assistants \(UKAVA\)](#), the [Society of Virtual Assistants](#), and the [Institute of Administrative Management](#).

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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 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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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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