



# 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 September 2018. 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:

- ◆ Operators, particularly independent contractors, generate a significant amount of revenue from repairing and renovating existing houses. Household expenditure on maintenance and repair is expected to decrease in 2017-18, threatening demand for specialist painting services as homeowners opt for do-it-yourself work as a cost-saving alternative (IBISWorld, *Painting in the UK*, December 2017).
- ◆ Painting/decorating is the most commonly undertaken task, with 48% of people having done this in the past year. 30% carried out minor alterations while 27% put up new curtains/blinds or shutters. Those living in Scotland are most likely to have carried out a project in the past year (79%) while those living in London are least likely (68%) (Mintel, *DIY Retailing*, May 2018).
- ◆ The United Kingdom paints & coatings market grew by 4.7% in 2017 to reach a value of \$2,546.2 million. In 2022, the United Kingdom paints & coatings market is forecast to have a value of \$2,961 million, an increase of 16.3% since 2017. Architectural & decorative is the largest segment of the paints & coatings market in the United Kingdom, accounting for 65% of the market's total value (Marketline, *United Kingdom – Paints & Coatings*, May 2018).
- ◆ Repair, renovation and remodelling work on existing residential properties is estimated to account for 29.7% of revenue in 2018-19. Contractors that provide such services tend to specialise in small-scale construction projects, operating in tight local markets. Typically, household spend on repairs and renovation correlates with perceived homeowner equity levels which, in turn, align with house price inflation (IBISWorld, *Residential Building Construction in the UK*, June 2018).
- ◆ The market for paint, wallcoverings and woodcare products was worth an estimated £925m in 2017 according to new report by AMA Research (Painting and Decorating News, *Residential refurb leads growth in decorating market*, February 2018) ([tinyurl.com/yd26gj2h](http://tinyurl.com/yd26gj2h)).
- ◆ The national organisation for this industry is [Painting and Decorating Association](#). Other industry bodies include the [Scottish Decorators Federation](#).

## 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 – *Painting in the UK (December 2017)***. In the current year, industry operators are estimated to derive 67.3% of industry revenue from general painting work on internal and external surfaces of buildings and structures, ultimately supported by buoyancy in housebuilding activity as opposed to household expenditure. Specialist painting services are estimated to account for 13.8% of industry revenue, the application of industrial coatings and linings is estimated to account for 10.2% and surface preparation services are estimated to account for the remaining 8.7% of industry revenue in 2017-18.
- ◆ **Mintel – *Consumer Trends, Attitudes and Spending Habits for the Home (January 2018)***. Generally, it is the 25-34s who are most likely to be planning to spend on their homes in the next 12 months. Homeowners with a mortgage are by far the most active in this market and have the most plans for spending. Decorating tops the list of intentions for 2018, indicating that the DIY market should remain steady. It is the 45-54s who are most inclined to spend money on flooring and carpets in the next year, probably indicating that replacement is a key factor in shaping their choices.

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

- ◆ **Scottish Government, *Scottish House Condition Survey Local Authority Analysis, February 2018*** ([tinyurl.com/ycf473ao](http://tinyurl.com/ycf473ao)). This document provides a large amount of data on the condition of housing in Scotland including age, type, insulation, number of bedrooms, adaptations and restrictions.
- ◆ **The Decorator Magazine** may also be of interest. This provides industry news, latest legislation, product information, product reviews, case studies and technical features ([tinyurl.com/yarh9h3o](http://tinyurl.com/yarh9h3o)).
- ◆ **National Careers Service, *Painter and decorator job profile*** ([tinyurl.com/yd5tsotf](http://tinyurl.com/yd5tsotf)).
- ◆ **Simply Business, *Step-by-step guide to how to become a painter and decorator in the UK, June 2018*** ([tinyurl.com/ya73cvue](http://tinyurl.com/ya73cvue)). This article includes information on earnings, skills, equipment, legal matters, insurance and clients.
- ◆ **British Coatings Federation, *Industry Statistics*** ([tinyurl.com/yb9xr28z](http://tinyurl.com/yb9xr28z)). The paint, printing inks and wallcoverings industries supply the construction, home improvement, printing, automotive, aerospace and other advanced manufacturing sectors worth over £188 billion to UK plc.

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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 [Retaining and Grow Your Customer Base](https://tinyurl.com/c2fw4o4) (tinyurl.com/c2fw4o4) will help you to identify who your customers are, how to use this information to sell more effectively and how to actively compete in your marketplace.

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 Account](#)" 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](#).

**Last updated:** September 2018

**Updated by:** Rebecca



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