



Market Report

A Snapshot of your Market Sector

Tiler

This pack has been designed to provide information on setting up a business in the Tiler 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 June 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 Tiler 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:

- ◆ Value sales of ceramic wall tiles increased by **3% in 2016 to £223.9 million** in line with volume growth. This reflected continued de-stocking by major DIY retailers offsetting other price increases, and strong competition despite a small rise in overall volume demand. (Mintel, *Ceramic Tiles*, July 2017).
- ◆ The Floor and Wall Covering industry is expected to grow at a relatively slow rate over the next five-year period. Slower growth is largely expected to be caused by weak demand from commercial and existing residential markets as a precarious economic environment weighs on investor confidence and homeowner equity levels. Spending by households and businesses on maintenance work is expected to fall slightly in the short term, but remain close to the long-term average due to its essential nature. (IBISWorld, *Floor & Wall Covering in the UK*, July 2017).
- ◆ Demand for carpets and floorcoverings is expected to grow in line with the housing market and the total active economic workforce. Despite the rise in private renting, housing transactions and building projects are still proceeding apace, and landlords will still be buying carpets and floorcoverings for their properties, so demand will remain for the foreseeable future. (Mintel, *Carpets and Floorcoverings*, May 2018).
- ◆ Ceramic tiles and flags are often used in bathrooms and kitchens because they repel liquids better than other materials. These tiles are also commonly used in both residential and non-residential buildings for decorative purposes. Over the five years through 2017-18, revenue derived from this segment is expected to rise due to increased expenditure on private home renovation and maintenance, office construction and the imposition of anti-dumping duties on Chinese ceramics in 2013-14. Ceramic tiles and flags are **estimated to account for 12.8% of revenue** in the current year (IBISWorld, *Brick & Tile Manufacturing*, February 2018)
- ◆ The national organisation for this industry is [The Tile Association](#). Other industry bodies include [Federation of Master Builders](#), [Scottish Building Federation](#), [Construction Scotland](#) and [The Association of British Ceramic Distributors](#).



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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 – Ceramic Tiles (July 2017)**. The primary application of ceramic tiles in the UK remains kitchens and bathrooms, and these rooms are not quickly or easily changed, and can require significant investment. For this reason, consumers look to choose colours, styles and finishes that potentially have a long life, which tends to lead to some conservatism in choice. Consumers look to avoid selecting something that may 'date' quickly. The greater numbers of downstairs cloakrooms, en-suites, utility rooms and conservatories have increased opportunities for ceramic tile sales. The wide use of en-suites in the new build sector has developed the concept beyond a fashion into a lifestyle factor, which has led to retro fitting of en-suite facilities in the existing housing stock.
- ◆ **IBISWorld – Floor & Wall Covering in the UK (June 2018)**. General floor and wall tiling installation services are estimated to generate 53.2% of industry revenue in 2018-19. These include ceramic, clay, glass, stone and marble tiles that are placed on exterior walls or facades and on interior walls and floors. Wet areas including bathrooms and kitchens typically need tiles due to their water resistant and non-slip qualities. Installation is complex and unlikely to be performed by laymen. For instance, installation of ceramic tiles requires waterproof cement sheeting, bagging in cement flooring and the laying and grounding of tiles. Projects are generally quoted on the basis of square feet coverage, yet prices can vary depending on the size of the tiles being used. Industry revenue derived from floor and wall tiling installation has remained steady over the past five-year period.

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

- ◆ **The Tile Association, Helpful Resources** (tinyurl.com/l9dqpt4). This link includes sections on Frequently Asked Questions, Relevant Standards and Technical Publications.
- ◆ **Tile and Stone Journal** (tinyurl.com/ojwvxhm) is a useful resource, providing information and updates on the industry and company news.
- ◆ **GOV.UK, Building materials and components: monthly statistics** (tinyurl.com/o5uccyg). This link provides latest monthly statistics from the Department for Business, Energy & Industrial Strategy, last updated in June 2018.
- ◆ **The Building Centre** (tinyurl.com/ydb6gek3) is a UK charity based on 'promoting innovation and inspiration for the built environment'.

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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 [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](#).

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