



Market Report

A Snapshot of your Market Sector

Virtual Office/PA

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 May 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 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:

- ◆ The UK serviced office market grew to include **2,939 centres in 2016 - a year-on-year increase of 11%**. The UK has the largest and most mature serviced office market in the world, accounting for an estimated 36% of the global market. (Intel, *Serviced Offices*, September 2017).
- ◆ By 2025, the average large company will have had the opportunity to reorganise its accommodation 1.3 times. As the business environment changes, firms will adapt their practices and behaviours. These changes are expected to boost demand for serviced offices from companies in sectors that currently have limited or no use for such facilities. (Intel, *Serviced Offices*, September 2017).
- ◆ There were a record **5.7 million private sector businesses at the start of 2017**. Small businesses accounted for 99.3% of all private sector businesses at the start of 2017 and 99.9% were small or medium-sized (SMEs). Total employment in SMEs was 16.1 million; 60% of all private sector employment in the UK. (Department for Business, Energy and Industrial Strategy, *Business Population Estimates for the UK and Regions 2017*, November 2017) (tinyurl.com/y7h9ns3c).
- ◆ A recent independent report by Capital Economics and Nottingham Trent University...estimated that **the serviced office sector is currently worth about £16bn** and forecast that the market value could rise to between £62bn and £120bn by 2025. (Property Week, *Has the serviced office sector come of age?*, August 2017) (tinyurl.com/ycz8qjpl).
- ◆ The national organisation for this industry is the [Business Centre Association](#). Other industry bodies include [The UK Association of Virtual Assistants \(UKAVA\)](#), [Institute of Administrative Management](#) and [The Society of Virtual Assistants](#)



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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 – Serviced Offices (September 2017).** The serviced offices industry is undergoing a period of significant growth, with the way people work and businesses are organised quickly evolving thanks to technological advances. As a result, the type of workspace required by businesses is also changing. Demand for flexible office space is being driven by a number of structural changes in the labour market, including the increasing prevalence of flexible working practices. Between 2011 and 2015, there was a 14% increase in home working in the UK. Firms have sought to rationalise their office space and lower property costs. With 70% of serviced office space occupied by small or medium-sized businesses, the growth in these companies and their changing workplace needs present a great opportunity to serviced office providers, as highlighted by recent significant growth in the market.

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

- ◆ **CoStar, Serviced office industry to swell to £126bn, July 2016** (tinyurl.com/ya4g89qq). The UK serviced office sector is projected to increase in value significantly by 2025, to £62bn on conservative projections and £126bn on more optimistic forecasts.
- ◆ **Savills UK, Spotlight: The future for serviced offices in Europe, July 2017** (tinyurl.com/y8xlnyom). Unsurprisingly, the UK leads the rankings in terms of new start-ups; around 14% of all active enterprises are newly born enterprises. Poland follows in second place with 12.5%.
- ◆ **Savills UK, UK serviced office take-up increases by more than 150% in 2017, March 2018** (tinyurl.com/ydy3lqr8). Serviced office take up across the UK continued to gain momentum in 2017 with the full year figures standing at 2.9 million sq ft, reflecting a 157% increase on 2016, according to Savills.
- ◆ **Society of Virtual Assistants, Top 10 Tips for Becoming a Virtual Assistant, May 2017** (tinyurl.com/y767pu2m).

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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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