

Market Report

A Snapshot of your Marketing Sector

Renewables

This pack has been designed to provide information on setting up a business in the **Renewables** 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 2025**.

What do I need to know about the Renewables 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:

- ◆ According to the Department for Energy Security and Net Zero, the **share of electricity generated by major power producers from renewables surged from 34.5% in 2019-20 to 42.4% in 2023-24**. Renewable generators' revenue is forecast to climb at a **compound annual rate of 8.7%** over the five years through **2024-25 to reach £14.5 billion**, and by **11.1% through 2029-30 to reach £24.6 billion**. Rising battery storage capacity should help support growth in renewables' share of the UK energy mix by reducing barriers associated with intermittent supplies of renewable power. (*IBISWorld, Renewable Electricity Generation in the UK*, March 2025).
- ◆ Consumer interest in small scale renewables is rising. Mintel research shows that **one in three homeowners would consider installing solar panels and one in five would consider a heat pump**. However, upfront costs remain a significant barrier to adoption. Larger solar PV installers are increasingly diversifying into other green technology sectors (e.g. energy storage, heat pumps and EV charging) as they look to offer more integrated green technology solutions. Smaller installers can be expected to seek partnerships with firms specialising in other green technologies (e.g. solar firms teaming up with heat pump installers). The increased take-up of electric vehicles should be a key driver for the residential solar-plus-storage market, as the combination of EVs and batteries can boost the economics of rooftop solar – enabling households to use more of the solar power they produce (i.e. charge EVs overnight with electricity generated from solar panels during the day). (*Mintel, Residential Small Scale Renewables UK*, July 2024).
- ◆ Total final energy consumption in Scotland in 2023 was 135.6 TWh - down 3.0% from 139.7 TWh in 2022 and down 21.5% from the baseline figure of 172.7 TWh (the baseline is the average consumption from 2005-2007). In the **first half of 2025, 19.3 TWh of electricity was generated from renewable sources**. In the second quarter of 2025, 8.1 TWh of renewable electricity was generated in Scotland. This is the most renewable electricity generated in the second quarter of any year in Scotland. **Scotland's capacity for electricity generation from renewable sources has continued to increase and currently stands at 17.7 GW – a 4.3% increase compared to 17.0 GW at the end of the second quarter of 2024**. As of the end of June 2025, there were **1,114 renewable energy projects with an estimated capacity of 76.5 GW in the planning pipeline in Scotland**. (*Scottish Government, Q2 2025 Energy Statistics*, September 2025).
- ◆ The national organisations for this industry are [Renewable UK](#) and [Scottish Renewables](#). Other industry bodies include [The Centre for Sustainable Energy](#), the [Sustainable Energy Association](#), and the [Association for Renewable Energy and Clean Technology \(REA\)](#).

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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.

- ◆ **IBISWorld - Total use of renewable and waste energy sources (May 2025)**: Over the five-year period through 2025, the total annual use of renewable and waste energy sources in the UK is forecast to expand at a **compound annual rate of 5.2%, to reach 30,801.4 ttoe**. Types of renewable sources used to generate electricity and heat in the UK include onshore and offshore wind, wave and tidal, hydropower, solar heating and photovoltaics, deep geothermal, heat pumps, bioenergy and wastes. Bioenergy is further split into landfill gas, sewage gas, domestic and industrial wood, plant and animal biomass and anaerobic digestion. The UK's largest sources of renewable energy are bioenergy, onshore and offshore wind and wastes.
- ◆ **IBISWorld – Biomass Electricity Generation in the UK (September 2024)**. Government policy support has been instrumental in boosting biogas electricity generation. However, recent fluctuations in wood pellet prices have impacted the electricity generation volumes from solid biomass. Despite this, output growth is expected to rebound in 2025, with the help of a new 299-megawatt biomass plant in Teesside, and with Viridor securing a £500 million investment from the UK government to increase capacity at its plants and introduce carbon capture technology. The rise in landfill taxes has incentivized waste disposal through EfW plants, leading to a significant increase in electricity generation volumes from biodegradable waste.
- ◆ **IBISWorld – Wind Power Generation in the UK (October 2024)**. Floating offshore wind, a newer technology, shows promise for greater generating capacity with targets set to increase output to 5GW by 2030, but faces challenges in terms of budget allocation and commercialization.

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

- ◆ [Scottish Renewables](#) is the representative body for the Scottish renewable energy industry. Their website has information on industry events taking place, as well as news articles and publications relevant to the renewable energy industry in Scotland. Their membership directory offers potential partners, clients, or networking opportunities.
- ◆ [The Energy Saving Trust](#) published a report in April 2025 titled "[Community renewable shared ownership research](#)" to assess the current and forecast pipeline of projects; and to identify the enablers that support and sustain the growth of CSO pipeline. A previous report from April 2024 titled "[Community and locally owned energy in Scotland](#)" looks at small scale renewable energy installations in Scotland for the year 2023.
- ◆ The Scottish Government [energy statistics](#) and policy on [Renewable and low carbon energy](#) can be viewed online on the Scottish Government website. There are sections for On- and Offshore wind; marine energy; local and small-scale renewables; bioenergy; low carbon technologies, and other topics and issues relevant to the industry.

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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@bgateaway.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 contact us on 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.

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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.

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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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