



Market Report

A Snapshot of your Market Sector

Fitness & Leisure

This pack has been designed to provide information on setting up a business in the **Fitness & Leisure** 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 **August 2024**. 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 Fitness & Leisure 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:

- UK health and fitness club memberships have now almost recovered to pre-COVID levels, with **16% of UK adults holding membership in 2023**, compared to **18% in 2019**. Men are more likely to join gyms than women – **20% of men are currently members compared to only 13% of women** (Mintel, *Health and Fitness Clubs – UK, August 2023*).
- According to the [Scottish Household Survey 2022 \(Scottish Government, December 2023\)](#), **82% of adults** had taken part in some form of physical activity or sport in the previous four weeks. The most common activity was **recreational walking (with 74% of adults reporting doing this)**. In terms of individual sports, the most popular was, **multigym use / weight training (16%), swimming (14%), keep fit / aerobics (13%) and cycling (12%)**. Participation rates decreased with age – **91% of those aged 16-34** reported physical activity while only **70% of those aged 60 and over**.
- Revenue from the personal training industry is expected to grow at a compound annual rate of **3.2% over the five years through 2028-29 to reach £825.2 million**, driven by consumer concerns about health and appearance. However, the industry is likely to continue to face challenges attracting customers due to the cost of living crisis. They will also face competition from low cost gyms and branded fitness classes as well as the growing popularity of smartphone apps (IBISWorld, *Personal Trainers in the UK, September 2023*)
- Increased home working and changing working patterns are giving workers more flexibility to pursue leisure activities. At the same time, decreased social interaction through work may increase desires to participate in social activities. Businesses could capitalise on this trend by offering local daytime fitness or hobby classes for homeworkers (Mintel, *Leisure time – UK, March 2024*)
- Revenue from pilates and yoga studios is expected to grow at a compound annual rate of **3% to £1 billion over the five years through 2028-29**. While the cost of living crisis is likely to impact the industry in the short term, demand is expected to be fuelled by concerns over health and wellbeing with opportunities to attract broader target markets including men and elderly consumers (IBISWorld, *Pilates and Yoga Studios in the UK, September 2023*).
- The national organisation for this industry is [Sport Scotland](#). Other industry bodies include [UK Active](#), [UK Sports Association](#), the [Sports and Physical Education \(PE\) Association UK](#) and the [Federation of Sports and Play](#).



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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 – Sports Participation – UK (October 2023):** Only four sports (swimming, athletics / running, football and cycling) are played by more than one in ten UK adults so there is a market opportunity to expand participation in sports beyond these top four. It may be easier to encourage existing sports participants to try a new sport than to get non-participants to take one up. 55% of current sports players have expressed an interest in taking up a new sport.
- **Statista – Fitness industry in the UK (May 2023):** There is quite a bit of interest in home fitness products and fitness devices. In **2021, 74% of consumers** had a home fitness product within their household. The most popular product categories were **weights or dumbbells (28%), yoga mat (22%), home cycling machine (17%) and treadmill (16%)**. In **2024, 42% of UK consumers** said they use wearables such as smart watches or health / fitness trackers. While many consumers had used online health and fitness services, the majority (**89%**) had not paid for any of these.
- **IBISWorld – Gyms & Fitness Centres in the UK (March 2024):** Membership fees accounted for **71.2% of industry revenue (£1.4bn) in 2024**. Over the five years through **2028-29**, industry revenue is anticipated to grow at a compound annual rate of **6.4% to reach £2.7 billion**. Gyms will benefit from government initiatives to tackle inactivity and obesity though competition within the industry is likely to intensify.
- **Mintel – Health & Fitness Clubs – UK (August 2023):** Around **90%** of gym members visit their health and fitness club weekly, with **58%** visiting at least three times a week. Amongst current and potential gym members, **54%** say they prefer to exercise in a gym while **46%** prefer to exercise at home so there may be opportunities for gyms to offer hybrid options, e.g. digital solutions.

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

- [Scottish Government, Physical Activity and Sport](#), - information on the industry in Scotland, including how the government is promoting physical activity, relevant research around the importance of physical activity, and key policy actions.
- [Scottish Government, Scottish Household Survey \(December 2023\)](#) provides information on sport and leisure participation statistics.
- [Sport Scotland, Sport For Life](#) – is the national strategy which aims to ensure that sport plays a part alongside other agencies to deliver an active Scotland where more people are more active more often.
- [Sport England, Active lives adult survey 2021-22 \(April 2023\)](#) – provides information on levels of physical activity and types of activities undertaken.

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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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