



Market Report

A Snapshot of your Marketing Sector

Convenience Store & Newsagent

This pack has been designed to provide information on setting up a business in the **Convenience Store & Newsagent** 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 **February 2025**.

What do I need to know about the Convenience Store & Newsagent 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:

- ◆ Over the **five years through 2024-25, revenue** from newsagents and stationery stores in the UK is **forecast to shrink at a compound annual rate of 3.7%, contracting to just shy of £2.2 billion**. The soaring popularity of digital news, especially among younger generations, is the main culprit for the continued freefall of newspaper sales. In the short term, the price war and persistent hikes in the national living wage, energy, and general purchase costs will continue to cause more casualties, further shrinking the market at a compound annual rate of 2.5%, **to £1.9 billion through 2029-2030**. (IBISWorld, *Newsagents & Stationery Stores in the UK*, August 2024).
- ◆ Mintel estimates convenience stores **market size in 2024 as £53.5 billion**, and forecasts long term growth rates of 13.7%, driven by investment from major players, squeezing smaller operators. Sales from convenience stores are forecasted to reach nearly **£60 billion in 2028, up 13.7% from 2023**. (Mintel, *Convenience Stores UK*, April 2024).
- ◆ **73% of convenience shoppers say they visit a convenience store at least once a week, up from 69% in 2023**. The frequency of convenience use has continued to recover, aligning with a quicker pace of life and a stronger return to footfall in urban areas. Indeed, those who work in a blended environment are the most frequent users of convenience stores, with 83% visiting at least once a week. This group is more likely to use stores for a broader range of missions. (Mintel, *Convenience Stores UK*, April 2024).
- ◆ The convenience store market in the United Kingdom has witnessed strong growth in recent years. By 2026, it is forecast that the market value would exceed £50 billion. **In 2023, there was a total of 49,388 convenience stores in Great Britain**, an increase from the previous year. (Statista, *Convenience Stores in the UK*, 2024).
- ◆ In 2023, the price of food and non-alcoholic drinks reached a 45-year high (ONS data), forcing food store sales volumes down by 3.1% as households tighten their purse strings. Convenience stores may keep prices stable despite falling purchase costs, benefitting profit. Over the five years through 2024-25, **revenue is forecast to grow at a compound annual rate of 3.2% to reach £55.9 billion**, including growth of 2.2% in 2024-25. (IBISWorld, *Convenience Stores in the UK*, July 2024).
- ◆ The national organisation for this industry is the [Association of Convenience Stores](#). Other industry bodies include the [National Federation of Independent Retailers](#), the [British Retail Consortium](#) and the [Scottish Grocers Federation](#).

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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 – Convenience Stores UK (April 2024).** By championing locally produced items, retailers can educate and provide a sense of pride amongst shoppers, encouraging them to invest in their local community and producers. 58% of consumers, particularly higher-income shoppers, say they are buying more locally produced products, and with the multiples investing in 'British-produced' products and ranges, smaller players can go further and take it to a local area to differentiate. Leading convenience players have reacted to value needs by enhancing their ranges to offer more value-focused products, with a particular focus on own-label among the multiples.
- ◆ **IBISWorld – Newsagents & Stationery Stores in the UK (August 2024).** The stationery market is facing seasonal volatility and pressure from digitalisation. With the increase of manufacturing costs and the rise of IT & telecommunication use, demand for business stationery is decreasing while traditional notetaking methods are being revived due to digital fatigue. The greeting card business, a significant player in this industry, sees online retailers taking more market share. While the physical purchase of greeting cards has decreased, online retailers offer wide product ranges and personalised services that are reshaping the landscape of the greeting card segment. However, research done by the Royal Mail found that 77% of people would rather receive a physical Christmas card than a digital one in 2023.
- ◆ **IBISWorld – Convenience Stores in the UK (July 2024).** Demand for healthier yet convenient meals is guiding the industry's product portfolio. Stores are expanding their selection of high-quality ready meals to cater to time-poor consumers, preparing for likely peaks in meat demand during barbecues and accommodating a rising inclination for plant-based meals.

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

- ◆ **Scottish Grocers Federation - [The Scottish Local Shop Report 2024](#).** This report looks at the convenience store sector in Scotland – where stores trade, those employed in the sector, economic contribution, and contribution to local communities. *“Across the UK, the convenience sector generated over £49.4bn in sales over the last year, with that figure set to grow to over £54.6bn by 2027. Convenience stores in Scotland have invested over £94m over the last year.”*
- ◆ **[Scottish Grocer & Convenience Retailer](#).** This magazine covers market news, articles, business, legal and property and many categories such as free-from, healthier options, technology and world food and drink.

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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.



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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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