



# Market Report

A Snapshot of your Marketing Sector

## Film Production

This pack has been designed to provide information on setting up a business in the **Film Production** 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](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **December 2024**.

## What do I need to know about the Film Production 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:

- ◆ Industry **revenue is forecast to climb at a compound annual rate of 2.8% over the five years through 2028-29, reaching £4.4 billion**. Recently agreed co-production treaties are likely to support the industry soon, allowing easier labour movement and movie distribution. The government's Global Screen Fund will support the industry as it partially offsets funding lost from Creative Europe, but studios look to tap into the booming Indian and Chinese markets. Studios have also invested heavily in expanding their UK studio spaces and filming capacities, promoting high-scale motion picture production. (IBISWorld, *Motion Picture Production in the UK*, April 2024).
- ◆ The performance of the Film, Video and TV Programme Post-Production industry is influenced by demand from key markets, technological developments and competition. **Over the five years through 2024-25, industry revenue has grown at a projected compound annual rate of 0.6% to £1.6 billion**. Demand for visual effects and the provision of tax credits by the government to the film sector has supported post-production studios' performance over the period 2024-25, however, the sluggish performance of downstream markets like Hollywood films, streaming platforms and TV advertising has slowed growth. (IBISWorld, *Film Video & TV Programme Post-Production in the UK*, August 2024).
- ◆ Despite growth in the forms and scale of content choice over the past decade, film viewing remains an almost universally popular and habitual activity. Overall, 95% of UK adults reported having watched a film in the past 12 months, and **23% did so daily/most days**. Digital services are now the dominant choice for film viewing audiences, with streaming platforms being the primary destination for habitual film viewing, 43% of UK adults watch at least one film on an SVoD platform every week. (BFI, *The Wider World of Film*, April 2024).
- ◆ In 2021, the most recent year surveyed, the broad screen sector in Scotland employed 10,940 FTE (full time equivalent) workers, with an overall economic contribution to Scotland's economy of £627.1m. Under Screen Scotland's new strategy, they **seek a minimum 55% further growth in GVA to £1bn** by end 2030/31, with a parallel 55% increase in FTE employment to 17,000 FTE jobs across Scotland's screen sector. (Screen Scotland, *Strategy to 2030/31*, March 2024)
- ◆ The national organisation for this industry is [Creative Scotland](#). Other industry bodies include the [British Film Institute](#), the [British Academy of Film and Television Arts \(Scotland\)](#), the [Producers Alliance for Cinema and Television \(PACT\)](#), the [British Film Commission](#), [Screen Scotland](#), the [British Film Institute \(BFI\)](#) and the [UK Screen Alliance](#).

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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](mailto:info@bgateway.com).

- ◆ **IBISWorld – Film, Video & TV Programme Distribution in the UK (August 2024).** Over the five years through 2029-30, industry revenue is in line to expand at a compound annual rate of 1.8% to reach £1.7 billion. The government provide many favourable tax and funding policies for film and TV to be produced in the UK. In the spring budget 2024, the chancellor announced a new tax exemption for independent films produced domestically. Inward investment in film and TV programme production, particularly from the US, shows no signs of dipping, driving demand for post-production activities over the coming years.
- ◆ **IBISWorld, Motion Picture Production in the UK (April 2024).** British studios struggle to compete with the financial muscle of US-backed films, so instead, they tend to be low-budget features aimed at niche markets or exposure at film festivals. According to the BFI, 100 domestic features were produced in 2022, below pre-pandemic levels from 172 in 2019, however, there is room for optimism as the BFI reported that 220 UK films were produced in 2022, which is attributed to budding confidence and a slowing demand for blockbuster films.
- ◆ **Screen Scotland, Strategy to 2030/31 (March 2024).** Innovation is key and Scotland needs to compete on both sustainability and excellence. This means building on its reputation for technical invention and creativity. New production methods, new ways of reaching audiences, and the interlinked imperatives of sustainability and efficiency all require Scotland to maintain its edge in technological and creative innovation. This strategy commits to developing VFX and digital skills and looking at further collaboration with the interactive/ games sector.

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

- ◆ **Screen Scotland - [funding and support](#).** Screen Scotland sits within Creative Scotland and offers funding and support for filmmakers and broadcasters. They have several funds open for applications including the Film Development and Production Fund, Cinema Equipment Fund, Professional Development Fund and more.
- ◆ **The British Film Institute [industry data and insights page](#)** provide annual statistics and research reports as well as box office figures. These include a [Skills Scoping Study for the UK's Digital Content Production Sectors](#) and a report [Mapping the presence of animation activity across the UK economy](#)

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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](mailto: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](mailto: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.

**Last updated: December 2024**

**Updated by: Andy**

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