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## Pre Task 2

## Successful Niche Market - Scotland

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### **1.0.1. Introduction**

Within this report we aim to establish a successful niche market in Scotland and have chosen to specialise in Mountain Biking. This entails looking at what the product is, how leisure and competitive mountain biking have developed, and how the sport could benefit from breaking into new markets, specifically the disabled and less capable which is outlined within this report.

Before one can understand the full impact and scale that Adventure Tourism has on Scotland, one must look at how it is defined and categorized. The Adventure Travel Trade Association (“ATTA”) seeks to define Adventure Tourism as “any trip that has two out of the following three aspects: physical activity, interaction with nature, and cultural learning or exchange” (ATTA, 2009). Within Scotland there are many activities one can participate in, some of which are adrenaline filled sports, however, adventure tourism also covers softer paced activities also, such as mountain biking for leisure purposes.

Market segmentation aims to classify the groups of consumers with relating needs and buying behaviours and then designating them into particular market segments. In addition, by selecting which market segments to target, organisations and sectors are able to determine how they should position their products in order to appeal to their specific target market. By using market segmentation as a key aspect of contemporary marketing, tourism products can develop and succeed as it categorically focuses on the customer to gain the greatest beneficial approaches in marketing strategies used (Dibb, S & Simkin, L 1996).

### **2.0.1. Competitive mountain biking**

Competitive mountain biking has developed dramatically in the previous years, especially in Scotland where more people are starting to participate in events like Fort William World Cup, designed especially for people who love adrenaline filled sports.

#### **2.1.1. Product**

Every year Scotland hosts one of the World Mountain Biking stages, as well as multiple events throughout the year. The Highlands are known as the main destination for mountain biking in Scotland, and it is no surprise that it is also the choice for the Shimano MTB World Cup. Fort William hosts this event and although the competition extends over two days, it has been voted as being the best mountain biking event (Visit Scotland, 2014).

Competitive Mountain Biking have different segments within it. This consists of Cross-Country, Downhill, Downhill Slalom and Hill Climb.

Sponsors are a major part of the Competitive Mountain Biking world, and it can be said that they are one of the reasons for the dramatic expansion. Tourists from all around the UK and in a small percent, foreign tourists (7%) are travelling to Scotland to watch the Fort William World Cup, showing the growing dominance of the adventure tourism market.(UCI, 2013) [see Appendix 1].

#### **2.1.2. Original Target Market**

Competitive Mountain biking started in California, USA in 1973, as an adventurous sport for fit men, with action and adrenaline. It was only downhill in the beginning and the bikes had to be driven up to the top, but after more advanced bikes

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came to the marked, there were not much nature stopping the bikers. The UK got introduced to mountain biking in 1982 when the first bikes were imported. (History of Mountain biking) Scotland was originally only focusing on fit men, but that's changing and today there are levels and tracks for every skillset. There are clear instructions on what the different markings means and different events and training sessions are arranged around Scotland to increase people's knowledge. The flagship for mountain biking in Scotland, The 7Stanes project were started in 2001, and have routes all over Scotland. In 2002 Fort William hosts the first rounds of the UCI Mountain Bike World Cup (Mountain biking tourism around Scotland)

### **2.1.3. Current Target Market**

Mountain Biking tourism is estimated to contribute £119million to the Scottish economy (Visit Scotland, 2014) [See Appendix 2] In 2007 the cycling market in Scotland made up 12% of the adventure tourism niche, with 26% of all their activities taking place within the Highlands (Visit Scotland, 2007). However, these stats were taken at a time where the economy was not strong, and therefore people had less disposable income as they might have wished. Appendix 3, showed the projected rise in income over the next following years, and this is predicted to rise even more so by 2015, increasing participation in the sport. The stereotypical adventure tourists are between the 20-35 age bracket, and the market can be split into "Samplers, Learners, Dabblers and Enthusiasts," (INSIGHTs, 2003). Within the Competitive mountain biking sector, participants are mainly enthusiasts, and looking at Adventure tourism as a whole, 72% of participants claim to be enthusiasts. This can be seen in more detail in Appendix 5 An enthusiast can be defined as "an expert within the activity, which requires knowledge and skill". Based on the research made to attract more sponsors, UCI 2013, the organisers of Fort William Mountain Bike World Cup discovered that their visitors consist of 76% male, and 24% female and that the age profile dominating the market is the 25-44 years old age bracket, supporting a majority of the traditional stereotype [See Appendix 4].

### **2.1.4. Future Target Market and Competitors**

The potential growth in competitive mountain biking in Scotland is an indication that the future for this industry is looking favourable. With the main competitive mountain bike season running from spring to autumn, and certain courses having the availability of throughout the year, Scotland is the ideal destination to encourage and develop this particular adventurous sport. More tracks and routes are being developed to host trails for events that '*suit a wide range of ages and ability levels*' (British Cycling.Org, 2013). 7Stanes are a mountain biking organisation based in different locations around south Scotland. In 2009, they were the first organisation in the UK to open tracks that would be suitable for riders with disabilities (7Stanes, 2015). With this arising, more venues will be developing more disability-friendly trails across Scotland, and more annual events are likely to start taking place in the near future.

### **2.1.5. Market Penetration**

Research shows that in 2013 there were 125.46 million domestic trips made within Great Britain (Tourism Alliance, 2015), 12.51 million of those trips were to Scotland and 5.57 million of those were made from England (Visit Scotland, 2015). Currently those categorized as disabled contribute 20% of all Domestic day visits and 14% of all overnight domestic trips [See

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Appendix 6]. Over 11 million people in the UK have some form of disability or impairment and although this remains at a high level they are significantly less likely to participate in sporting activities than non-disabled people (Gov, 2015).

Competitive mountain biking is a popular tourism product as it is within the adventure tourism sector so it poses the question as to why it hasn't been expanded to make the product readily available to those who are less capable than non disabled people. Currently in the UK, there is only one company, 7stanes, who have begun to make changes to trails in order to be more inclusive. However, there are currently no competitions available to the disabled market, although the USA have already begun to introduce this. This suggests that there is an opening in the market.. Research by Gov, 2015 also states that 1.56 million disabled adults in the UK play sport once a week. Which as a recreational activity is fine, however, to give equal opportunities to everyone, there must be a competitive level available for disabled people.

Cycling became part of the paralympic games in 1988, however as of yet there is no competitive level of mountain biking available in the UK. Considering the popularity of the paralympic games in the UK in 2012, with Team GB taking home 120 medals, 22 belonging to Cycling (The Guardian, 2012). Mountain Biking is currently not an Olympic Sport, but with the interest in cycling clearly there, suggestions of competitions available to those less abled, are sound. The expansion of accessible trails, competitions and bikes for disabled people, could potentially increase the travel taken by this segment, leading to an economic benefit for Scotland.

### **3.0.1. Leisure Mountain Biking**

Leisure is an important part of many people's lives, and with the success in the London 2012 Olympics and Paralympics, cycling has increased dramatically as a recreational sport and this can be said to be a part of their lasting legacy.

#### **3.1.1. Product**

Cycling in Scotland gives a unique opportunity to experience the beauty of Scottish landscape and its countryside and seaside. There is a wide variety of routes available to cyclists with plenty of roads linking countryside with towns.

According to Statistics on public attitudes to transport (2013) those ages 16-44 cycle most frequently. This market segment includes families that choose to cycle for leisure rather than for adventure.

Scotland is home to a number of family friendly cycle routes suited for children of all ages (familiesonline.co.uk). There are roads through lush forests and valleys, through majestic mountains, national parks, along old railway lines and beside picturesque lochs (luxuryscotland.co.uk). An ideal destination for leisure cyclists are Scottish Highlands, well known for its labyrinths of low level cycling trails, roads leading through national parks, lochside and stunning mountain view. Additionally, most of the coastal roads for kids offer a range of things to do when off the bike.

For low-adrenaline seekers Scotland offers a number of off-road cycling in a safe environment such as Loch Ard Loop, The Banks of Loch Eck, West Loch Lomond Cycle or Rob Roy Loop (Appendix).

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### **3.1.2. Original Target Market**

According to Weiss 1965, Leisure time means 'that portion of the day not devoted to the exigencies of life'. However, it is different from recreational time which is deemed as 'useful time' for relaxation. From this statement, one can assume that leisure is completely 'free time', unrelated to work, and for one's own personal enjoyment.

Cycling for leisure has been in existence for many years prior to the invention of mountain bikes. Dating back to the late 19th century, it was describable as a 'joyful escape' and allowed city dwelling Victorian citizens to use their 'machines to journey off in the countryside' (Manners, 2015). Fast forward over eight decades later to the late 1960s, and there was much correlation with mountain biking.

Non competitive riders were able to access high quality products that had trickled down from the advances of the competitive mountain biking sector and the ability to ride for enjoyment suddenly became widely available..

### **3.1.3. Current Target Market**

Mountain bike trails have been developed and adapted to make the sport more accessible to visitors, ensuring that all abilities can take part. The 7 Stanes franchise have built various tracks to suit tourists who either visit for recreation or more competitive purposes. For example, The Glen and The Palgowan routes are suited for more leisurely goers such as families in the 7 Stanes Glentool establishment (7 Stanes, 2015). This allows beginners at mountain biking to improve their skills at a level of leisure, providing an enjoyable experience and being able to discover the beauty of the Scottish landscape at the same time. Visitors who are new to mountain biking are given step by step tutorials on the basic skills before they can attempt the more challenging trails. One customer stated that "I learned new skills and built up my confidence for dealing with obstacles" (7 Stanes, 2015). This reinforces the exceptional service by the 7 Stanes company, as they give novice users an excellent introduction to the sport. Overall, there has been extremely positive feedback from users of the 7 Stanes facilities [See Appendix 7]. The centres have plenty of car parking on site which ideally suits families who travel a long way, and there is also a cafe and a shop.

### **3.1.4. Future Target Market and Competitors**

The leisure cycling industry would benefit in attracting cyclists of different ages and use their existing market of males between the ages of thirty to fifty to help continue to promote cycle tourism (Zovko, 2013). The attraction of the younger generation with a current developing interest towards cycling, as this will entice friends of theirs to also take an interest in the sport. In addition, by developing the leisure cycling experience with other tourism products this may attract other market segments and even produce an increase of users within the current market. For example, many distilleries in Scotland are located in rural areas which include many cycle tracks. The industry of whisky attracts the core market segment of males who are aged forty-five plus (Marketing Magazine, 2004). Therefore the proposal of whisky cycle tours may be seen as an appropriate opportunity for leisure cycle tourism in Scotland. This requires great investment from the private sector and is a tourism product development idea rather than an opportunity to gain a different market segment. A market worth developing into, as mentioned earlier is those with disabilities. The highland cycle ability centre has facilities devoted to those with physical or learning disabilities. Its aim is to encourage young disabled people to take up cycling as an interest or to keep improving on their performance. The success of Team GB in the London Paralympics can further influence this market segment to take up cycling leisurely to keep fit and active (Barth, 2013). The advancement of technology also creates the increase of disabled bicycle

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users, as different models are produced to suit the needs of many types of disabilities while having comfort as a key element. These bicycles can therefore be used in tourism to promote leisure cycling for all abilities.

### **3.1.5. Market Penetration**

Research demonstrates the actual, but also potential success of adapting mountain biking to less abled people. With over 11 million disabled people in the UK, numbers indicate that only about 2 million of them take a holiday, so this market can be viewed as an untapped source (disabledgo). According to Visit Scotland, domestic visitors taking part in mountain biking will spend over two million nights, and spend around £109 million each year. Therefore, catering for the market of less-abled could have major economic benefit for Scotland.

An example of current success within mountain biking for disabled is the club Rough Riderz. They are a non-profit organization formed to both promote and help within the mountain biking scene for disabled, but also able-bodied mountain bikers. They ride with special designed 4-wheeled gravity bikes, which are purpose built for downhill MTB trails. Rough Rider's secretary, Phil Hall, stated in an interview with 7Stanes that they are currently working on a practical and affordable new bike, and are aiming to have it ready for purchase by the end of the year (7 stanesA, 2015). This indicates how the market for disabled and mountain biking is viewed by organizations and suppliers, and how they are taking measures to develop it further.

7stanes has been leading the way in offering trails that are suitable for less-abled riders (7 stanesB, 2015). In 2009, they became one of the first in UK to have a downhill track suitable for disabled. As well as having disabled bike hire at some locations, they have also built extensions specially widened for wheelchair users. They have redesigned their way markers, in shape and colour, for the trails to help partially sighted and colour blind.

### **4.1.0. Summary and Conclusions**

Mountain Biking is gaining popularity year on year, as can be seen in the growth of visitor numbers to the Fort William World Cup. However, there appears to be a gap in the market, to make mountain biking more accessible to those with a disability or impairment. The future market can currently be described as untapped, and with the current disabled market contributing 20% of all domestic day trip tourism, the adventure tourism market can only but capitalise on this. Not only will there be added economic benefits for Scotland, and the new markets in both leisure and competitive mountain biking, but also the health benefits for those who are less capable.

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### 5.1.0. List of references

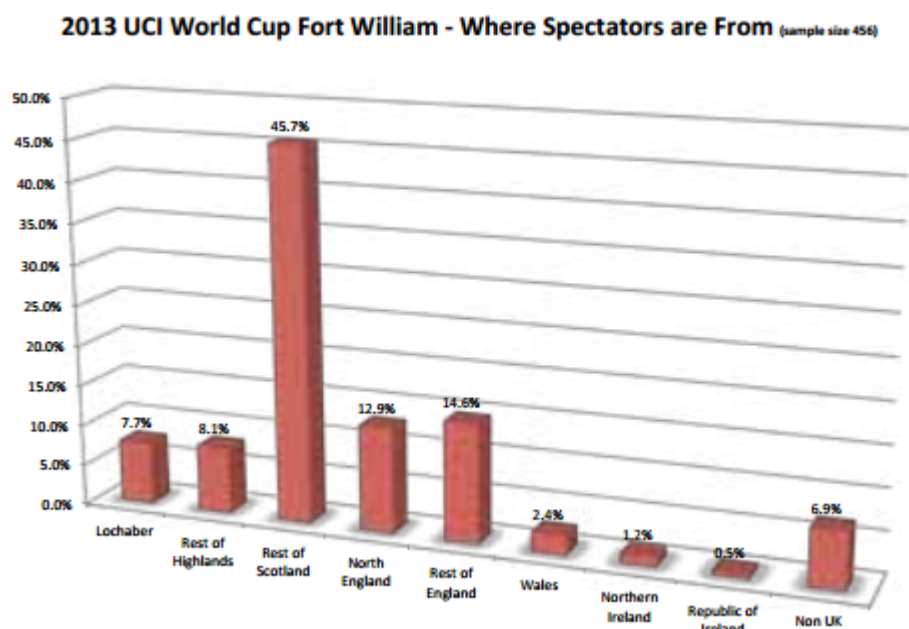
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## 6.1.0. Appendices

### Appendix 1



Source: UCI, 2013

### Appendix 2

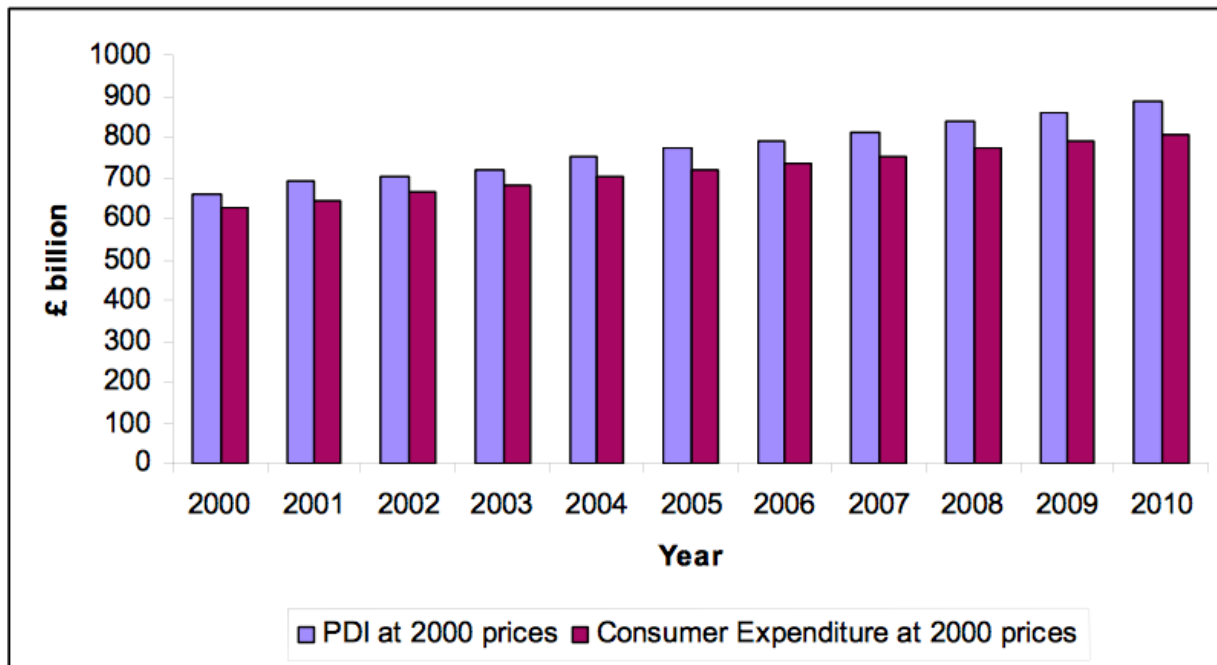


Source: Forestry Commission Scotland, 2013

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## Appendix 3

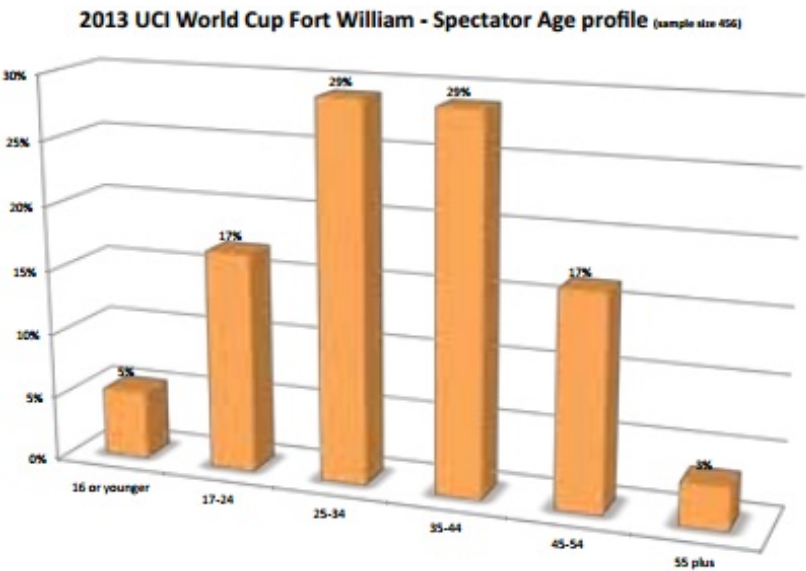
### *Driver 1: Economy / Disposable Income*



*Figure 1: Trends in Personal Disposable Income and Consumer Expenditure, 2000-10 (Source – Mintel)*

Source: Mintel, 2013

Appendix 4



Source, UCI, 2013

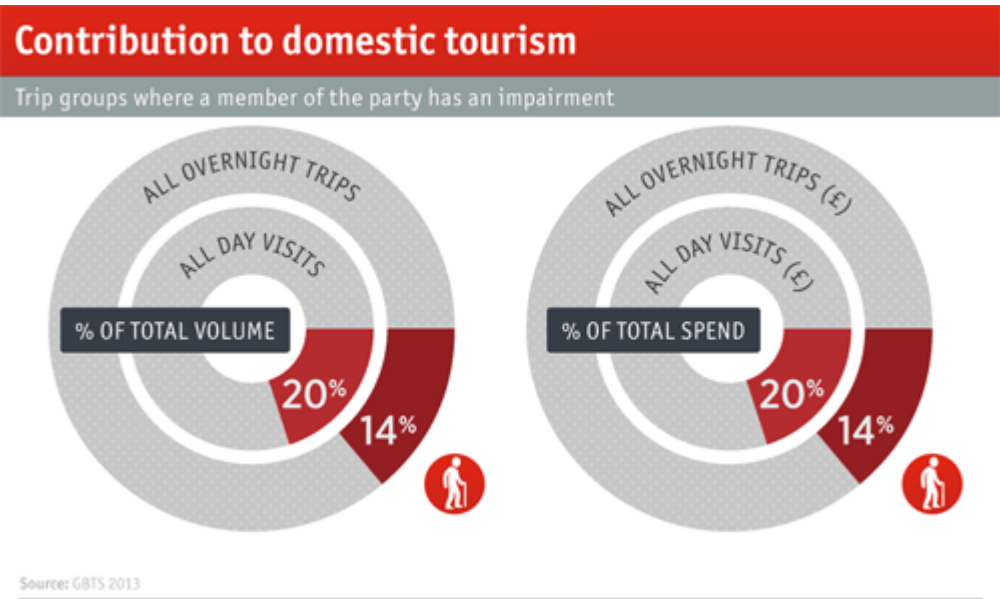
Appendix 5

Activity	Samplers	Learners	Dabblers	Enthusiasts
Mountain Biking	10%	10%	35%	45%
Horse Riding	25%	10%	15%	50%
Water sports	7%	10%	10%	73%
Adventure Sports	8%	10%	10%	72%

Table 2: Relative size of market segments by activity for activity tourism markets (Source: adapted INSIGHTS 2003)

Source: INSIGHTS, 2003

Appendix 6



Source: Gov UK, 2015

Appendix 7

*“great blue trail for novices.”*

*“My 7 year old daughter and I did this loop and thought it was awesome!”*

*“It does leave you with a smile on your face.”*

*“Great way to spend the October holidays.”*

*“Can’t get better biking for a family day out.”*

Source: 7 Stanes, Scotland’s Biking Heaven, Fabulous Family Mountain Biking Fun, 2015