

Bicycles - UK - June 2010

Report Price: £1500 / \$2295 / €1688



What is this report about?

Cycling taps into many of the current trends which consumers are emotionally responsive to: health and wellbeing, a sense of community, and environment. It lacks however some of the less acknowledged selling points favoured by car drivers: personal safety, comfort, style, convenience and speed. The drive to get more British consumers 'on their bike' is therefore quite a challenge.

Mintel last examined this market in Bicycles – UK, January 2008. This report assesses the development of the market in the past two years and provides some pointers as to how it is likely to develop in the coming years.

What have we found out?

- In 2009, the value of the bicycle market grew by more than 4%, despite a 10% fall in the number of bicycles sold. With nearly all bicycles sold in the UK being imported, the weakness of the pound led to a sharp rise in prices.
- A shortage of stock last year led to some companies bringing forward 2010 models to fill the void. Retailers had underestimated demand, particularly in low to mid-range road bikes in the £300-600 band.
- Sales of bicycles are being stimulated by Cycle to Work schemes, offering significant discounts on bicycles bought through employers, and a wider range of retail finance, particularly interest-free deals. These schemes are also encouraging buyers to trade up to more expensive models.
- The e-bikes (electric bicycles) sector is generating considerable excitement in the industry, with sales growing rapidly from a tiny base. These products are seen as a 'half-way house' between bicycles and mopeds/scooters. Longer term, e-bikes could play a role in introducing many more people, particularly women, to cycling.
- Bicycle retailing is becoming increasingly competitive, with the likes of Halfords competing with specialists (such as Evans, independents and online-only operations like Wiggle and Chain Reaction). Of greater concern to the trade are the major grocery retailers, such as Tesco and Asda. The grocery retailers are showing an interest in growing their share of the bicycle market, having already trialled some lines at extremely low prices.
- Cyclists can be divided fairly evenly into the one in eight adults who ride regularly (once a week or more often) and the similar proportion who ride occasionally (less often than once a week). Non-cyclists are most likely to be deterred by the perception that it is too dangerous to ride a bicycle on the road.

Your business guide towards growth and profitability

Mintel Oxygen is your one-stop shop for market and consumer analysis. It is designed to help you stay on top of market sizes, shares and forecasts, consumer trends, brand profiles and product innovation.

Use Mintel Oxygen to:

- Access fresh market intelligence every day
- Drive your business forward based on consumer trends
- Support your decision-making
- Benchmark competitive activity
- Stand out in new business pitches

If you have any questions or require further information, send an email to oxygen@mintel.com or call one of our regional offices:

EMEA: +44 (0)20 7778 7151
Americas: +1 (312) 932 0600
APAC: +61 (0)2 8284 8100