ICAP
Institute of Children's Activity Providers

Beyond Busy

The Executive Summary of

The Big ICAP Report 2026

Key Findings
Every Children's Activity Provider Needs to Know

BASED ON INSIGHTS FROM

500,000+ children

500+ brands

3,892 family nominations

6 software partners

A Welcome from Dr Jenni

If there's one thing I've learned from working with children's activity providers over the years, it's this:

Our sector is filled with passionate, hardworking people doing extraordinary things for children and families every single day.

Yet despite the impact we make, many providers are still trying to navigate important business decisions without access to the kind of data and insights that other industries take for granted. **Questions like:**



That's why we created **The Big ICAP Report.**

Bringing together insights from providers across the UK, feedback from thousands of families, and expertise from sector specialists, the report helps paint a clearer picture of where our sector is today and where the opportunities lie for the future. This Executive Summary highlights some of the most important findings.

My hope is that it doesn't just give you interesting statistics, but practical insights you can use to build a safer, stronger, more sustainable and more successful business.

Because when children's activity providers thrive, more children have access to the experiences, opportunities and role models that can shape their lives for the better.

Thank you for being part of this incredible sector.

Dr Jenni Bradford



i-cap.co.uk

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About The Big ICAP Report 2026

Every year, thousands of children's activity providers make decisions about pricing, marketing, recruitment, growth, retention and customer experience without access to reliable sector data.

The Big ICAP Report was created to change that.

Drawing on insights from children's activity providers across the UK, alongside data from sector partners and feedback from 3,892 families, the report provides one of the most comprehensive snapshots of the children's activities sector available today.

The findings reveal a sector that is resilient, impactful and full of opportunity, but also facing significant challenges around occupancy, retention, recruitment and sustainable growth.

At ICAP, our mission is to help children's activity providers build safe, responsible, sustainable and successful businesses. We believe better decisions are made when providers have access to meaningful data, practical insights and real-world benchmarks.

This Executive Summary brings together some of the most important findings from The Big ICAP Report 2026, highlighting the trends, challenges and opportunities every provider should understand.

Whether you're a solo operator, a growing team, a franchise network or an established organisation, we hope these insights help you make more informed decisions and build an even stronger business.

Because when children's activity providers thrive, more children and families benefit.

About the Research

The Big ICAP Report 2026 brings together multiple sources of data to create one of the most comprehensive pictures of the children's activities sector currently available.

500,000+

Children represented in the data

500+

Children's activity brands

3,892

Family nominations analysed

6

Sector software partners have contributed data

9

Sector Specialists Contributed Their Expertise

UK-wide

National datasets and demographic insights

100+

Pages of sector research

A Unique View of the Sector

This report combines three powerful perspectives:

Providers

sharing their experiences, challenges and ambitions.

Families

revealing what they truly value through nearly **3,892** award nominations.

Data

providing objective benchmarks from anonymised platforms and national datasets.

Together, these insights help build a clearer picture of the children's activity sector today and where the greatest opportunities may lie for the future.

The Six Numbers That Matter Most

Every children's activity business is unique, but the most successful providers have one thing in common: they know their numbers.

Tracking a small number of meaningful KPIs can help you make more confident decisions, spot opportunities earlier and understand what's really driving growth in your business.

The 6 KPIs Every Provider Should Know



Children Enrolled

How many children you serve.



Annual Revenue

The income your business generates each year.



Class Capacity

The total number of places available across your sessions.



Occupancy

The percentage of available places that are filled.



Retention

The percentage of children who remain with you after one year.



Cost Per Class

The average price a customer pays per session.

Together, these six numbers tell a powerful story about the health, sustainability and growth potential of your business.

> “You can’t improve what you don’t measure.”

Key Findings at a Glance

The children's activities sector is stronger, more established and more resilient than many people realise.

The findings from The Big ICAP Report 2026 challenge several common assumptions about the sector while highlighting significant opportunities for future growth.

Most providers are running established businesses that make a meaningful impact on children and families. However, the data also reveals untapped potential in areas such as occupancy, retention, referrals and strategic partnerships.

Perhaps most importantly, the report highlights that sustainable growth is rarely driven by marketing alone. The providers seeing the strongest results are often those focused on customer experience, community, retention and long-term relationships.



The sector is more established than many realise

More than 75% of providers have been operating for over five years, highlighting a mature and resilient sector.

Perception doesn't always match reality

Providers significantly overestimated both occupancy and retention, reinforcing the importance of tracking meaningful business metrics.

There is substantial untapped capacity

Average occupancy sits at 56%, suggesting many providers have opportunities to grow without adding more classes, venues or staff.

Retention may be the sector's biggest growth opportunity

The average retention rate is 29%, highlighting the value of focusing on keeping customers, not just acquiring them.

Word of mouth drives growth

More than half of new customers come through referrals, making customer experience one of the most powerful marketing tools available.

Schools and nurseries represent a major opportunity

Educational partnerships are emerging as a key route to sustainable growth, recurring revenue and increased visibility.

Families value connection as much as the activity itself

Feeling welcomed, building confidence and creating a sense of belonging were consistently highlighted as reasons families stay and recommend providers.

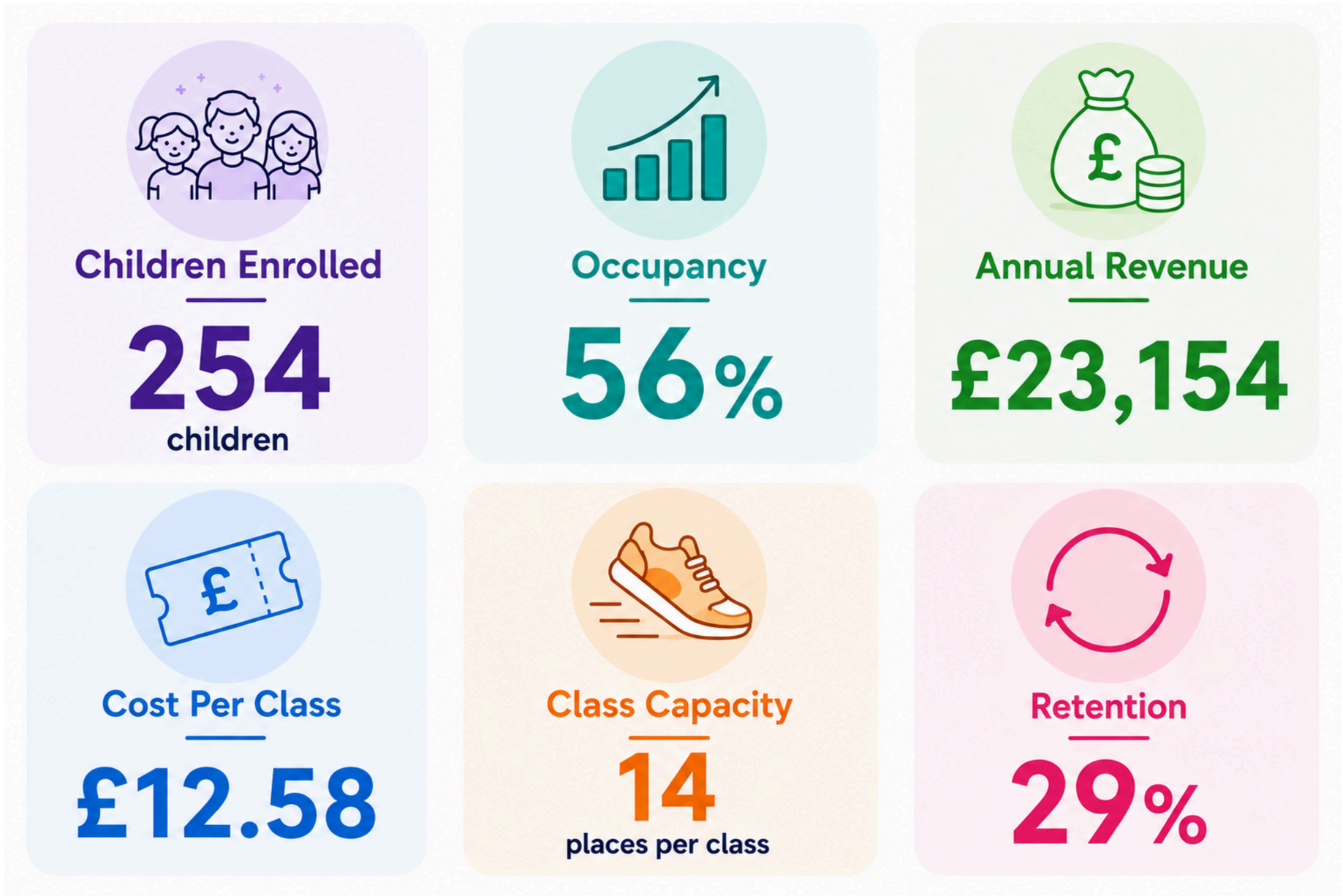
The Sector Benchmark Snapshot

What does the average children's activity business look like today?

Using data from across the sector, we've established benchmark figures for the six core KPIs explored throughout this report.

While every business is different, these benchmarks provide a useful reference point for understanding how your business compares to wider sector trends.

The Average Children's Activity Business



What the Data Suggests

The benchmark data paints an encouraging picture of the sector.

Providers are serving significant numbers of children, generating meaningful revenue and creating a positive impact in their communities.

At the same time, the findings suggest there may be opportunities to strengthen performance within existing business models.

With average occupancy at 56% and retention at 29%, many providers may have room to grow without necessarily adding more classes, venues or team members.

The Opportunity

Before focusing on expansion, consider:

✓ How full are your current classes?

✓ How long do families typically stay?

✓ Which of your KPIs represents your biggest opportunity for improvement?

Small improvements across a few key metrics can have a significant impact on revenue, sustainability and long-term growth.

Reflection...

1 **Which of these 6 KPIs are you tracking?**

- Children Enrolled
- Occupancy
- Annual Revenue
- Cost Per Class
- Class Capacity
- Retention

2 **And which one could make the biggest difference to your business if it improved by 10%?**

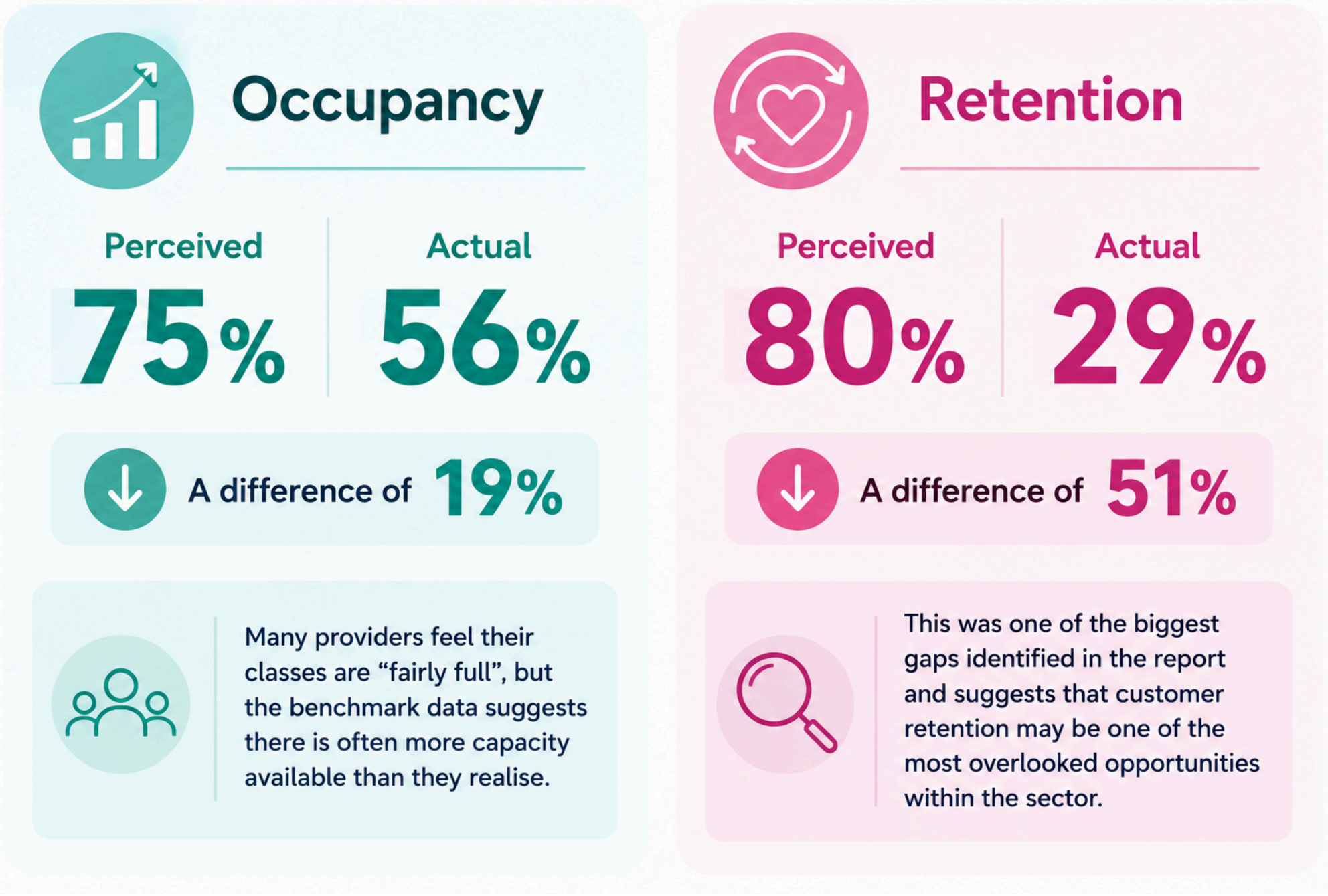
Perception vs Reality

One of the most revealing findings from The Big ICAP Report 2026 wasn't the benchmark figures themselves—it was the gap between what providers believed and what the data showed.

When asked to estimate their performance, providers consistently overestimated both occupancy and customer retention.

This highlights an important lesson for every children's activity business:

> **Our instincts are valuable, but our decisions are strongest when they're supported by data.**



What This Means

When you know your numbers, you're able to make better decisions.

Should you launch another class - or focus on filling the ones you already have?
Should you invest more in marketing - or in improving customer retention?

Your KPIs can help answer those questions.

Why does this matter?

75% → 

If you believe your classes are already **75% full**, you're likely to think you need more classes to grow.

56% → 

If your actual occupancy is **56%**, your biggest opportunity may be **filling the spaces** you already have.

Reflection

- Do I know my current **occupancy**?
- Do I know my annual **retention rate**?
- Which decisions am I making based on **assumptions** rather than **data**?

> **Tracking just a handful of meaningful KPIs consistently can provide the clarity and confidence needed to make better business decisions.**

What Successful Providers Do Differently

The findings suggest that the strongest businesses focus on:

✓ Creating exceptional customer experiences
✓ Building trust with families
✓ Delivering consistently high-quality sessions
✓ Encouraging long-term relationships
✓ Making every family feel welcomed and valued

Marketing might encourage a family to book their first session.

The experience you create determines whether they return - and whether they recommend you to others.





Word of Mouth Reigns Supreme

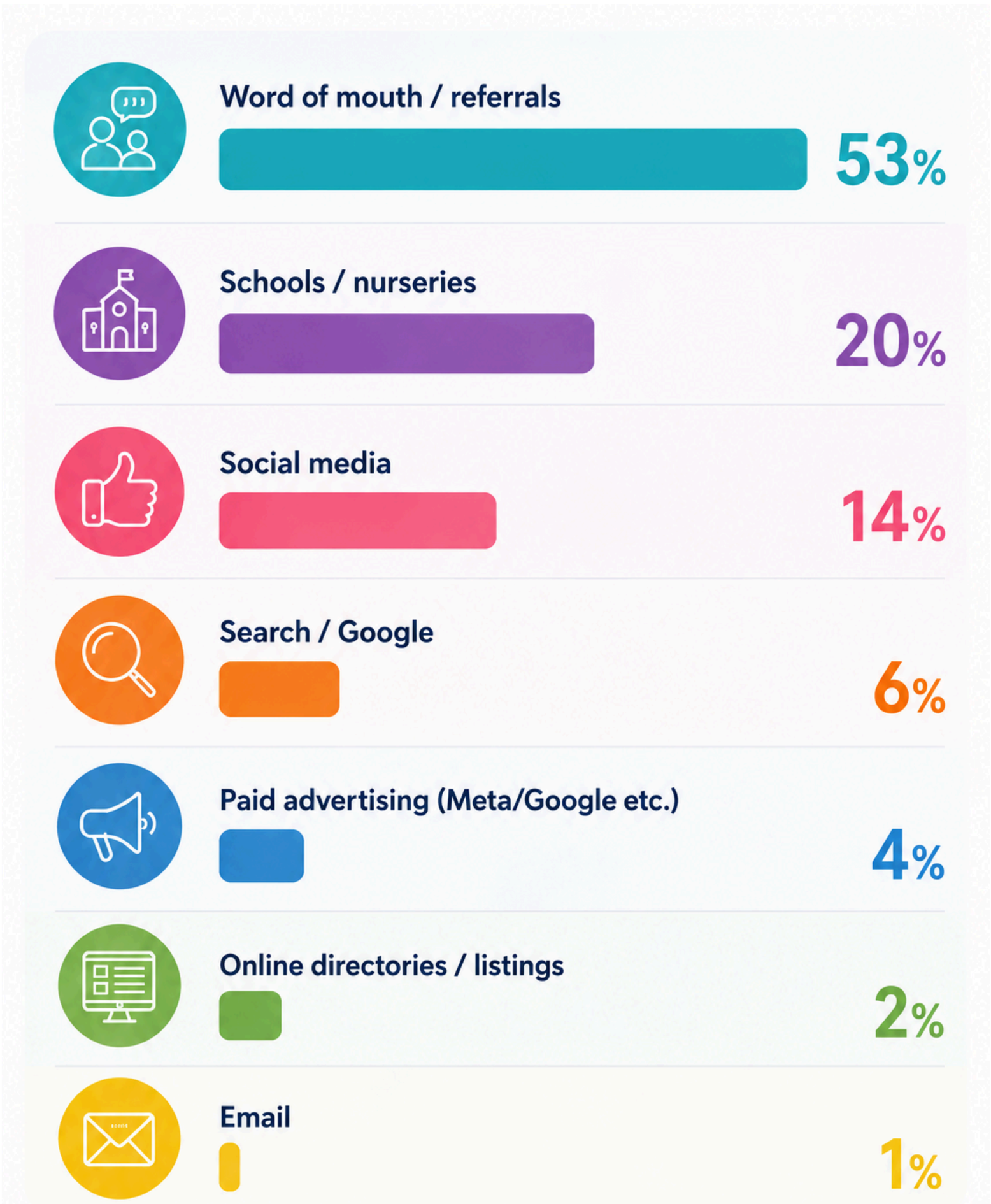
In a world of social media, paid advertising and AI-powered marketing, one traditional growth strategy continues to outperform them all.

Word of mouth.

More than half (53%) of providers identified recommendations from friends, family and other parents as their biggest source of new customers.

While digital marketing, social media and paid advertising all have an important role to play, the strongest growth is often driven by the experiences families have once they attend your sessions.

Where New Customers Come From



What the Data Suggests

Word of mouth isn't something you can ask for.

It's something you earn.

Across almost 3,892 family nominations analysed for this report, the providers receiving the highest praise weren't necessarily those with the biggest marketing budgets. They were the providers who consistently created experiences families wanted to talk about.

Children felt confident.

Parents felt welcomed.

Families felt part of a community.

Those experiences naturally lead to recommendations, reviews and repeat bookings.

What Makes a Provider Exceptional?

The report analysed 3,892 nominations submitted by families to the What's On 4 Kids National Children's Activities Awards.

These aren't casual reviews.

Parents, carers and grandparents are busy. Completing an award nomination takes time, and families typically only do it when a provider has made a genuine difference to their child's life.

That makes these insights incredibly valuable.

They reveal what families consistently value when an activity becomes more than just something to attend—it becomes something they genuinely want to recommend.

What Exceptional Providers Do Consistently

They make every family feel noticed

They remember names, celebrate milestones and take time to build relationships.

They help children grow in confidence

Families repeatedly spoke about the positive changes they saw in their children, both during sessions and beyond.

They create a welcoming community

Parents value environments where they feel comfortable, supported and never judged.

They deliver consistently high-quality experiences

Families appreciate sessions that are organised, engaging and reliably enjoyable week after week.

What This Means

Families don't simply recommend activities because they're fun.

They recommend providers who make both children **and** parents feel welcome, supported and valued.

When those experiences are delivered consistently, they create something incredibly powerful:

Loyal customers.

Positive reviews.

Word-of-mouth referrals.

Long-term business growth.

> *She remembers the children, celebrates their milestones, and always checks in with parents.*

Reflection

Think about your own sessions...

If you asked your families why they recommend you, what do you hope they would say?

The Biggest Challenges Facing Providers

While the children's activities sector is resilient and full of opportunity, providers continue to face a number of common challenges.

The good news?

Because these challenges are shared across the sector, they can also be solved through better data, stronger systems and learning from one another.

The Top Challenges Reported by Providers

1. **56%** — Getting enough bookings
2. **44%** — Marketing and visibility
3. **39%** — Scaling and growing the business
4. **39%** — Achieving a healthy work-life balance
5. **35%** — Hiring and managing a team

Looking Beyond the Numbers

It's easy to assume that attracting more customers is always the answer.

But when considered alongside the wider findings in this report, a different picture begins to emerge.

Average occupancy is 56%.

Average retention is 29%.

More than half of new customers come through referrals.

Together, these findings suggest that many providers may have opportunities to grow by improving occupancy, customer experience and retention - not simply by increasing their ‘new customer’ marketing activity.

What This Means

The biggest challenge reported by providers is getting enough bookings.

The biggest opportunity may be making every booking count.

By focusing on the full customer journey - from first enquiry through to long-term loyalty - providers can build more resilient businesses with less reliance on continually finding new customers.



One Opportunity You Shouldn't Ignore

Schools & Nurseries

Throughout The Big ICAP Report 2026, one opportunity emerged time and time again.

Schools and nurseries.

Not only were they identified as one of the sector's most important sources of new customers, but many providers also highlighted them as a key part of their future growth plans.

For businesses looking to build greater stability and reduce reliance on term-by-term marketing, educational partnerships could provide a powerful opportunity.

Why They’re Worth Exploring

Working with schools and nurseries can help providers to:

🏫 Create more consistent daytime revenue
📈 Diversify income streams
🤝 Build trust and credibility within the local community
👨‍👩‍👧 Introduce more families to your business
🔄 Reduce reliance on constantly finding new customers

For many providers, these partnerships become more than an additional income stream - they become an important part of a more sustainable business model.



What Successful Providers Do Differently

The report identified several common behaviours among providers who build strong educational partnerships.

They:
✓ Build relationships before they need them

✓ Speak the language of education, not just activities

✓ Demonstrate how their programmes support children's development

✓ Make life easy for schools through excellent organisation and communication

✓ Follow up consistently and understand that partnerships take time to develop

A Long-Term Opportunity

One of the most interesting findings is that successful school partnerships rarely happen overnight.

Many take several months to develop, with the strongest providers investing in relationships well before they expect to deliver their first session.

The providers seeing the greatest success aren't necessarily the ones making the most approaches—they're the ones building the strongest relationships.



Turning Insight Into Action

The findings in this report reveal a sector full of opportunity.

While every children's activity business is different, the research highlights several areas that are likely to have the greatest impact on long-term sustainability and success.

As you reflect on the findings, consider which of these priorities could make the biggest difference to your business over the next 12 months.

10 Priorities for Children's Activity Providers

📊 **Know your numbers**
Track the KPIs that matter most and use them to guide your decisions.

👥 **Focus on occupancy before expansion**
Could you fill more of your existing spaces before adding new classes?

🔄 **Invest in retention**
Keeping families for longer often delivers greater value than continually replacing them.

❤️ **Create experiences worth talking about**
Exceptional customer experiences drive referrals, reviews and loyalty.

💬 **Harness the power of word of mouth**
Build systems that encourage happy families to recommend you to others.

🏫 **Explore partnerships**
Schools and nurseries could provide new opportunities for sustainable growth.

🌈 **Make inclusion a priority**
Small adjustments can make a big difference to children and their families.

📈 **Build financial visibility**
Understanding your numbers helps you make more confident decisions.

⚙️ **Invest in systems and sustainability**
Create a business that can thrive without relying on constant firefighting..

🌟 **Never underestimate your impact.**
Every class you deliver has the potential to build confidence, develop skills, create friendships and change a child's future. Your work matters—and building a sustainable business allows you to continue making that difference for years to come.

This Is Just the Beginning

Thank you for taking the time to explore the findings from The Big ICAP Report 2026.

We hope this Executive Summary has given you valuable insights, practical ideas and greater confidence about the opportunities within our sector.

At ICAP, our mission is to help children's activity providers build safe, responsible, sustainable and successful businesses.

Whether you're just starting out or leading a multi-location organisation, we're committed to providing the research, guidance and support that helps our sector continue to thrive.

Stay Connected

Join thousands of children's activity providers receiving:
✓ Sector insights
✓ Business resources
✓ Practical guides
✓ Industry updates
✓ Expert advice
✓ Invitations to exclusive events and webinars
[Join Our Community]

Thinking about taking the next step?

ICAP members receive access to:

- The full Big ICAP Report 2026
- In-depth benchmarking and sector analysis
- Expert guidance and practical resources
- A supportive community of children's activity providers
- Ongoing tools to help build stronger businesses



With Thanks to Our Contributors

This report has been made possible through the collaboration, insight and expertise of organisations and individuals from across the children's activity sector.

By contributing data, specialist knowledge, industry insight and practical guidance, these partners have helped build one of the clearest pictures yet of how the sector is operating across the UK today.

ICAP would like to thank all contributors for their support in helping create a more visible, informed and connected future for Children's Activity Providers.

Data & Platform Partners

- Book That In
- Franscape
- Happity
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- Pebble
- Zooza

Specialist Contributors & Sector Experts

- Andrew Walters - Kindling
- Annabel Kaye - Koffee Klatch
- Cerys Keneally
- Happity
- The Friendly SEND Advisor
- Smappen
- Tamara Holland - Dot & Stripe
- The dt group
- What's On 4 Kids