# UK market research industry posts 2.4% growth

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The 2007 annual MRS survey of the UK market research industry has revealed that total industry revenue increased by 2.4 per cent during 2006, to a value of Â£1.353bn, delivering at best a flat year after inflation.

David Barr, MRS Director General, comments:Â  â€œThis figure reflects continuation of a medium-term trend, and we expect no change in the year ahead.Â Â Â  It confirms a widespread impression of tight, intensely price-competitive market conditions.â€•

He continues: â€œIncreasing use of online data collection methods is delivering real benefits to clients in terms of faster results at lower prices, and this may be acting as a partial brake on revenue growth for some agencies.â€•

The overall survey result masks some significant variations in the fortunes of individual businesses, with some gaining a larger slice of market share and others reporting a decline in year-on-year revenue.Â Â Â  This will be evident in a league table of the Top 50 /Top 100 agencies, which is being compiled for publication by Research magazine this autumn.

2006 saw the gap between the growth rates of domestic and international turnover narrow considerably, to +3.0 per cent and +0.9 per cent respectively, compared with +4.7 per cent and -5.0 per cent for the previous year.

The UK is the worldâ€™s second largest market for market research, and exhibits a maturity that is evident in many developed markets in Western Europe and the USA.Â  On the other hand, growth may be occurring beyond the established suppliers.

Simon Lidington, MRS Chairman, explains: â€œIn the quest for greater insight into markets andÂ  customer attitudes, behaviour, and emotions, there is anecdotal evidence of some large international clients diverting significant spending away from established mainstream research suppliers.Â Â Â  Parts of their market research budgets are being spent with â€˜adjacentâ€™ businesses that undertake various kinds of behavioural studies, data management / mining / fusion, business intelligence, analysis, and forecasting, drawing on information sources and techniques beyond the conventional boundaries of market research.â€•

He adds: â€œMany of these â€˜new entrantsâ€™ will tend not to see market research as their only or even their primary market activity.Â Â Â  As such, their turnover is not yet included in the MRS annual survey, which may therefore understate the total volume of research undertaken.â€•