

UK New Business Market - 10 Year Trends

The focus on new business as a measure of the health of both the communications industry and individual agencies, has always remained constant. Consequently, as the Golden Year of 2012 came to a close, we thought it would be a good time to see what the volume trends have been in new business over the last decade.

OVERALL

The unsurprising news is that the total measurable market for UK new business has fallen overall by a shade under 40% during the ten year period, with a total of 725 reviews recorded in 2003, falling to 438 in 2012.

ADVERTISING

Turning our attention to the individual disciplines, the number of advertising reviews has fallen by almost 50% in the last ten years, from 340 in 2003 to 186 in 2012. The decline is largely attributable to the enduring economic recession and, more positively, agencies' skills in retaining and growing their existing business. In addition, the demise of the COI removed the constant source of briefs available to those agencies on the creative framework.

DIGITAL

The new business market in digital briefs has seen rollercoaster sized peaks and troughs in numbers of pitches. Back in 2003 there wasn't really a digital new business market to speak of, with only 5 digital reviews announced. The heyday for the discipline in terms of numbers of opportunities was, similar to advertising, in 2008 when 113 reviews were announced.

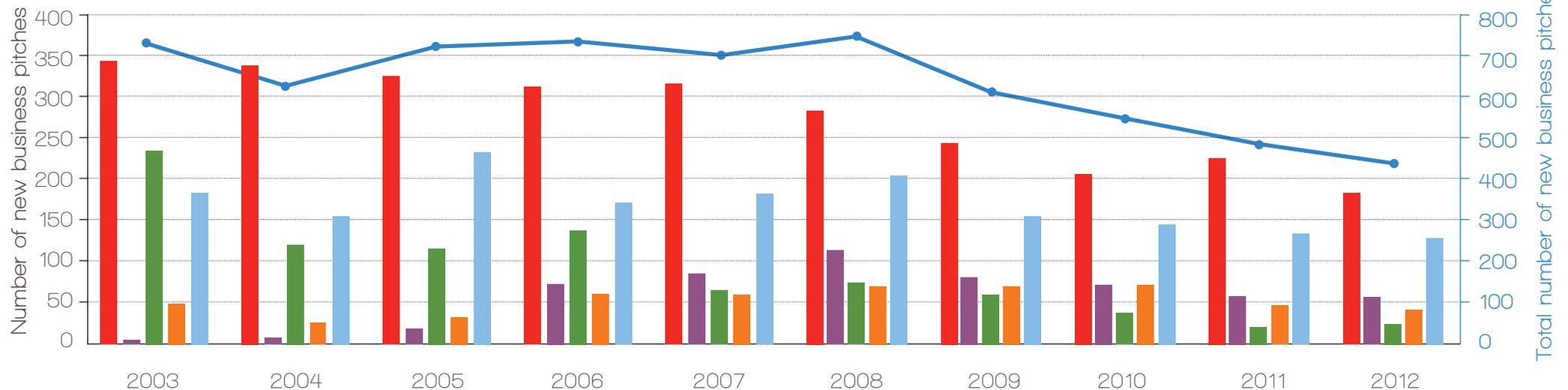
MEDIA

Media has held up comparatively well across the decade, but still experienced a decline of just under 30%, with 128 reviews in 2012 compared with 182 in 2003. For media agencies, 2005 was the "zenith" with 231 reviews, although this was partly accounted for by the new



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Key: ■ Advertising ■ Digital ■ DM ■ Integrated ■ Media



offerings in communications planning, a sub-discipline which hadn't previously existed.

DIRECT MARKETING

Direct marketing experienced the largest decline across the period. In 2003 there were 149 reviews completed compared with 42 in 2012, a decline of almost 70%. It is only fair to say that a proportion of this decline is attributable to the issue of definition – when can a DM review be classified as a digital review, for example. However, whilst traditional direct marketing reviews have fallen, agencies have been kept busy in other areas, particularly winning new projects from existing clients.

INTEGRATED

The most stable of the disciplines has been that of Integrated, with 49 reviews in 2003 and 42 last year. The consistency in terms of numbers is also replicated with the sizes of the prizes. Ten years on, with one or two notable exceptions, integrated reviews still tend to be lower spends, with clients looking to appoint one agency for all their requirements.

THE FUTURE

What will the next decade hold in store? With agencies having better client retention strategies and offering a broader range of services, and with the economy showing few signs of growth in the short to medium term, we can only conclude that the current new business market is the new reality and we will see more of the same. ■

