

Market research - A growth industry

Issued by [The Lime Envelope](#)

7 Dec 2003

The results of a recently conducted salary and industry size survey conducted amongst 15 of the top South African market research houses indicated that the top 15 market research companies are now worth R450-million.

This R450-million is only partially indicative of the entire industry earnings, however, and is based only on information from the 15 participants - the entire industry is estimated at R1-billion. A similar survey will be conducted in 2004, which is expected to show even further growth. Although the overall research industry is growing at a healthy rate, SAMRA Chairman, Sifiso Falala believes that South African business could and should still be conducting more professional market research. "Surely in a country where many businesses purport to be consumer-centric spending a miniscule fraction of a percentage of total revenue on research indicates that some businesses are not putting their money where their mouths are. We can prove that research is only a small fraction of a percentage of Gross Domestic Product," says Falala.

"Knowing your customer is what business is all about and the only way to obtain accurate, directional information about your customer is through professional market research conducted by a reputable market research house that subscribes to and participates in a professional body. The South African consumer is changing rapidly and can no longer be taken for granted. Everyday we are learning that kids are different to their parents, and teenagers not exactly the same as the 6 to 12 age group. Children are getting cleverer and more informed than their parents could ever be, making the future ever more unpredictable.

"Research is the bridge between the generations that control the corporate spend and younger generations that are responsible for escalating levels of consumption, and hence corporate income. At the other end of the scale, the over sixties now live in an ever changing environment and marketing to them is much more complex than it used to be. For the first time we are toying around with notions such as sophisticated and innovative retirement lifestyles. Consumer centric businesses need to be at the heartthrob of this unstoppable crusade of consumer power."

"It is imperative that South African business conducts more consumer research - we need the information to develop as a country and as an economy. In this country we have so many different cultures, so many different languages and so many different perspectives how is it possible to know what each person thinks or feels without researching it? Market research will help business to know and understand their customer in a way that they can identify with. The more we know, the more we understand and the better we can communicate," says Falala.

Falala continues: "I think that it is important to note that the more successful South African companies and those that perform well in consumer surveys (such as the well-known Markinor brand survey) are those whose marketing spend includes a substantial research budget."

"We are very pleased with the boost that the industry has been given this year, obviously more companies have recognised the value of professional market research with the 36 corporate SAMRA members having reported unprecedented growth within the last 12 months. There is still room, however, for a better understanding of the South African consumer, which must surely be seen as a catalyst for growth and development in South Africa," concludes Falala.

The research companies that participated in the 2003 salary and industry size survey survey are: ACNielsen South Africa BV & ACNielsen MRA (Pty) Ltd, Ask Afrika, Bateleur Research Solutions (Pty) Ltd, Evolutions, Markinor (Pty) Ltd, Millward Brown Impact (Pty) Ltd, Plus 94 Harris Research, React Customer Research Pty Ltd T/A React Surveys, Research International SA (Pty) Ltd, Research Surveys, Research & Planning Intelligence (Pty) Ltd, The Research Junxion.

For more information contact Sifiso Falala on (011)327 2020.

Editorial contact

The Lime Envelope

Helen Burn

Tel: (011) 326 2881

For more, visit: <https://www.bizcommunity.com>