KTS Survey shows RNS's share of the regulatory news market continues to fall

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The latest bi-annual PIPs survey by Knowledge Technology Solutions PLC (KTS) reveals that in the last six months, the leading provider of regulatory news distribution – the London Stock Exchange's Regulatory News Service (RNS) – has continued to lose market share to competitor Primary Information Providers (PIPs). The percentage of regulatory news announcements distributed by RNS fell by almost 5% (4.65%) to 73.78% over the period. This is the first time that RNS's market share has fallen below 75%.

Since the market was opened up to competition in April 2002, KTS's surveys have shown that the rival PIPs have slowly but steadily eaten into RNS's market share. Of the 87,674 regulatory news announcements made in the last six months, a greater proportion than ever, (22,987), were distributed by the five competing services.

The data was sourced from KTS's UK live financial news and data service, QuoteTerminal, which aggregates all the PIPs announcements sent to the London Stock Exchange.

BusinessWire, the third largest PIP by volume of announcements distributed, experienced the greatest increase in market share, +2.24% to 8.56%, with PR Newswire, the second biggest PIP, adding 1.90% to its share to reach 11.12%. PIMS, despite only holding marginal market share, also grew by 0.03% to 0.39%. Hugin was the only PIP to experience a small decrease. Its market share fell from 0.58% to 0.56%. NewslinkÃ•s service remains suspended as of June 2003.

The main development since the last survey has been the overhaul of Waymaker’s price plan. Waymaker, which has 5.59% of the PIPs market, now claims to be market leader on price. It has reduced its charges for news and results announcements from Â£50 to Â£10 and has also capped its annual charge at Â£1,000, the lowest of all the services. Consequently, it gained 0.86% of the market over the last six months.

Dr Marc Pinter-Krainer, Chief Executive of KTS, said:

“The enduring dominance of RNS demonstrates that its established reputation and high quality service obviously still count. However, it’s not surprising that RNS’s market share is continuing to fall. With Waymaker reducing its charges by Â£40 per announcement, it will be interesting to see if any of the other services follow suit and introduce price incentives in an attempt to grab more of the market from RNS”