



DIGITAL  
RECRUITMENT  
COMPANY

# Market Insights Update: London Regional Market & Insights Trend



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Welcome to our Monthly Market Insights update for the Digital/Marketing/Tech sector. We would like to thank all those who participated to produce the monthly reports. We hope you find this report useful.

If you have any questions please get in touch!

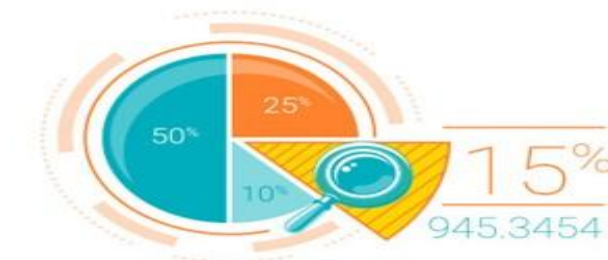
Best wishes,

**Toby Day – Head of Digital**  
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# Who We Are

The Digital Recruitment Company was founded in London in 2010 with the sole vision of becoming the leading specialist provider of global recruitment solutions to the Digital & Marketing sectors. With an initial focus on Marketing, Innovation, and Social Media, the company quickly expanded in line with the wider Digital Sector. As technology continues to transform the sector our business has similarly adapted to include Creative, Strategy and Tech.





# What We Do

We work across the Digital Sector in both the UK & Internationally. We aim to create long-lasting partnerships with our clients.

We work across the following specialisms:

Client Services, Creative, Data & Analytics, Executive Appointments, Innovation & Service Design, Insight & Research, Sales, Strategy, Tech & UX. Marketing, Media Planning & Buying, Performance Media, Project Management / Product Management.

We also supply permanent hires, executive search, freelance & fixed term contracts and payroll management services.



# Our Service

With our clients we work alongside them not to only recruit but to consult on the current market, how best to structure, hire and retain new Marketing, Creative, Technology, Digital & Data & Insights divisions.

Our service is split into two distinct services:

*Our Purpose is to strengthen the target market so that the business will increase*

- **Initial consulting** - a scoping of your requirements and a follow up document putting forward our recommendations on market insights, department structure, salaries, packages etc - this is completely free of charge and does not come with any obligation to use us for the hiring.
- **Recruitment & Retention** – delivery of a recruitment strategy and hiring plan to identify, attract and retain the ideal talent for your organisational culture and goals. Our fee structure is based upon the scale of any project.





# Introduction

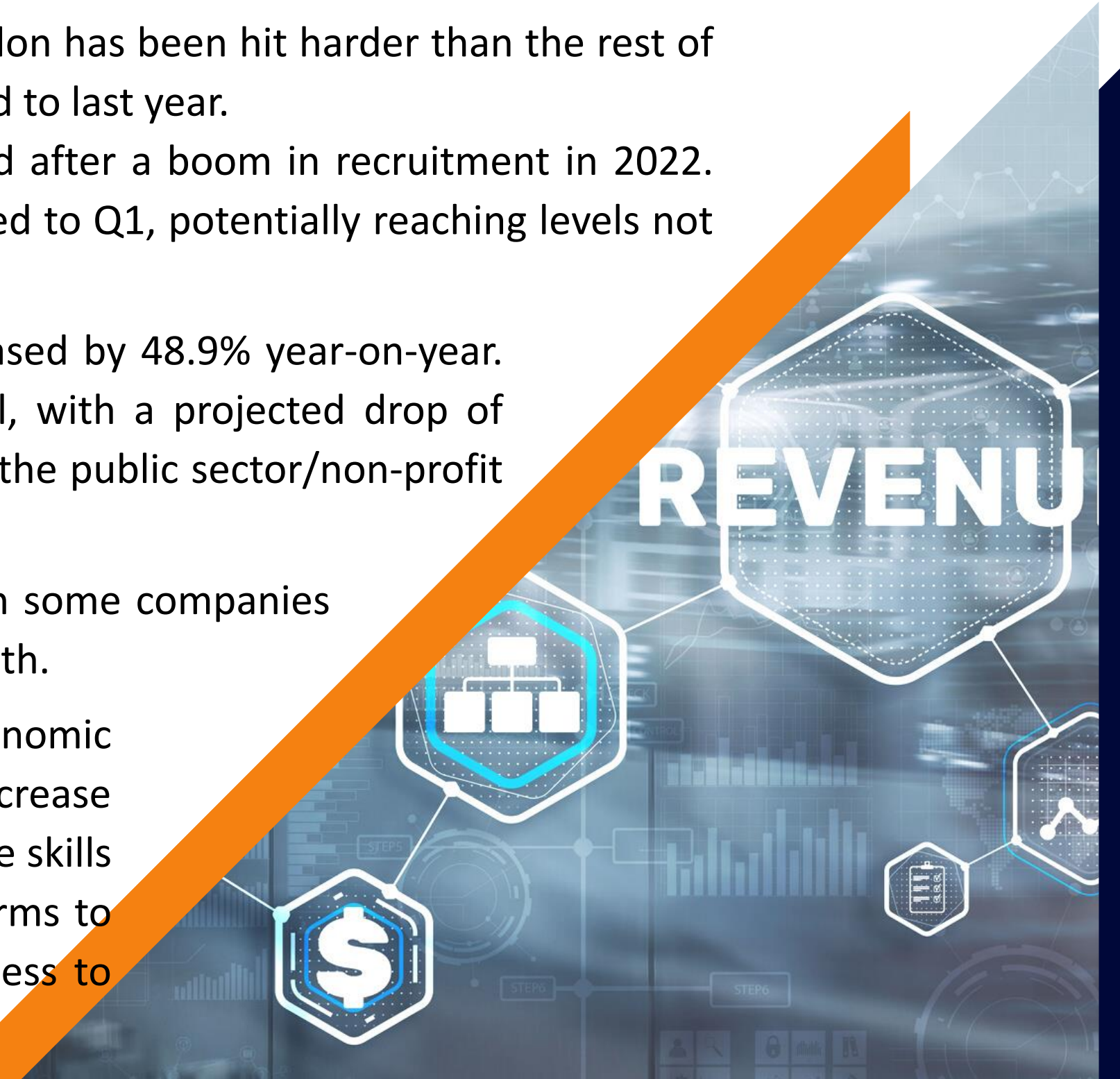
The sluggish growth of the British economy is becoming evident. London has been hit harder than the rest of the country, with a significant decrease in industry vacancies compared to last year.

The slowdown we experienced in the first half of 2023 was expected after a boom in recruitment in 2022. Vacancies across industries have dropped by 24% in Q2 2023 compared to Q1, potentially reaching levels not seen in over a decade.

IT remains the most in-demand skill, although vacancies have decreased by 48.9% year-on-year. The technology, media, and telecoms industry faces the biggest fall, with a projected drop of 61.7% in 2023. The real estate industry has suffered drops too, while the public sector/non-profit sector continues to grow.

The job market in London is expected to see contrasting trends, with some companies experiencing declines in vacancies while others maintain positive growth.

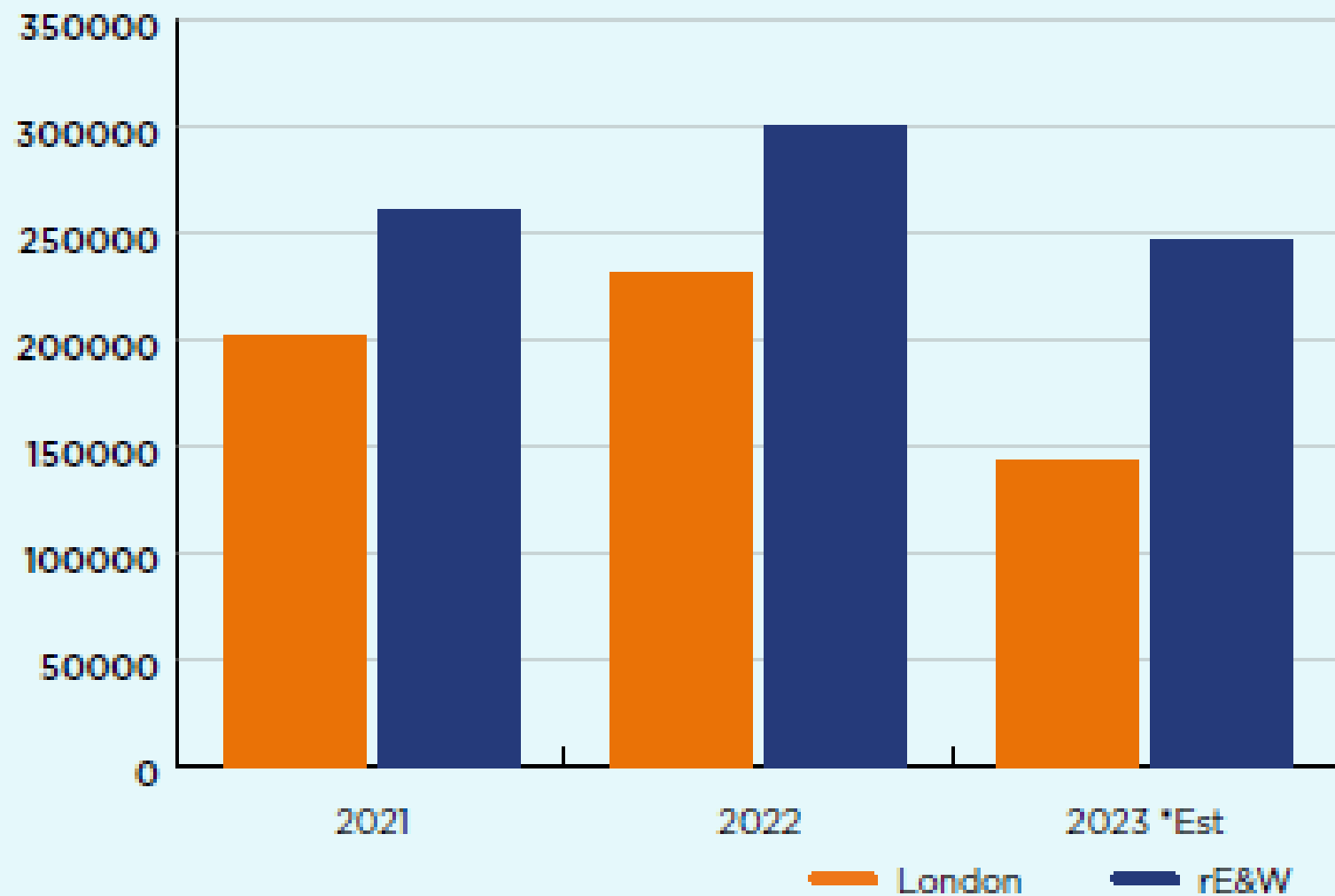
The government must do everything possible to encourage economic growth and avoid a recession. Many companies are reluctant to increase hiring and where workers are needed, they do not necessarily have the skills employers are looking for. Policymakers need to make it easier for firms to hire staff, be it through changes to tax and regulation or better access to highly skilled talent from overseas.



# Overview

## Annual Totals

Annual Totals: Professional Vacancies,  
All Sectors, London vs rE&W, 2021-2023 \*Est



The impact of quantitative tightening on the British economy is starting to be felt, with Real Estate feeling the pinch. For example, HSBC recently downgraded their forecast on the share prices of eleven property companies; none are now recommended as a buy. This includes companies such as British Land and Hammerson. London has been harder hit than the rest of the country, with vacancies across all industries down 38.2% on last year, (regionally -18%.)

Given the boom of recruitment in 2022, the slowdown in the first half of 2023 should have been expected. For context, in 2022, there were more professional vacancies posted in London than in any other year going back two decades. The challenge facing policymakers is how to ensure the slowdown doesn't become a recession. The economy remains sluggish as the UK economy shrank by 0.1% in May after growth of 0.2% in April.

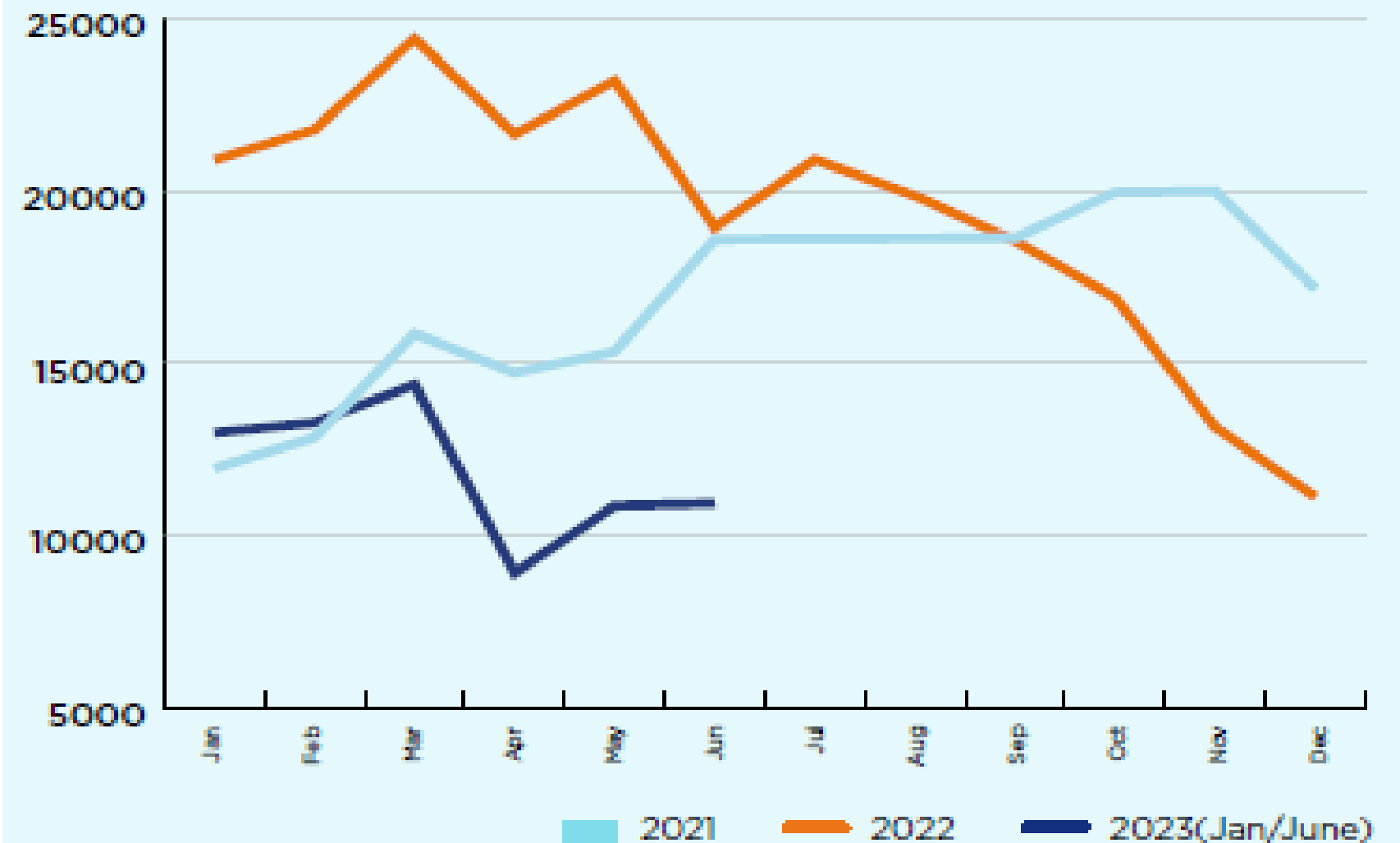
# Overview

However, given the rampant inflation hitting the UK economy, some believe the only way to bring it under control will be via a recession. The current trajectory of interest rate increases, suggests policymakers are prepared to accept that. The fact that this is their stance, in many ways makes it more likely that this could happen.

Perhaps no surprise then that the correlation of vacancies drops as interest rates rise through Q1 and Q2. Across all industries and all major job functions, there has been a 24% dip in vacancies in Q2 2023 compared to Q1. This means that while activity now is broadly mirroring what we saw in 2019, before COVID hit, if the decline in vacancies continues, we will start to drop to levels not seen in over a decade.

## Monthly Totals

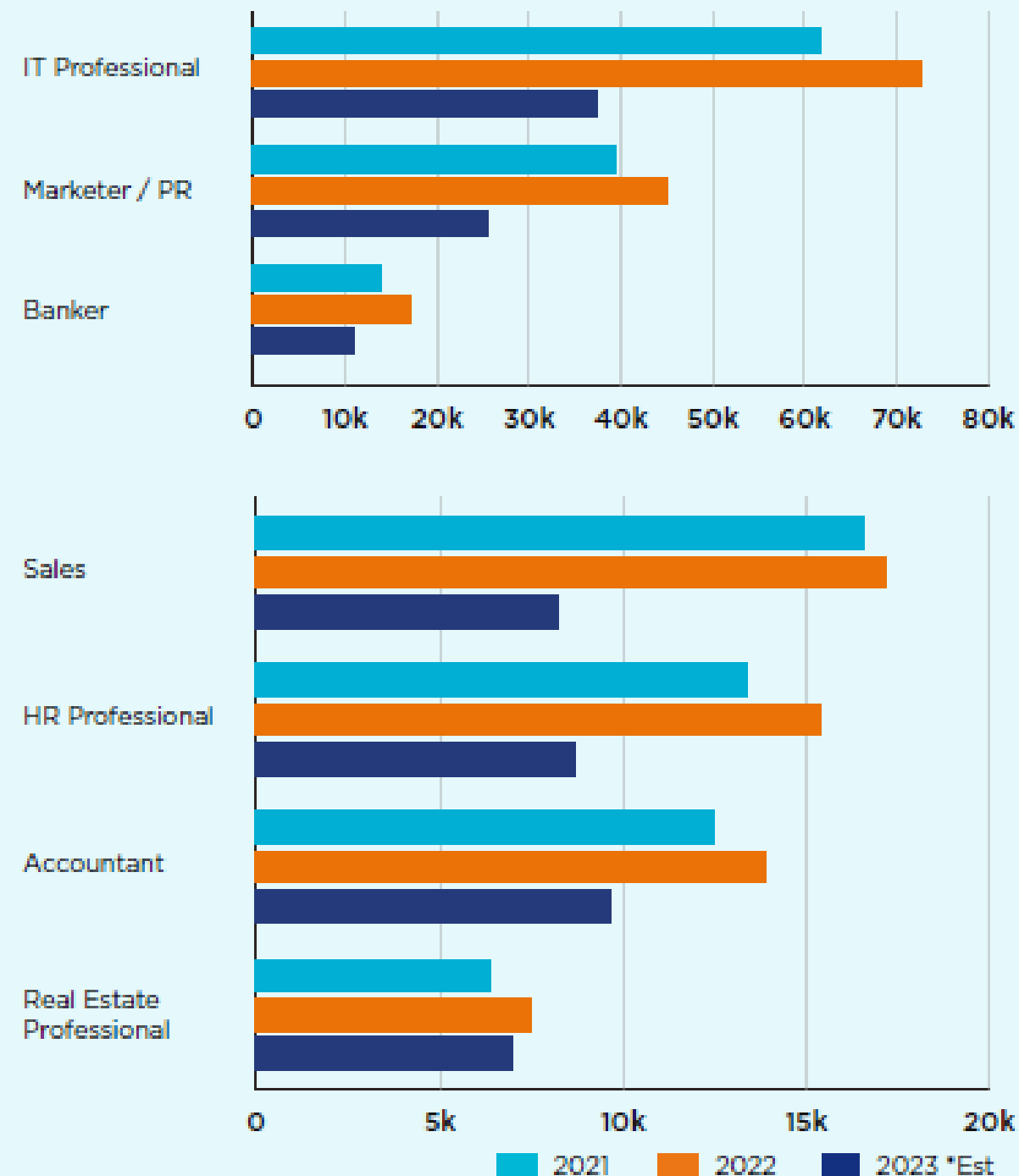
Professional Vacancies,  
All Sectors, London 2021-2023 (Jan-Jun)





## Skills in Demand

Top professions, Professional Vacancies,  
All Sectors, London 2021-2023 \*Est



## Skills In Demand

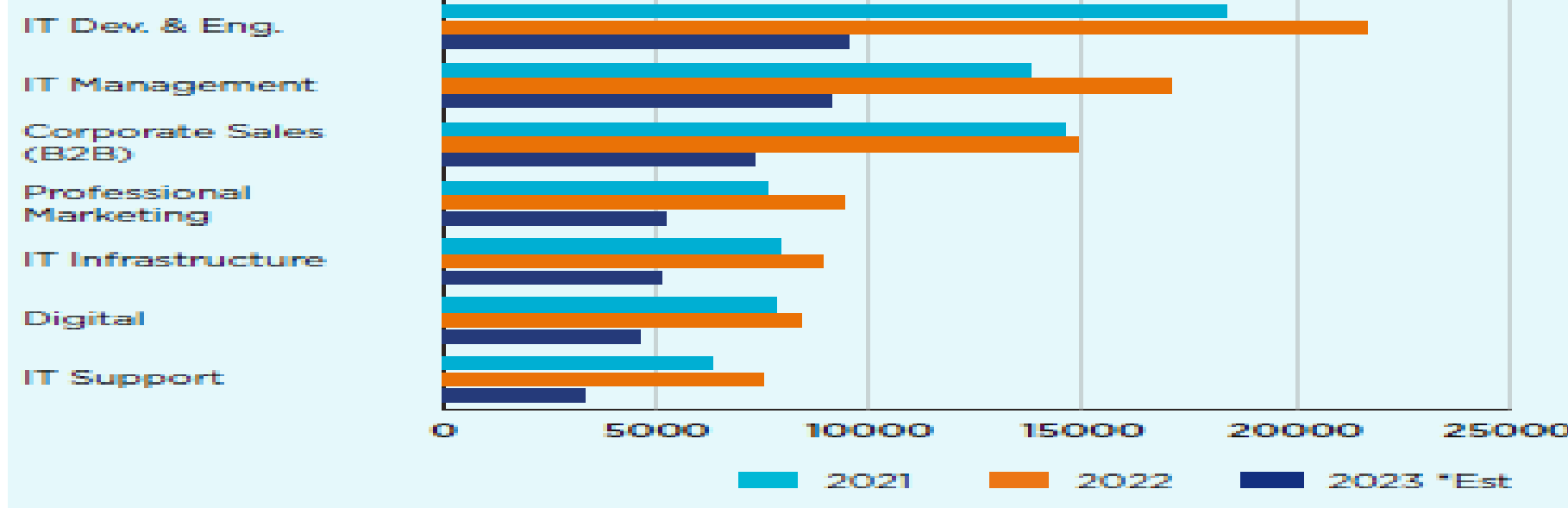
IT continues to be the leading area being recruited for, regardless of the crunch hitting the industry. In 2022, IT vacancies accounted for a substantial 31.5% share of the overall professional vacancy total. However, such is the dip in activity this year, the share has dropped to 26.1%. Indeed, IT is on track for a dip in vacancies of 48.9% year on year.

Marketing held the second-largest share of vacancies in London, accounting for 19.5% in 2022. This field experienced a surge of 14.7% during that year. However, the 2023 projection predicts a negative year-on-year change, with a significant drop of around -43.7%. As a result the share of total this year has dropped to 17.8%.



## Skills in Demand

Top Divisions, Professional Vacancies, All Sectors, London 2021-2023 \*Est



While we have seen all areas drop year on year, it is Accounting & Finance that has seemingly held up best amongst the main professional categories. Despite a dip of 30.8% this year compared to last, the share of the total has risen from 6% to 6.8%.

In contrast, Sales is expected to witness the biggest drop, with a potential -51.9% decrease in vacancies as companies cut back on their forecasts.

Meanwhile, specialist front and middle office roles in Banks are holding up better than most areas. As a result, while vacancies are down by a bit over a third, this is still less than most of the other major areas.

Finally, despite quantitative tightening, professionals specialising in Real Estate Profession appear to be the least affected with only a slight dip of -6.8%. The question is whether we see a sharp dip in the coming months, or whether levels remain steady. What happens here is a good bellwether for the London economy.

Bullhorn Been tracking activity on a daily basis



# Sectors & Industries

By sector, this means that Banking has overtaken Technology as the leading segment in terms of vacancies, so far this year. Banks have accounted for 17.5% of the vacancies year to date, compared to 15.5% within Technology companies. Media companies as well seem to be under pressure, with vacancies down 56.3% on last year.

Surprisingly, the Real Estate industry has so been least affected in recruitment terms, with 2023 volumes down 15.4% on last year. The question will be whether this trend continues for H2 or if the impact of quantitative tightening starts to result in a sharper fall in recruitment.



## Top Industries

Professional Vacancies,  
All Sectors, London 2021-2023 \*Est

Technology, Media  
& Telecoms

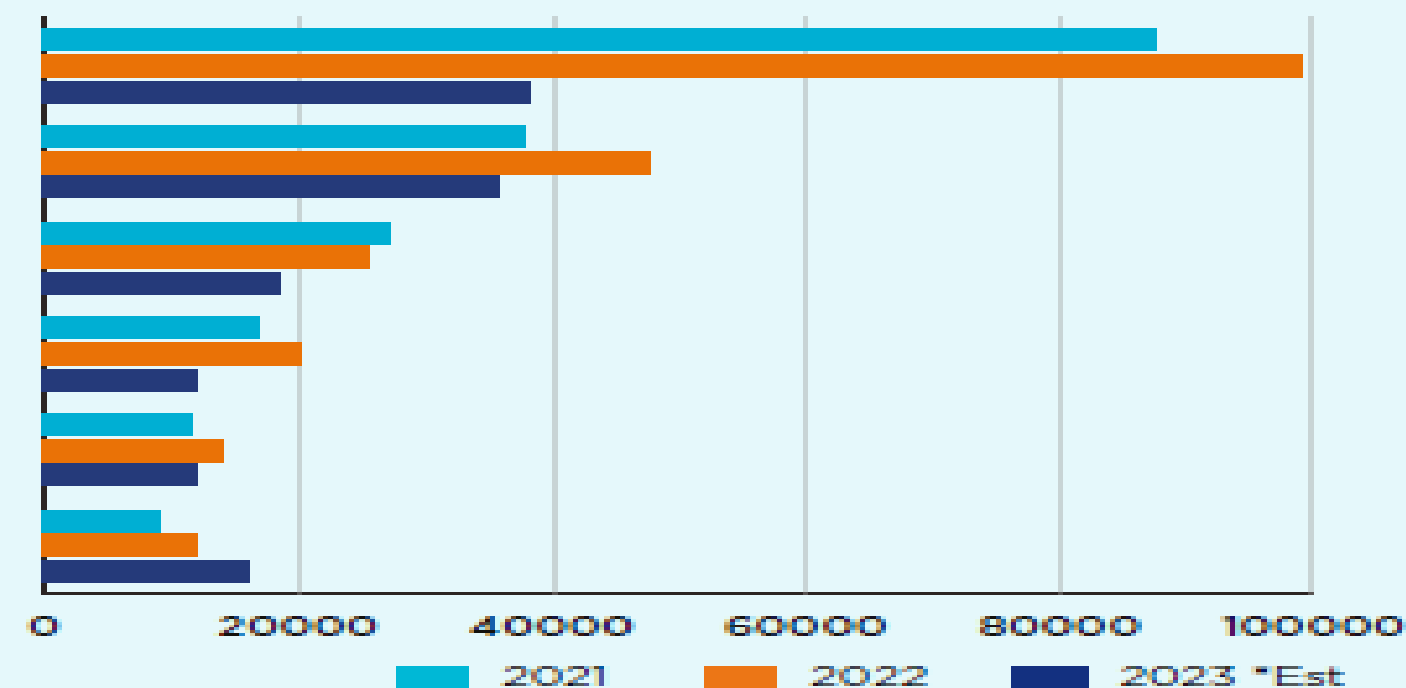
Financial Services

Professional  
Services

Consumer Goods  
& Services

Real Estate &  
Construction

Public Sector / NFP



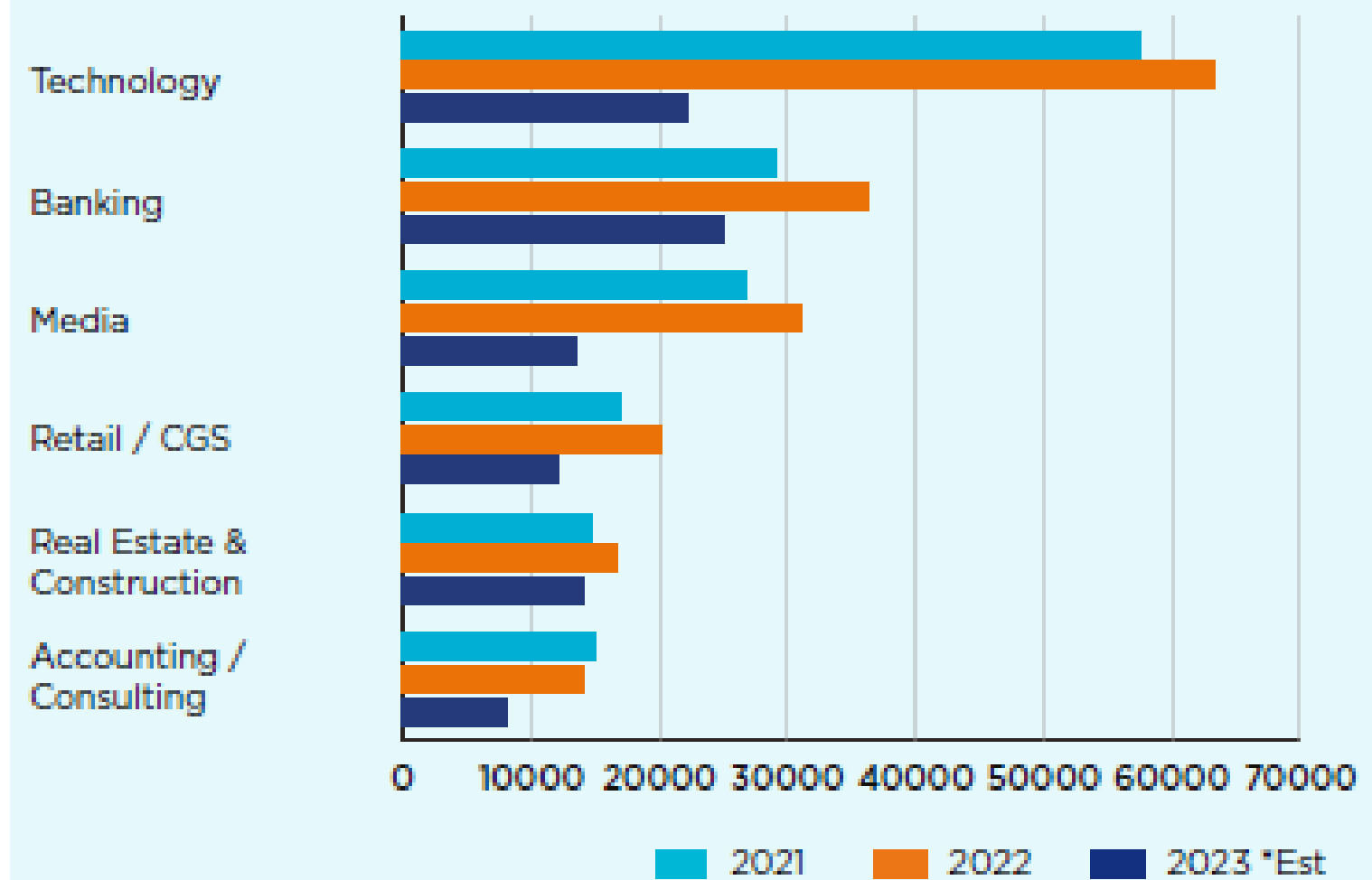
# Sectors & Industries

Interestingly, the Public Sector/Non-Profit (NFP) sector continues to recruit and grow. In 2022, we witnessed year-on-year growth of 28.2% and this positive trend is expected to continue, with a projected increase of 34.8% in 2023.

As the job market evolves so is the composition of the workforce by industry. Consider that even if Technology companies are slowing down, the share of jobs in other IT industries has never been higher

## Top Sectors

Professional Vacancies,  
All Sectors, London 2021-2023 \*Est





# Top Companies

The job market in London is poised for some interesting developments in 2023, particularly within the tech and finance sectors. Amazon, a prominent player in the tech industry, experienced a remarkable 54% increase in professional vacancies during 2022, resulting in a significant total of 5,756 job openings for the London region. However, the forecast for 2023 suggests a sharp decline of 90%, with annual totals projected to remain below 1,000 at 578 vacancies. This sudden drop indicates a potential shift in Amazon's hiring strategy and market conditions.

On the other hand, Turner & Townsend (headquartered in Leeds, a global consultancy specialising in real estate) saw an impressive year-on-year change of 107.5% in 2022. While the projected increase for 2023 is relatively minor at approximately 22.9%, it demonstrates the company's consistent growth and stability.

Lloyds Banking Group, a key player in the Banking sector, amassed an impressive number of vacancies, totalling almost 2,000 (1,971) during the January to June period of 2022-23. The company witnessed a substantial 71.6% surge in vacancies in 2022. Looking ahead to 2023, Lloyds is projected to have a year-on-year change of 17.6% in professional vacancies this year too. A similar trend can be observed for NatWest Group, with a productive 2022 and a slightly higher projected increase of 25.3% in professional vacancies for 2023.

In conclusion, the job market in London for 2023 is likely to witness contrasting trends across various sectors. While some companies may experience a decline in vacancies, others are expected to maintain positive growth. With that in mind, consider that of the top 20 companies in London in terms of vacancies last year, only 4 have seen an uplift in 2023 so far. Working with companies still growing therefore will be a key part of making 2023 a successful one.

# Top Companies

## Top 20 Organisations

Professional Vacancies, All Sectors, London 2021-2023 \*Est

Company	2021	2022	2023
Amazon	3738	5756	578
JPMorgan Chase & Co	2685	3038	2086
Citi	2738	2672	760
Publicis Groupe	2617	2667	2250
Nationwide Building Society	1136	2528	2050
Barclays	953	2388	1754
Turner & Townsend	949	1969	2420
Sky	2808	1885	952
Informa	620	1390	228
EY	2113	1234	504
Capgemini	573	1195	988
Oracle	1117	1058	476
PWC	1784	950	766
Lloyds Banking Group	529	908	1068
NatWest Group	774	902	1130
Visa	1012	891	502
Deutsche Bank	714	853	606
KPMG	1217	820	206
CBRE	1245	741	768
Deloitte	1364	740	396





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# Thank You

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We hope you've enjoyed our Market Insight Survey. If you would like to discuss the survey or would like to work with us on your next hire or your next career move, then please get in touch.



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