EXTRACT

CONSULTING MARKET PROGRAMME 2018



THE BENELUX CONSULTING MARKET IN 2018

Understand where to target your investment, how to plan your business effectively, and the competitive landscape in which you operate. Including market sizing data, growth rates, current market trends, and forecasts.

SOURCE GLOBAL RESEARCH

CONTENTS

BENELUX SUMMARY

Provides an at-a-glance view of the main trends in the market alongside key statistics.

Executive summary 3
Benelux overview 4
Explore the data 8

THE BENELUX MARKET—WHAT YOU NEED TO KNOW

Explores the key trends and topics that are front of mind for consulting firms in this market right now.

Digital transformation 9
The viability of the Benelux market 13
The Brexit effect 15

MARKET DATA

Looks at growth, sizing, and forecast data split by sector, service, and consulting firm type, together with analyst insight about what's happening in the market.

Sectors 20
Services 29
Consulting firms 37

FORECASTS FOR 2018

A consultant view of what's likely to happen in the market in 2018 alongside a summary of forecast growth figures for 2018 by sector, service, and consulting firm type.

The consultant view 40
Forecasts for 2018 41

ABOUT THIS REPORT

Our report draws on three main sources:

- Our global consulting data model with 9.7m data points
- Our interviews with senior management consultants from a range of consulting firms
- Our in-depth desk research on the market

A detailed view of our methodology and more information about Source can be found below.

Methodology 45
Definitions of sectors and services 47
Contributors 49
About the authors 50
Source report programmes 51
About Source 53

© Source Information Services Ltd 2018
REPORT EXTRACT: non-exclusively licensed for internal use only

EXECUTIVE SUMMARY



Click here to see our **executive summary pack, including key data**



- After a somewhat lacklustre growth rate of 3.6% in 2016, the Benelux consulting market saw stronger growth of 5.4% to reach a value of €2.1m in 2017. Luxembourg—the smallest market—fared the best, thanks to a large financial services sector full of clients looking to respond to disruption caused by fintechs and high levels of regulation. While the growth rate was slower in the Netherlands and Belgium, consultants saw increased opportunities in these markets, too.
- Digital remains a big theme in the Benelux market, with more and more clients investing in digital solutions and driving a growing demand for both customer-facing initiatives and back-office improvements. As digital becomes more pervasive, clients are also becoming more demanding, insisting on quick, monetisable returns for their digital investments. This has resulted in a change in the way consultants operate, with firms adopting new, cross-service organisational structures and developing ecosystems and partnerships in order to access end-to-end capabilities not available in-house. Firms are also investing more in the creation of assets, which allows them to offer clients proven, economical, and largely repeatable solutions.
- The long-term viability of the Benelux region as a standalone consulting market continues to be an open question. While growth remained varied across the three countries, there was a good volume of work overall as the growing appeal of headquartering in the Netherlands compensated for the decline in the number of Belgium-owned companies, and the presence of the EU continued to generate opportunities. And while consulting oversupply remained a problem, changing pricing models helped to alleviate price pressure for some firms, and the growing importance of outsourcing, partnerships, and ecosystems often made the robust freelance market feel more like an opportunity than a challenge.
- While Brexit was the subject of much discussion last year, it has not yet generated a significant increase in opportunities for consultants. Some UK-based businesses have announced plans to relocate to the Benelux market, but most clients are either still in the scenario planning phase or else content to wait and see what happens in the ongoing negotiations before making any big investments.
- The Benelux consulting market saw growth across every sector in 2017. Consulting revenues grew fastest in the financial services, retail, and healthcare sectors, driven by a combination of regulatory and digitisation work. Other sectors—manufacturing, services, and the public sector—all grew at a healthy rate but lagged the overall growth rate of the region. The energy & resources and technology, media & telecoms sectors were once again the worst performers with low growth for consultants as clients prioritised cost reduction.
- From a service line perspective, risk & regulatory work grew fastest last year, driven by demand around regulatory compliance and increased investment in cybersecurity. Technology remained the largest service line and experienced the second-fastest growth as digitisation became an even more prominent feature of the market.
- Competition was strong, particularly for high-value work, as consultants of every size sought to be involved in transformation programmes. Type A firms were, once again, the largest and fastest-growing, bolstered by very strong demand for their regulatory expertise. Technology and strategy firms also experienced healthy levels of growth in 2017.
- While concerns around wider global economic issues remain, consultants we spoke with are cautiously optimistic about their prospects in 2018, with transformation projects expected to continue, sustained demand around regulations, and expectations of further strong economic growth.

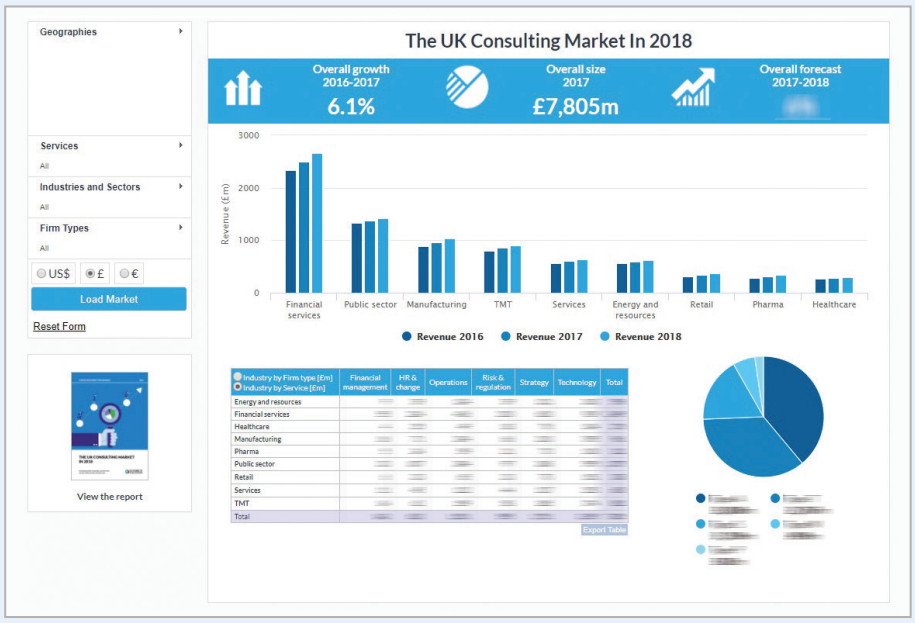
© Source Information Services Ltd 2018
REPORT EXTRACT: non-exclusively licensed for internal use only

EXPLORE THE DATA

All of the market size data in this report is available to explore online through our Global Consulting Data Model portal. You are able to interact with the data in more detail and create custom views of the market to suit your needs.

You can access the data via our reports page, as seen below:





Our Global Consulting Data Model is the biggest and most sophisticated model of the consulting industry available. It provides data on market size, growth rates, and forecasts across 29 sectors, six service lines, 84 countries, and five firm types. It's the platform on which a growing number of consulting firms are basing their understanding of the market and their performance within it.

CLICK HERE TO ACCESS THE DATA

© Source Information Services Ltd 2018
REPORT EXTRACT: non-exclusively licensed for internal use only

ABOUT THIS REPORT

Methodology

Sources

Our report is based on quantitative and qualitative research of consulting firms in Benelux. This includes:

Megamodel: our global consulting data model

The quantitative data contained in this report focuses on consulting done by mid- and large-sized consulting firms (those with more than 50 consultants) and typically includes work they have carried out for mid- and large-sized clients—what we at Source call "big consulting". It therefore reflects the "addressable" market for the majority of mid- and large-sized consulting firms; we don't try to track the long, thin tail of work done by very small firms for very small clients, nor the contractor market, as most readers of this report would not seek or be able to compete with this part of the market. Our analysts work out the addressable size of the market through desk research, identifying the number of firms that meet our criteria, and extrapolating from that to reach a figure for the market as a whole.

Using this definition, we've built a bottom-up model of the global consulting market from the information we get from consulting firms and our own research, and we use it to size the industry and its growth rates. This is based on our global model which contains detailed data about almost 1,600 firms, plus higher-level estimates about a further 400,000 firms, all with more than 50 consultants apiece, in addition to comprehensive primary research carried out by Source analysts.

Please note that our 2016 baseline figures have changed a little since last year, as we have refined and implemented improvements to our research methods. We are happy to provide subscribers who bought last year's report with a restated set of 2016 baseline figures should this be of interest.

We should emphasise that there are no standard sources of definitions of data within geographies let alone between them. We are, however, confident that the richness of our qualitative data, combined with Source's unparalleled industry expertise, means that our analysis fairly and accurately reflects the state of the market.

All figures given in this report are in euros. For reference, Source is using the following exchange rates in our reports this year:

• US dollar to British pound	$1 = £0. 78
• US dollar to euro	$1 = €0. 89

Interviews with senior consultants

In addition to our quantitative research, we interviewed 17 very senior consultants (typically the most senior person in their country) from most of the leading consulting firms in the region and many smaller local specialists to understand more about how the consulting market is performing, and what the major trends, changes, and challenges are. Throughout the year Source analysts remain plugged into the global consulting market through our bespoke research and consulting projects, adding further depth to our understanding of the consulting industry.

In-depth desk research

We also conducted a thorough PEST analysis in Benelux that drills down into finer macroeconomic details on a holistic and sector-by-sector basis and allows us to fit our research into a wider macroeconomic picture.

 © Source Information Services Ltd 2018
REPORT EXTRACT: non-exclusively licensed for internal use only

Definitions of sectors and services

Our definition of management consulting includes a broad range of business advisory services, but excludes:

- tax advisory
- audit
- the implementation of IT systems
- the delivery of outsourced/offshored services
- HR compensation/benefits administration and technology

Where mergers and acquisitions work is concerned, consulting on deals is included (under strategy), but corporate finance fees on deals themselves are generally not included although it is not always straightforward to separate the two.

For more information about how we classify consulting services and sectors, please see "Definitions of sectors and services".

 © Source Information Services Ltd 2018
REPORT EXTRACT: non-exclusively licensed for internal use only

CONTRIBUTORS

We are extremely grateful to all the people we spoke to for making this report possible. Below is a list of the individuals who have contributed from consulting firms (some consultants choose to remain anonymous).

Name	Job title	Firm
Waseem Alkhateeb	Head of Management Consulting, KPMG Netherlands	KPMG
Guill Van Den Boom	Netherlands Advisory Practice Co-Lead	EY
Michel van Buitenen	Head of Consulting Benelux & The Nordics	Atos
Jeroen Dossche	Partner	Capco
Harold Geerts	Owner	D-Voted
Jean-Paul Hokke	Partner	IG&H Consulting & Interim
Jean-Francois Kroonen	Advisory Leader of Luxembourg	PwC
Joost Loves	Managing Director	Synechron
Onno Oldeman	Managing Partner, The Netherlands	Simon-Kucher & Partners
Jean-Baptiste Perrin	Chief of Staff	Capgemini
Alan Picone	Managing Director—Global Head of Risk & Management Company Solutions	Duff & Phelps
Wendy van Tol	Netherlands Consulting Leader	PwC
Grégoire Tondreau	Managing Partner, Belgium	Roland Berger
Johan van Triest	Managing Partner	BMC
Volkmar Varnhagen	Managing Director Capgemini Central Europe, Executive Vice President, Head of Consulting D/A/CH & NL	Capgemini Consulting
Bas Van der Velde	General Manager	Rijnconsult
Jurgen van Weegen	Partner	A.T. Kearney
Anneke Wieling	Country Lead, Managing Director, Netherlands	Protiviti

 © Source Information Services Ltd 2018
REPORT EXTRACT: non-exclusively licensed for internal use only

ABOUT THE AUTHORS

B.J. Richards

B.J. is the senior editor at Source and is responsible for ensuring consistency in quality, content, and tone across the core programme. She also writes a number of our core reports and participates in Source's market research. An accomplished writer and editor, B.J. has provided strategic communications for senior executives ranging from a US senator to presidents of Harvard University. She earned her juris doctorate from the University of Georgia and is a member of the Georgia bar.



B.J. Richards

bj.richards@sourceglobalresearch.com

Alastair Cox

Alastair is a Senior Analyst at Source, specialising in the Consulting Market Trends area of the business. His responsibilities include interviewing senior consultants and clients, analysing data, writing reports, and presenting research to clients. Alastair has also championed the development of Source's philanthropic activities; encouraging the team to raise awareness and funds for Alzheimer's Research UK. Prior to joining Source, Alastair was a management consultant with PwC, working on a multitude of projects across a number of different industries and service lines.



Alastair Cox

alastair.cox@sourceglobalresearch.com

Ashok Patel

Ashok is a writer and editor at Source, contributing to our Consulting Market Programme and Client Perception Programme reports. Prior to joining Source, he was an editor and a consultant in the commodities market, and he also brings experience from the UK automotive sector.



Ashok Patel

ashok.patel@sourceglobalresearch.com

 © Source Information Services Ltd 2018

REPORT EXTRACT: non-exclusively licensed for internal use only

SOURCE REPORT PROGRAMMES

SOURCE GLOBAL RESEARCH

MARKET TRENDS PROGRAMME

A series of detailed reports that contain the most accurate view available about the consulting market in an extensive list of countries and regions. These explore key themes, provide market sizing data, growth forecasts, and deep analysis, all backed up by extensive quantitative and qualitative research amongst consulting firms and clients.

As well as our country reports, we also produce a global view of four different sectors. These reports contain sector analysis, market sizing data, and growth forecasts at a global level, as well as breakdowns by sub-sector, service, and geography. Snapshots of content from these reports will be published earlier in the year and made available to subscribers, as tranches become available.

STRATEGIC PLANNING PROGRAMME

A series of reports that take a detailed look at the big trends in the global consulting industry, interpreting them in terms of what they mean for consulting firms and who is best placed to exploit them.

CLIENT PERCEPTION PROGRAMME

A series of reports based on our huge client survey, that reveal what clients think about the leading consulting firms in a number of regions and sectors. We rank the leading consulting firms in terms of clients' perceptions of things like quality and value. Data and analysis for these reports are made available to subscribers throughout the year.

As part of this programme we also publish global brand perceptions. Leveraging all the data we have about each of the world's leading consulting firms, we're able to offer insights that go far beyond traditional brand impact surveys. Choose the firms you want to benchmark yourself against, and we'll analyse how clients see your firm relative to your competitors, writing a custom report that puts you at the heart of it. Available on request.

WHITE SPACE

A series of reports that analyse the quality and effectiveness of thought leadership. These are included in all White Space subscriptions.

How to subscribe

You can either subscribe to a whole programme (the cheapest way of getting access to everything) or buy reports individually. All reports in our programmes come with a global licence, so once you've bought them you can use them anywhere in your firm.

What's included

- **A global licence.**
- **An executive summary (8-10 pages) highlighting key themes.**
- **Relevant content, updated regularly: blogs, podcasts, and spotlights.**

Want to know more?

For more details about how you can subscribe, please contact:

UK +44 (0)203 478 1207 **US** 1-800-767-8058

sales@sourceglobalresearch.com

Or simply visit our website, have a more in-depth look at what we do, and drop us a question at:

www.sourceglobalresearch.com

2018	MARKET TRENDS PROGRAMME	STRATEGIC PLANNING PROGRAMME	CLIENT PERCEPTION PROGRAMME**	WHITE SPACE
JANUARY				Hot topics in thought leadership
FEBRUARY	Forecasts for 2018 UK		In each report, we will publish the top-ranked firms for: **Mindshare** **Quality of work** **Value added** **Quality of work by different consulting services**	Quality ratings of thought leadership for the second half of 2017
MARCH	GCC DACH Benelux	Mega trend #1: Intelligent analytics	Germany part 1 US part 1 GCC part 1	
APRIL	Spain France Nordics		Germany part 2 UK part 1 US part 2	Analysis of recent thought leadership
MAY	Eastern Europe US Russia	Mega trend #2: Discover	Financial services part 1 Nordics part 1 Energy & resources part 1	Analysis of recent thought leadership
JUNE	Italy Canada	Mega trend #3: Strategy	France part 1 UK part 2 Financial services part 2	
JULY	South America Australia	Mega trend #4: Run	Healthcare part 1 France part 2	Analysis of recent thought leadership
AUGUST	Africa		Nordics part 2 TMT part 1 Energy & resources part 2	
SEPTEMBER	Planning for growth in 2019 India Energy & Resources*		Healthcare part 2 TMT part 2 GCC part 2	Quality ratings of thought leadership for the first half of 2018
OCTOBER	South East Asia Financial Services* China			
NOVEMBER	TMT* Healthcare*	Mega trend #5: How technology will shape the consulting business model of the future		
DECEMBER	*Snapshots of content from these reports will be published earlier in the year and made available to subscribers, as tranches become available.	Mega trend #6: Digital transformation	**Part 1: What our data tells us about the market. Part 2: Firm-by-firm analysis.	

REPORT EXTRACT: non-exclusively licensed for internal use only

OUR CUSTOM RESEARCH SERVICES

SOURCE GLOBAL RESEARCH

Over the course of the last 10 years we've worked with leaders in many of the world's biggest professional services firms, to help them find solutions to some of their most important challenges. Here are some typical examples of the kind of work we do.

You need to know how big your market is

We have a global data model of the professional services industry that is the biggest and most sophisticated of its kind ever created. It provides data on market size, growth rates, and forecasts across 29 industrial sectors, six service lines, and 84 countries. It also breaks down the market by different types of firm.

We can provide you with a version of the model that's customised to fit your needs, giving you data on all the countries, sectors, and service lines that matter to you, and none that don't. But we won't stop there, unless you want us to: Our analysts will work alongside you to make the model yours, mapping our definitions to yours, so you can look at the market on your terms rather than ours.

You need to understand what the numbers mean for you

For many of the firms we work with, pure data isn't enough, and nor are standard reports able to offer a view that's sufficiently tailored to their needs. In these situations, our analysts start with a blank sheet of paper, put your firm in the middle of it, and draw on all our data and knowledge—including about clients' perceptions—to build a picture of the world around you. You get a story that's laser-focused on your challenges and your opportunities, and which helps you to translate data and insight into action.

You're new in your role and need to understand the market for which you're now responsible

For people who have just moved into a new role, we can create packs of information specific to a particular geography, sector, or service line. Our market sizing data can be used to quantify the market's potential, and our analysis of clients' perceptions and the competitive landscape will help you understand how best to seize the opportunities and respond to the threats.

You need to create clear propositions around your services

Our research tells us that having a big brand is no longer enough: Increasingly, clients expect professional firms to have a clearly articulated proposition for each service that differentiates them from their competitors. But the best propositions aren't built in a day: Our analysis, because it's grounded in facts about clients' perceptions and behaviour, helps firms quickly cut through internal disagreement and build a clear sense of direction.

You need help with your inorganic growth plans

We also work with firms that are supplementing their organic growth with acquisitions, helping buyers find and qualify suitable targets for acquisitions. Leveraging our deep knowledge of the professional services sector, we can scan the market, profile companies, and even effect introductions. Firms use our services because we're well connected in the industry, independent, and fast.

You need to understand how you measure up against your competitors in the minds of clients

Understanding what your clients think about your firm is critical in today's fast-changing and highly competitive market. New circumstances demand new, expert-led strategies to brand benchmarking, and that requires both independence—to get to the real story, not the one your clients think you want to hear—and deep knowledge and data about your market and your competitors.

We usually have a head start here, because of the data we already have, but we've got all the expertise and experience that's needed to conduct new research among your clients and those of your competitors, in order to understand where your strengths and weaknesses lie, and what you need to do to stand out. The focus might be on your firm alone, but it might also be on how you can create competitive advantage over specific, named competitors.

You need to create better, more effective, thought leadership

Thought leadership has come to dominate the marketing activities of professional service firms, and with good cause: Our research with clients finds consistent evidence that good thought leadership matters to them, too. It helps them to do their job, to identify where world-class capability exists in these firms, and even to shortlist firms for projects.

How well does your thought leadership measure up? We can conduct in-depth reviews to assess quality in a sample of material that's either random or defined by you, from single pieces to entire bodies of work, on an ad hoc or routine basis. We can also help you shape your approach to topics and understand what your competitors are doing, and can provide guidance about how to approach a specific piece of high-profile thought leadership.

We also recognise that good thought leadership doesn't happen by accident, but because you've put in place the right processes and engaged the interests and enthusiasm of your key subject matter experts. We help professional services firms create the foundations, organisational structure and processes for high-quality content. We can also run workshops that inspire your people and help make them more effective at creating thought leadership.

About Source

Source Global Research is a leading provider of information about the market for professional services. Set up in 2007, Source serves the professional services industry with expert analysis, research, and reporting. We draw not only on our extensive in-house experience but also on the breadth of our relationships with both suppliers and buyers. All of our work is underpinned by our core values of intelligence, integrity, efficiency, and transparency.

Source was founded by Fiona Czerniawska and Joy Burnford. Fiona is one of the world's leading experts on the consulting industry. She has written numerous books on the industry including *The Intelligent Client* and *The Economist* books *Business Consulting: A Guide to How it Works and How to Make it Work* and *Buying Professional Services*.

For further information please visit www.sourceglobalresearch.com

Source Information Services Ltd

20 Little Britain • London • EC1A 7DH

+44 (0)20 3478 1207

info@sourceglobalresearch.com

www.sourceglobalresearch.com

© Source Information Services Ltd 2018

Source Information Services Ltd and its agents have used their best efforts in collecting the information published in this report. Source Information Services Ltd does not assume, and hereby disclaims, any liability for any loss or damage caused by errors or omissions in this report, whether such errors or omissions result from negligence, accident, or other causes.

SOURCE GLOBAL RESEARCH