

March 2020

The Benelux Consulting Market in 2020

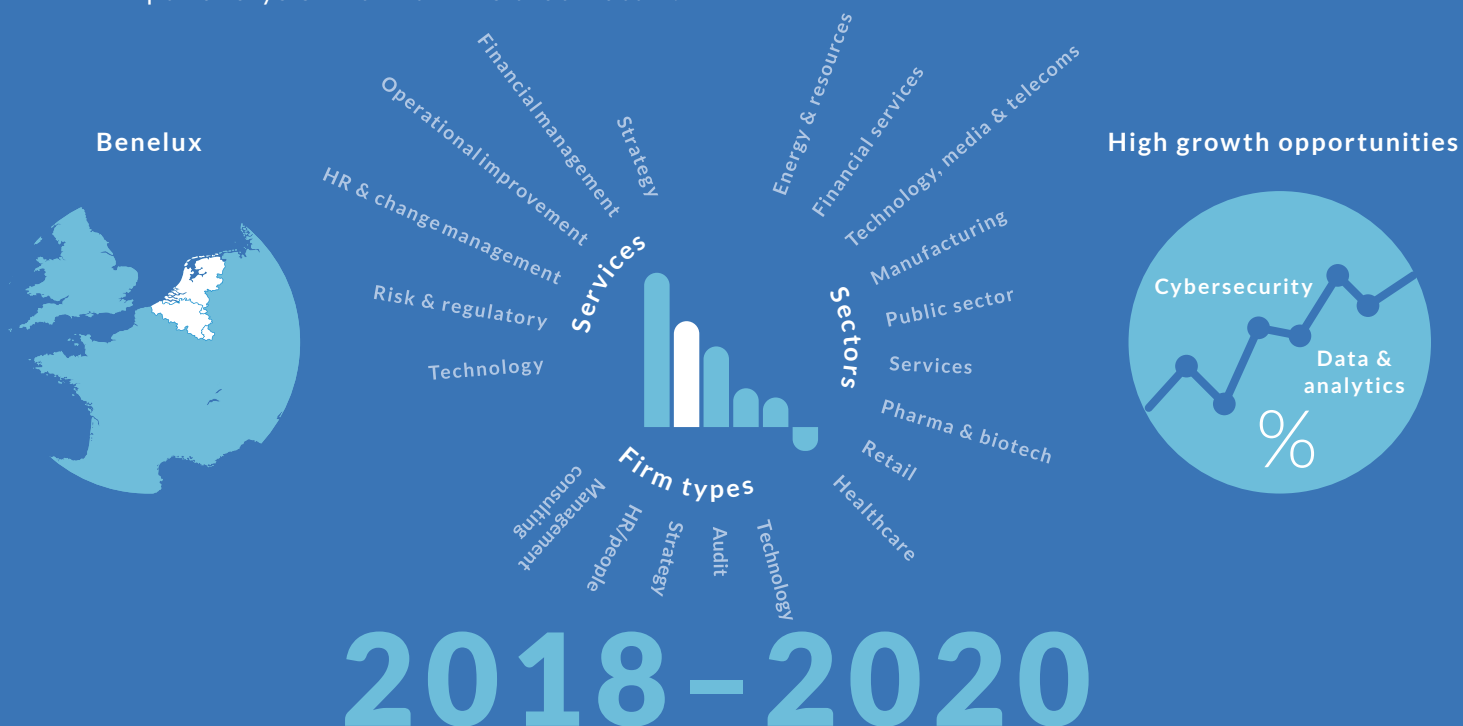
Market Trends Programme





What's included in this report

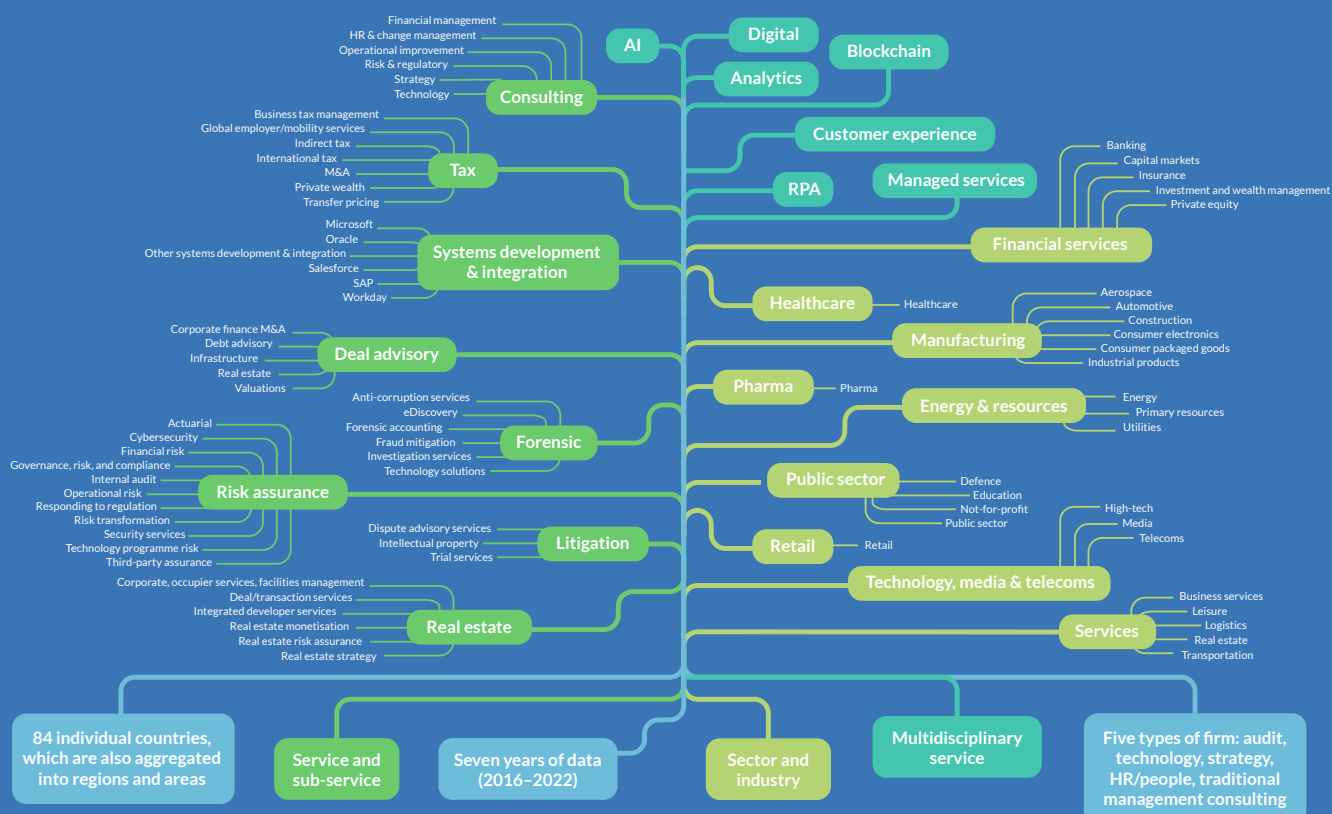
Our reports offer a wealth of market sizing, growth, and forecast data alongside engaging, in-depth analysis of the trends that matter.



2018–2020

What else we cover

Our highly flexible, multidimensional model provides firms with robust, trusted data to make informed decisions about strategic investments and plan for the future.





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Our report draws on three main sources:

- Our global data model with 9.7 million 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:

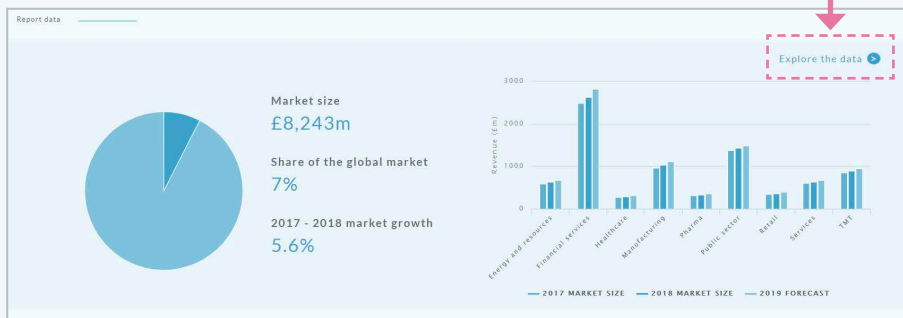
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Explore the data

All of the market size data in this report is available to explore online through our global 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:



[Explore the data](#)

Our global data model is the biggest and most sophisticated model of the professional services industry available. It provides data on market size, growth rates, and forecasts across 29 industries, 12 service lines, 84 countries, and five firm types. It's the platform on which a growing number of professional services firms are basing their understanding of the market and their performance within it.



COVID-19

With the COVID-19 pandemic altering the global economic landscape on a daily basis, we believe the fixed forecasts you'd normally see in our reports would currently add little value. In order to provide our subscribers with the most accurate forecasts possible, we invite you to access our 2020 forecast portal, which is being updated every Friday for as long as the crisis endures. We're very grateful for the ongoing input of a wide range of firms from around the world who are providing up-to-the minute information that allows us to adjust our forecasting model accordingly.

To view the latest forecast alongside wider commentary on how we expect the COVID-19 pandemic to affect the global consulting market, or to learn more about our model and forecast methodology, please visit our website using the link below.

 [COVID-19 model](#)

If you'd like to know more about how we've created our forecasts or want to understand how the year is likely to play out at a more granular level for your firm, please contact charis.buckingham@sourceglobalresearch.com.

Please help us to help you

We are only able to provide these forecast updates thanks to the input of hundreds of firms from all over the world. Please help us by sending us your updates week by week, by following [this survey link](#). Every single one of these responses helps us improve our forecasting.



What's happening in the Benelux consulting market

Overall, 2019 was a relatively good year for consultants in Benelux, even if the pace of growth in the market slowed somewhat from the previous two years. Indeed, the market was slower across all three countries in the Benelux region, but with Luxembourg's economy continuing to grow at a relatively healthy pace and client confidence remaining relatively high, the country remained the region's strongest performer with revenues rising 5.5% to total €272m in 2019. Although things were a little tougher in Belgium and the Netherlands, both continued to see healthy growth of 3.4% and 4.1% respectively.

Macroeconomic concerns create cautious clients

While firms of all stripes continued to enjoy relatively solid growth across the market, macroeconomic concerns started to take hold. Whether as a result of slower economic growth in the Eurozone, uncertainty over Brexit, or concerns over the stance the US is taking on trade with the EU, China, and elsewhere, there was a growing note of caution in the market in 2019.

Slower economic growth in the Eurozone—a key export market for many Benelux companies—encouraged some clients to revise their project plans and review their consulting expenditure, and this more wary mindset led to a lengthening in the decision-making process. Whereas in previous years clients were eager to discuss new initiatives with consultants and relatively quick to move from talking to doing, firms increasingly saw the discussion phase taking longer and clients being much slower to get into gear even once they'd decided on their course of action.



2019 was generally fairly positive but we have seen a number of clients becoming more cautious about consulting spend.

François Génaux, PwC

Broader economic concerns also had an impact on the types of work clients were considering. While growth and improving the top line were still key drivers in many sectors, firms started to see a much greater focus on bolstering the bottom line in preparation for a slowdown. Cutting costs came into much greater focus, particularly in the automotive industry, amid growing concerns over the impact of Germany's economic slowdown on German carmakers. Indeed, operational improvement initiatives were increasingly being discussed across most sectors, even among clients that were still primarily focused on growth.



Brexit bump as exit is confirmed

It's not just issues within the Eurozone that were impacting the consulting market in Benelux. In last year's report, we highlighted the Brexit-related possibilities that could be created in the Benelux market—particularly with a bit more clarity around exactly when Brexit would happen. And in 2019, much to consultants' delight, some of those possibilities started to become a reality.

This Brexit-related work came in two main guises. First, the influx of companies into Benelux continued to generate new opportunities for consultants. With many UK companies—particularly financial services organisations—identifying the Benelux countries as their destination of choice within the EU, consultants saw ongoing work helping companies to expand their existing offices or, for total newcomers, identify suitable locales and set up new facilities. Firms also saw an uptick in risk & regulatory work as companies sought guidance on local laws and customs to ensure their new operations ran smoothly and risks were mitigated. Second, there was a good amount of demand from local clients. This has been a mainstay of the Benelux market since the UK's referendum on EU membership in 2016, with much of this work focused on Brexit scenario planning. However, in 2019, growing clarity around the UK government's Brexit plans in the second half of the year and its insistence on meeting a rapidly approaching deadline date saw companies starting to move from just planning their Brexit preparations to actually executing these plans, with a particular focus on supply chain and business model optimisation work.



We have had work from Brexit with UK firms coming to Amsterdam to have a presence in the EU. This has largely been in the form of assisting firms in registration and licensing, and this is ongoing to some extent. In addition, work will come mostly from migration of activities & processes as well as locally building out capabilities.

Jeroen Bos, Synechron

Of course, not every firm saw a Brexit-related boost. With ratification of a hurriedly renegotiated Withdrawal Agreement only looking like a certainty towards the end of 2019 and a trade deal still to be negotiated there were still plenty of clients reluctant to commit to massive investments and wholesale business and supply chain restructuring until they have greater certainty on exactly what is happening. For those clients, simply knowing the UK is leaving wasn't enough to spur them into action, or at least not yet.



Due to the number of times Brexit has been postponed, businesses are simply continuing to operate as they are used to, and so Brexit has not yet had the impact on demand that it could have had.

Anneke Wieling, Protiviti



We are seeing some work related to Brexit, with clients looking at trade rules and regulations and performing readiness and risk assessments. We are not seeing a lot of supply chain or relocation work, however, apart from a few financial services clients who have moved their headquarters out of the UK. We're not going to see anything more happen until there's some clarity on what Brexit is going to look like. Until then, it's very hard to forecast what the level of demand will be or to know what industries are going to be hit hardest.

Wendy van Tol, PwC



In the long term, Brexit won't be good for Europe, but in the short term there should be some positive impact linked to Brexit. We have seen a number of players open operations in Luxembourg, which until now have been small and limited in scope, but I expect as soon as Brexit materialises properly, we will see more business coming into the structures that have been created.

François Génaux, PwC



Three things that changed in 2019

- 1 Lower growth:** Growth of 4% in 2019 is the lowest since 2016. Clients in the Benelux region were certainly still willing, in some cases very eager, to buy consulting services. However, slower economic growth in Belgium and the Netherlands and signs of an economic slowdown in key export markets in the Eurozone resulted in clients across Benelux taking a slightly more cautious approach to spend on consultants last year.
- 2 Sustainability:** Whether to appeal to the priorities of those entering the workforce, appease concerns among investors and customers, or as a result of genuine worry over their impact on the environment, sustainability moved from an also-ran to a frontrunner in clients' minds in 2019. The need to move beyond simply reporting CO2 emissions to actively reducing them, and in many cases transitioning to new business models with an emphasis on the circular economy, became a much bigger topic of discussion in the market and started to drive new, and in some cases, radical initiatives.
- 3 Brexit:** While Brexit has been on clients' agendas since the 2016 referendum, the dithering in Whitehall and continuous delays meant much of the work in previous years had focused primarily on scenario planning. Of course, some companies wanting to get ahead of the game had already started to shift some of their operations from the UK to Benelux and vice versa, but with greater clarity around the timing of Brexit resulting from the mid-2019 UK government leadership change, firms saw a rise in the number of companies starting to move from scenario planning to action. Brexit-related work started to come to the fore in the latter half of last year owing to companies accelerating their plans to open a new office, ramping up their existing Benelux operations, or engaging in a wholesale review and adjustment of value chains.



Contributors

We are extremely grateful to all the people we spoke to for making this report possible. Below is a list of individuals who have contributed (excluding those consultants and clients who wished to remain anonymous).

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Ashok is a writer and editor at Source in our Market Trends team. He is an experienced writer, editor, and analyst, providing insights into the latest trends and developments across the professional services market. He has been quoted by a variety of trade publications and has previous experience in Source's Client Perception Programme. Prior to joining Source, Ashok was an editor and consultants in the commodities market, as well as working in the UK automotive industry.

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Programme schedule for 2020

Reports 2020	Market Data & Analysis	Client & Brand Insights	Emerging Trends
January			
February	Forecasts for 2020 UK	UK	
March	GCC Benelux	GCC Nordics	The Future of Account Management
April	Nordics	Germany	
May	DACH France Southern Europe Australia Eastern Europe & Russia Canada US	US France	
June	India South America Mexico Japan South East Asia China	Financial Services Technology, Media & Telecoms	Sustainable Futures: Building Resilient Businesses
July	Africa Global Risk Services	Energy & Resources Healthcare	
August	Global Tax Advisory	Perceptions of Audit Firms Perceptions of Tax Firms	
September	Energy & Resources Planning for Growth in 2021	Perceptions of Risk Firms	Sustainable Futures: A Climate Transformed
October	Financial Services		
November	Healthcare Technology, Media & Telecoms		The Consultant of Tomorrow
December			

Please note that with the purchase of all country Market Data & Analysis reports in 2020, you will also gain access to monthly updates regarding the impact COVID-19 is having on the consulting industry more widely.

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- Proposition strategy and development
- Brand and client sentiment analysis
- Thought leadership and content strategy, development, and review

For more information about any of these, please visit our website or get in touch.

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.

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