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# Convergence and Diversification in Professional Services



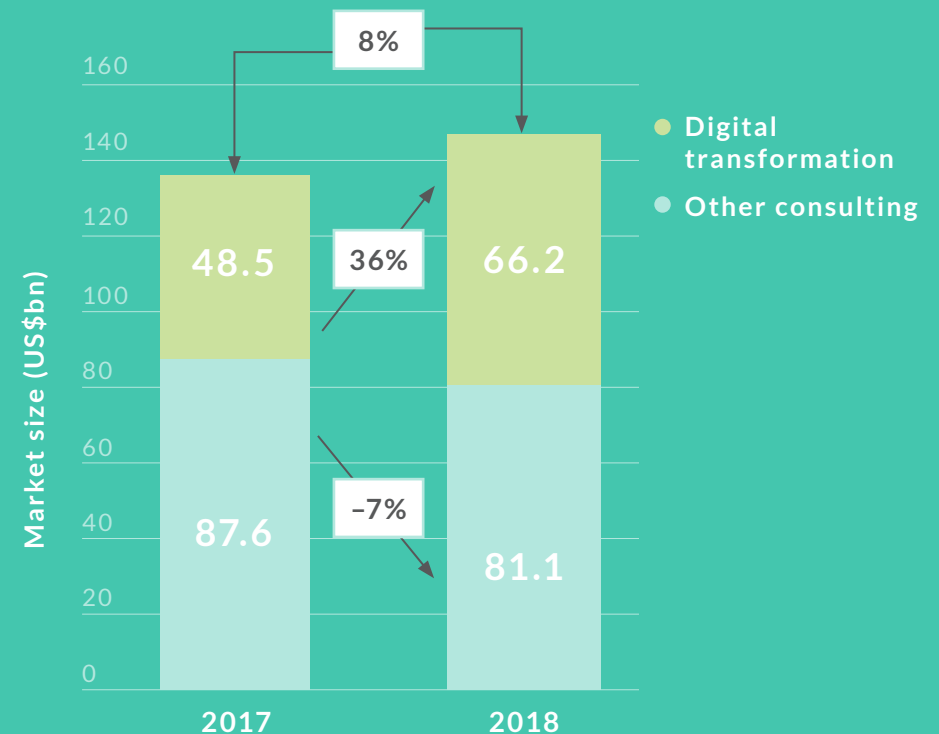


## The irresistible prize

Overall growth in the global management consulting industry in recent years has masked a stark truth: The market for traditional, discrete, consulting services has actually been shrinking. It's the market for multidisciplinary digital transformation projects that has been growing.

And how. In fact, in 2018 the digital transformation market grew by 36%, while the rest of the market contracted by 7%. To say there's only one game in town would be to overstate things a little, but there's really only one game that everybody's watching. And as you might expect, everyone wants a piece of the action...

*The impact of digital transformation on the global management consulting market*





## The inevitable result

As if it wasn't attractive enough to consulting firms simply to have an opportunity to be able to work on big, multidisciplinary projects, our research has shown that doing so has a significant and positive impact on clients' perceptions of one of the most critical success factors in today's market: a firm's perceived ability to add value.

Little surprise, then, that the competitive landscape has come to be dominated by one overwhelming theme: convergence.

Everyone's doing everything.

### *The impact of client relationship on perceptions of value*



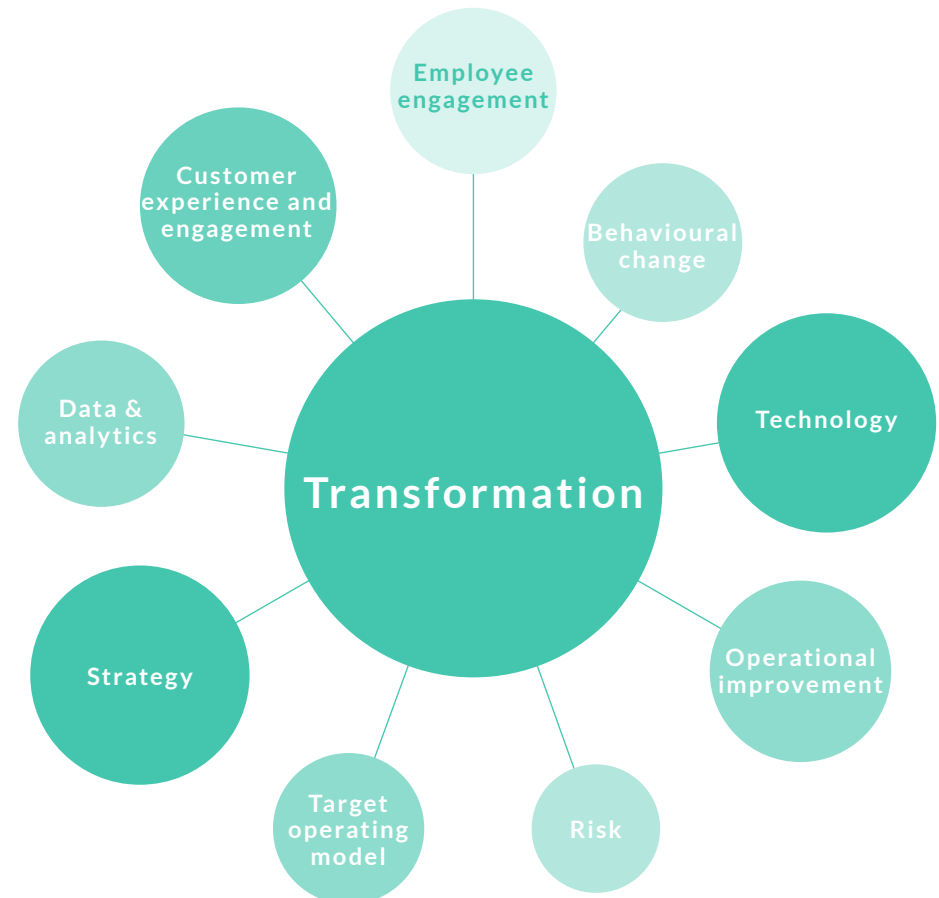




## Worlds collide

The most predictable and well-understood manifestation of a market that's converging in pursuit of the digital transformation prize is the collision between the worlds of technology and business. There are very few projects now that don't combine an element of both. But the coming together of technology and non-technology services is the leading edge not only of new combinations of consulting services that haven't hitherto come into contact, but also of more far-reaching relationships between parts of the wider professional services industry...

### *Traditional management consulting services*

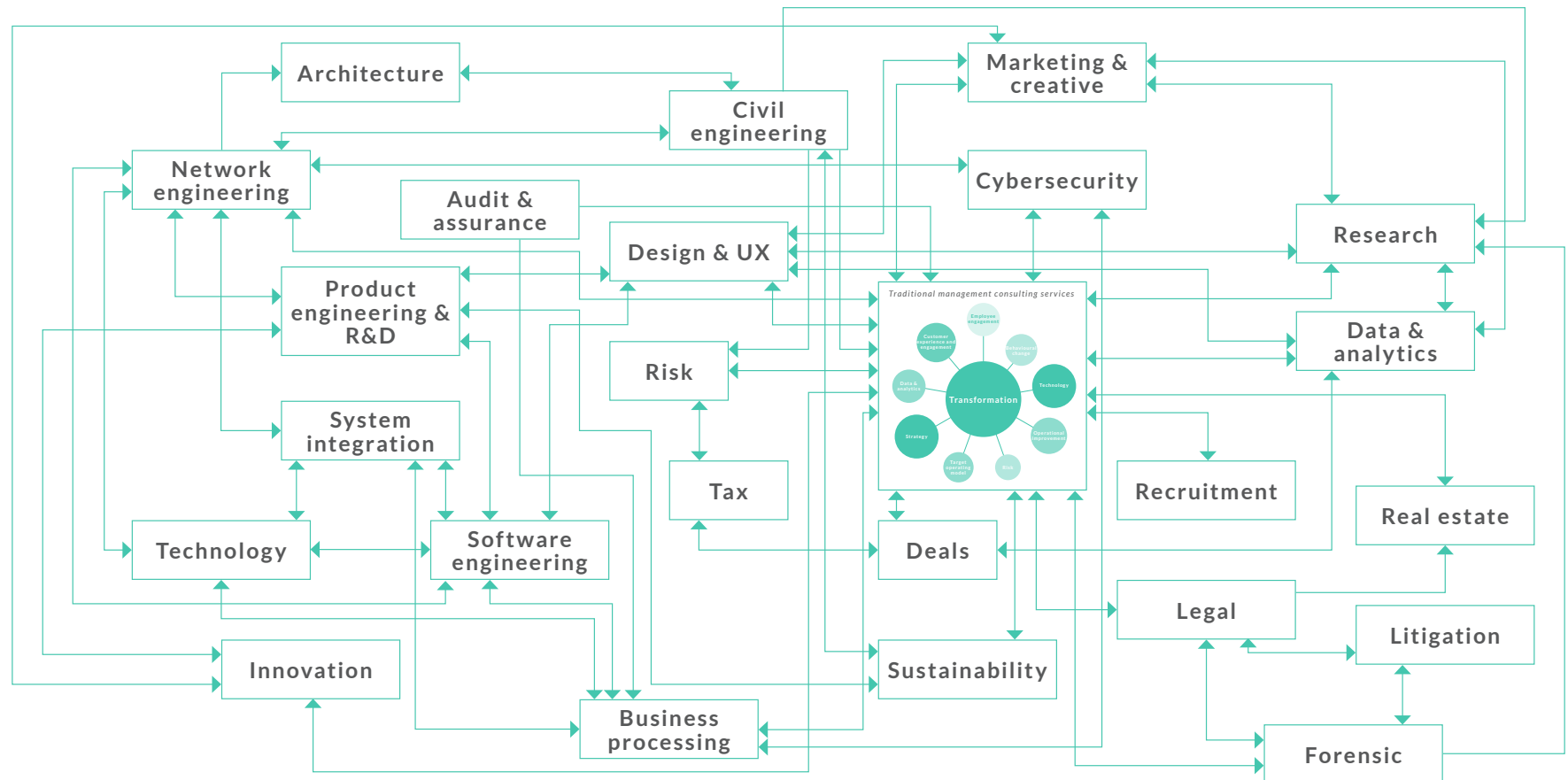


The darker the bubble, the more established it is as a component of transformation work. Newer components are paler.



## The tangled web

Professional services providers are on the move as they pursue new opportunities or attempt to serve old clients in new ways. To interpret this simply as opportunism on the part of professional services firms would be to miss an important point: Many are moving into new areas because clients want them there.



Contact us

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