

Perceptions of Risk Firms

Client Perception Studies



Our values and integrity

Our purpose is to help you grow your business. We aim to provide you with the best data and analysis to help you make the right decisions for your firm.

To that end, Source Global Research is completely independent of any professional services firm we work with or comment on. The views about each firm expressed in this report come from senior end-users of professional services—your clients and prospects, in other words. All analysis is our own—as experts in interpreting client data, our aim is to help you make sense of it and bring the important messages to your attention quickly.

It is not possible to influence our rankings either by subscribing to our research or by paying us money—it never has been and it never will be.

Introducing the Brand Barometer

Source's Brand Barometer is a brand benchmarking tool that assesses how well positioned a firm's brand is today and for growth in the future. It combines our market-leading client survey methodology with data from our global data model. We then incorporate our deep knowledge of the consulting industry to measure, interpret, and contextualize the impact of a firm's brand—and that of its competitors. This allows firms to track, measure, and understand their brand more intelligently, and whether their brand is fit for the future.

This year, we've included in this report additional metrics using our Brand Barometer methodology. The Brand Barometer methodology expands on the existing client perception study methodology readers will be familiar with from past reports. It includes additional metrics to cover a more well-rounded view of brand strength, such as the extent to which different firms are seen as leading authorities on priority issues, or the extent to which a firm's offering and positioning is seen as relevant to the problems clients face. We show the scores and relative rankings of firms in these additional metrics in the 'Detailed rankings' section, along with the quality, value, and aided awareness scores presented in past reports.

In addition, the Brand Barometer summarises the overall relative position of brands by aggregating different measures of brand strength together to calculate what we call the 'current brand score'. This is explained in more detail [here](#). Separately, we calculate a 'future readiness score'. This uses our global data model to forecast which services we expect to grow the most over the next three years, combined with our client survey to determine which firms are best placed in the areas we expect the strongest growth into the future. This is explained in more detail [here](#). This allows you to see a summarized view of where your firm stands today and into the future, covering all aspects of brand we ask about.

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How to use this Client Perception Study

It's very important to be clear about what our Client Perception Studies are, and are not:

What they're not are exhaustive studies of clients' opinions about specific firms that remain statistically robust when filtered to provide detailed data about views at a very granular level of the market. So if, for instance, you want statistically robust data about what clients in the pharma sector in Germany think about McKinsey's operational improvement capabilities, you won't find it in these reports. We do profile individual firms in our reports to the extent we can—indeed this remains one of the most popular parts of the reports with readers—and we do, separately, provide tailored presentations to firms that buy this report, contextualising the results for that individual firm. However, our Client Perception Studies are not designed to replace the sort of in-depth client research that many firms carry out (and often ask us to carry out for them) or the more wide-ranging, global view of perceptions provided by our Consulting Brand Barometer.

What they are designed to do is provide a snapshot of views within a particular consulting market at a point in time. What they lack in detail about individual firms they make up for in three important ways:

- **A multi-firm view.** Our reports enable risk advisory firms to see how they stack up against their competitors in the minds of clients.
- **A view from prospects, not just existing clients.** We include the views of people who aren't current active clients of the firm they're telling us about, enabling us to understand what we tend to think of as a firm's brand pipeline, and to compare the views of prospective and active clients. In doing this, we're able to assess the extent to which clients' expectations of a firm are met in reality, and how well a firm's marketing and delivery capabilities are aligned.
- **Independence and expertise.** The trouble with conducting your own client research is that clients are often reluctant to express negative views about firms (and people) with whom they've worked closely. They have no such concerns when they're telling us. Added to which, we're able to bring to bear the expertise we've gained over years of analysing the professional services market, helping to interpret the results within the context of the wider market and the strategic priorities of risk advisory firms.

It's important to remember that this is a study of client perceptions; a summarised view of what we're hearing from the market. It's not Source's view, nor is it a comment on market share or a recommendation to clients about which firms to buy from. The audience of these reports is very much the firms featured in them, and those interested in the strength of the competition in any given market.

Methodology

Who did we talk to?

We have 300 responses from our survey of executives, directors, and senior managers in the US undertaken in May to June 2021, all of whom have been responsible for buying substantial volumes of risk advisory services in the past two years. We ask all respondents about three firms they're familiar with, giving us 900 responses about different firms. They represent a wide range of sectors and business functions, and 91% work in organisations that generate more than \$500m in revenue.

For more information about the people we surveyed, please see the extended methodology section at the back of this report.

The difference between direct clients and prospects

We talk about two types of clients in this report: direct clients and prospects.

Direct clients are clients who have bought services from a firm on a reasonably regular basis. They're current clients, or ones with an ongoing relationship with a firm.

Prospects are clients who feel qualified to share an opinion about a firm but aren't among the firm's direct clients. They may have had exposure to the work the firm has done elsewhere in their organisation or have simply formed an impression based on reading a firm's thought leadership or being exposed to its marketing in some other form. In this research, we segment this group into those that are simply aware of a firm, and those that have shortlisted a firm but decided not to proceed with that firm.

The differences between the opinions of these two types of clients tell us a lot about the differences between expectation (prospects) and reality (direct clients). But they also tell us something about the differences between a firm's marketing and what it actually delivers.

Discover more online

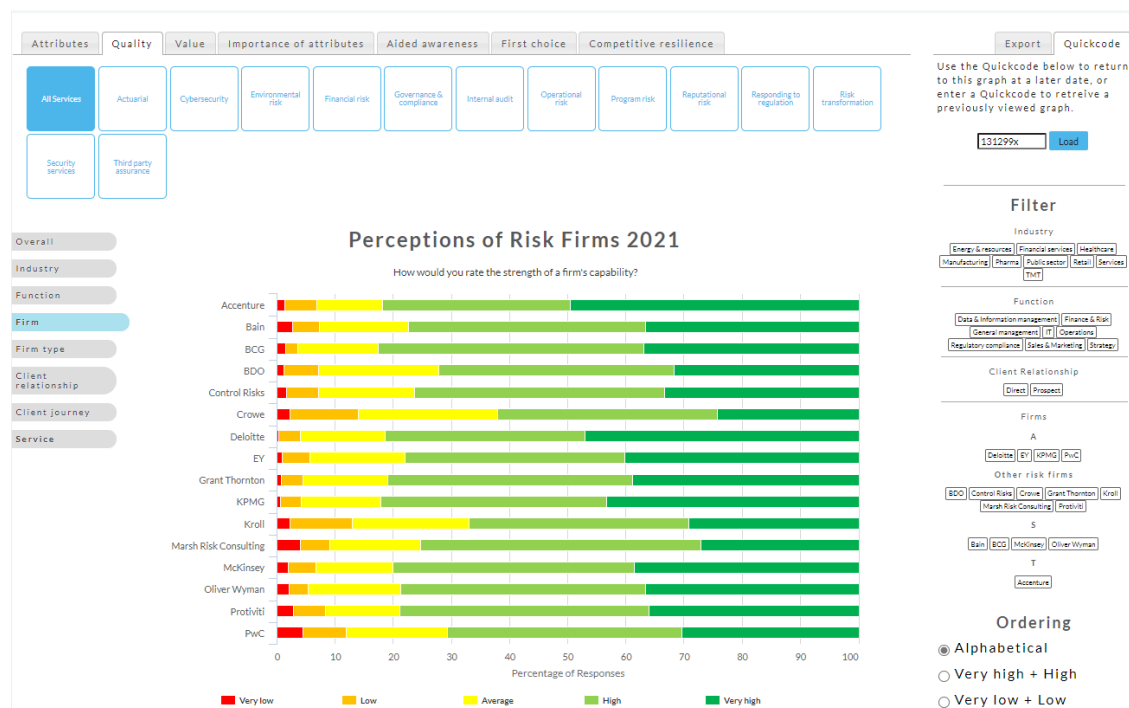
The data contained and referred to within this report is also available online, where it can be sorted and filtered according to your preferences. In fact, some of the charts contained in the report link directly through to the online database. Note that wherever you see a Quickcode next to the title of a chart, that code can be entered into the search function of the database to reproduce exactly the same chart.

How to access the data

To access the data, visit the main [report page](#) and click the blue “Explore the data” button. Alternatively, you can visit the main data portal page at reports.sourceglobalresearch.com/portal/cpp/2021.

What can I do with the data?

From here, you will be able to filter all the data in this report on each of the key areas: aided awareness, quality, value, first choice, attributes, and importance of attributes.



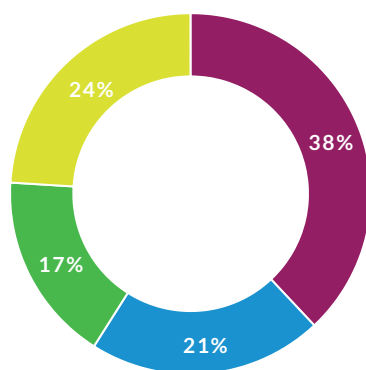
When you log on, you'll notice that in some areas there's data that's in a faded grey colour. This is where we have data, but it's not a big enough sample to include in a ranking in this report. Nonetheless, we share it online in case you do want to see what, for example, prospects in legal functions in the public sector (or a similarly complex split) think of a particular firm. If you have any questions about any of the data, please [contact us here](#).

Methodology in full

Who did we talk to?

Figure 27

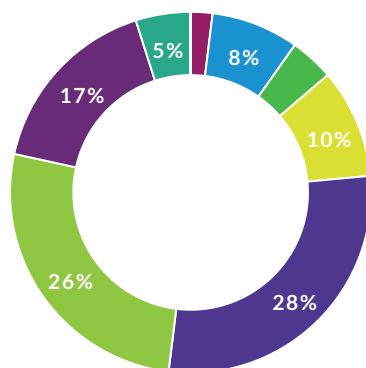
Respondents by level of responsibility



- CXO / Board level management
- Direct reports into CXO / Board level management
- Senior manager
- Head of Department

Figure 28

Respondents by organization's revenue



- Less than \$100m
- \$100m - \$500m
- \$500m - \$750m
- \$750m - \$1bn
- \$1bn - \$3bn
- \$3bn - \$5bn
- \$5bn - \$10bn
- \$10bn+
- Not applicable ' we're not a revenue-generating organization

Figure 29

Respondents by sector

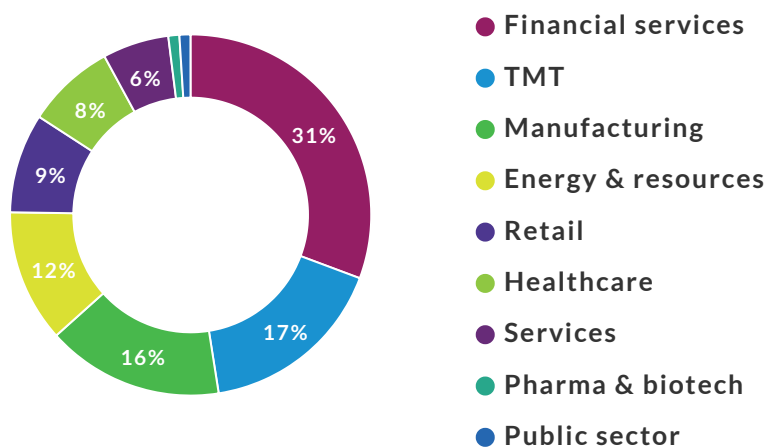
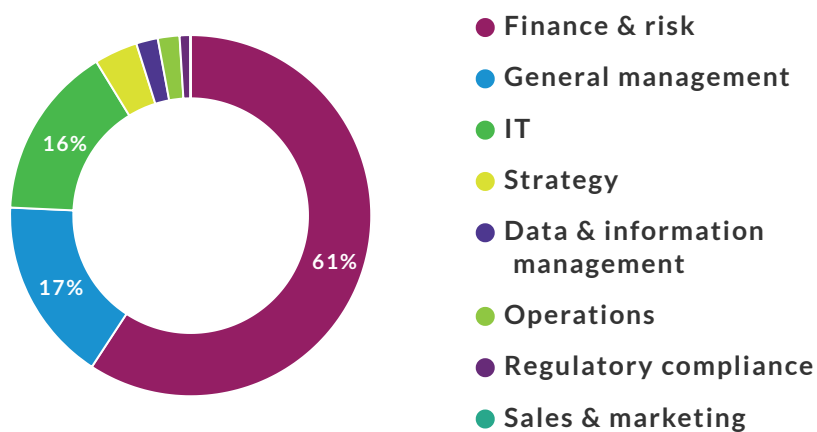


Figure 30

Respondents by function



What did we ask them?

Each respondent was asked to tell us about three risk advisory firms and was presented with a list of up to 16 leading risk advisory firms in the US. We focus on the world's leading risk advisory firms to ensure we have sufficient responses to carry out a detailed analysis.

We asked each respondent to share their views, focusing on the following areas:

- **First choice:** Which firm they say would be their first choice to work with in 13 different risk advisory services
- **Quality:** Their perception of the quality of service provided by each of three firms selected in 13 different risk advisory services
- **Value:** Their view of how much value each of three firms selected add in relation to the fees paid for its services
- **Attributes:** How they rate each of three firms selected and the individuals from it across a range of attributes, and what they think the most important attributes of each firm are
- **Relevance:** Which three firms' offering, positioning, and content is most relevant to helping them solve the risk management issues their organization faces, and which three firms' offering, positioning, and content is least relevant
- **Authority:** Which topics are most pressing to their organization's risk management issues over the next two years, and, for those most pressing topics, which firm is the leading authority or thinker in that area

Which firms are included in this report?

Firm	Did we ask about this firm in this market?	Detailed profile available?
Accenture	✓	✓
Bain & Company	✓	✓
BDO	✓	✓
Boston Consulting Group	✓	✓
Control Risks	✓	✓
Crowe	✓	✓
Deloitte	✓	✓
EY	✓	✓
Grant Thornton	✓	✓
KPMG	✓	✓
Kroll	✓	✓
Marsh	✓	✓
McKinsey & Compan	✓	✓
Oliver Wyman	✓	✓
Protiviti	✓	✓
PwC	✓	✓

How do we rank firms in this report?

In this report, we reveal the top-ranked firms in a number of areas. We look at the top-ranked firms overall, but where we can, we also split the data to look at perceptions of quality and value by client type. We have data by sector and by function (that is, looking at how views of respondents in different sectors and different business functions vary) available online. In breaking down the data to this level our sample sizes can become quite small, so where it isn't big enough for us to be confident, we grey out the data in question. To explore the data further, please visit our [online portal](#), where you'll be able to see all the data we have on aided awareness, quality, value, attribute perceptions and competitive resilience in one place. If you have further questions, please [contact us here](#).

Aided awareness: To give each firm an aided awareness score, we've looked at how quickly respondents selected any particular firm. The firm that reached the quota fastest gains the top score (which is 100). All other firms are scored in comparison to the time it takes to fill that quota. Think of it as firms racing each other to a finish line.

Attribute alignment: We base our rating on comparing the ranking order of importance of different attributes with the ranking order of attribute strength of a firm across different attributes. We calculate a score based on the sum of the absolute difference between the ranking order of importance against the ranking order of strength for each attribute. This score is then divided by the maximum potential difference between the importance and strength rankings (128), subtracted from 1, and multiplied by 100 to index it between 0 and 100, with a score of 100 indicating perfect alignment between importance and strength rankings.

Attribute strength: We base our rating on the sum of the proportion of people who describe an attribute as either "good" or "very good". Where that produces an equal result between two firms, we take into account the share who have described strength as "very good" to determine the order in which they are ranked.

Authority: We base our rating on the percentage of clients who select a firm as the leading thinker or authority across a range of topic areas. To give an authority score, we calculate a weighted average ranking across topic areas by the percentage of client who select each topic as one of the two most pressing issues to their organization. We then reverse the rank ((number of firms + 1) minus the average rank) and divide by the total number of firms in the survey. Scores are then multiplied by 100 to index between 0 and 100, with a score of 100 indicating that a firm is the leading thinker across all topics.

Awareness: To give each firm an awareness score, we calculate the average of the unaided awareness and aided awareness scores.

Client centricity: To give each firm a client centricity score, we calculate the average of attribute alignment and attribute strength.

Competitive resilience: To give each firm a competitive resilience score, we've looked at the difference between the sum of the percentage of every firm's direct clients saying they'd choose a given firm as their first choice (including the given firm's proportion of clients saying they'd stay with the firm) and the proportion of that given firm's direct clients saying they'd choose any other firm as their first choice. We calculate the score by normalising the percentage point difference between these two measures.

A firm is scored out of 100 with a score of more than 50 meaning the sum of the percentage of every firm's direct clients selecting a given firm as their first choice is higher than the percentage of direct clients of that given firm who select a competitor as their first choice. A score of less than 50 means the sum of the percentage of every firm's direct clients selecting a given firm as their first choice is

lower than the percentage of direct clients of that given firm who select a competitor as their first choice. Scores are capped at 100. In other words, a higher score indicates a firm threatens to take direct clients from competing firms, while a lower score indicates a firm is at risk of losing direct clients to its competitors.

Credibility: To give each firm a credibility score, we calculate the average of the quality, value, and client centricity scores.

Current brand score: To give each firm a current brand score, we calculate the average of the mindshare, credibility, authority, and competitive resilience scores.

Current first-choice score: To give each firm a current first-choice score, we calculate an average ranking based on the percentage of clients who select each firm as their first-choice firm to work with in each service area. We then reverse the rank ((number of firms + 1) minus the average rank) and divide by the total number of firms in the survey. Scores are then multiplied by 100 to index between 0 and 100, with a score of 100 indicating that a firm is the leading thinker across all topics

Future first-choice score: To give each firm a future first-choice score, we take the rank based on the percentage of clients who select each firm as their first-choice firm to work with in each service area, and calculate a weighted average overall based on how large we expect the growth of each service area to be in the US over the next three years. We then reverse the rank ((number of firms + 1) minus the average rank) and divide by the total number of firms in the survey. Scores are then multiplied by 100 to index between 0 and 100, with a score of 100 indicating that a firm is the leading thinker across all topics.

Future quality score: To give each firm a future quality score, we take the quality scores in each service area, and calculate a weighted average overall based on how large we expect the growth of each service area to be in the US over the next three years.

Future readiness: To give each firm a future readiness score, we take the current brand score and grow it by the average of the percentage increase in the future quality score over the current quality score and the percentage increase in the future first-choice score over the current first-choice score.

Mindshare: To give each firm a mindshare score, we calculate the average of awareness and relevance.

Quality: We base our rating on the sum of the proportion of people who describe quality as either “high” or “very high”. Where that produces an equal result between two firms, we take into account the share who have described quality as “very high” to determine the order in which they are ranked.

Relevance: We base our rating on the percentage of clients who identify a firm as one of the three (from the list of 16) whose offering, position, and content is most relevant to helping solve the risk management issues their organization faces net of the percentage of clients who identify the same firm as one of the three least relevant. To give each firm a score, we add that net positive score to 100 and divide by two, capping at 100 at the upper bound and zero at the lower bound. A firm is seen as more relevant if they score above 50 and less relevant if below.

Unaided awareness: To give each firm an unaided awareness score, we’ve looked at how many respondents identified different firms when asked for the first firm providing risk advisory services that comes comparison based on the number of times they were selected relative to the most popular firm.

Value: We base our rating on the sum of the proportion of people who say that the value a firm delivers is greater (to any extent) than the fees it charges. Where that produces an equal result between two firms, we take into account the extent to which value is seen to be greater than fees (respondents had the choice of saying it was twice, five times, or 10 times or more the amount paid in fees) to determine the order in which they are ranked.



About the author

Martin White

Martin is a Senior Analyst at Source in our Client & Brand Insights team. He is an experienced writer and analyst specialising in client perceptions and helping professional services firms to understand how they are perceived in the market. Prior to joining Source, Martin spent more than 11 years as an economic and financial consultant in a variety of roles at FTI Consulting and LECG.

Martin White

✉ martin.white@sourceglobalresearch.com



The Consulting Brand Barometer

Do you want more detailed brand insights for your firm or its competitors? Would you like to see how well your brand will fare in the future?

Brand insights are a key input to making the right strategic choices and realising business opportunities for your firm. Source GlobalResearch provides a better solution for firms to track, measure, and understand their brand more intelligently, enabling faster decisions based on what customers really want.

Source's Consulting Brand Barometer is a brand benchmarking tool that assesses how well positioned a firm's brand is today, and for growth in the future. It is used by the most senior leaders within the consulting industry to enable them to assess the potential of their brand and the opportunities for them. The Barometer combines our market-leading client survey methodology with data from our global data model. We then incorporate our deep knowledge of the consulting industry to measure, interpret, and contextualise the impact of a firm's brand—and that of its competitors.

Our custom work

In addition to our report programmes, we also provide custom advice and research-led consulting services to the world's biggest and most successful professional services firms, helping them identify the best areas for investment and plan their strategic responses.

Among other things, our work includes:

- Deep market and competitor analysis
- Acquisition strategy
- 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.



Programme schedule for 2021

Reports 2021		Market Trends Programme	Client Perception Studies	Emerging Trends Programme
Q1	January	Forecasts for 2021 US GCC UK Nordics Canada	UK US	
	February		Germany Financial Services	
	March		Healthcare & Pharma GCC France	Buying and Selling
Q2	April	France DACH Australia China Southern Europe Benelux	Nordics Energy & Resources Technology, Media & Telecoms	
	May		China Japan	Digital, Transformed?
	June			
Q3	July	South America South East Asia India Japan Eastern Europe & Russia Africa Energy & Resources Financial Services		
	August		Perceptions of Risk Firms Perceptions of Tax Firms	Consulting's New Talent Crisis
	September		Perceptions of Audit Firms	
Q4	October	The Global Tax Advisory Market The Global Risk & Cybersecurity Services Market Healthcare & Pharma Technology, Media & Telecoms Consumer Products & Retail Planning for Growth in 2022		Building a Trusted Brand
	November			
	December			

Please note that with the purchase of all Market Trends reports in 2021, you will also gain access to a monthly video summary on the global market, presented by Fiona Czerniawska.

White Space

A powerful research tool that allows subscribers to keep up to date with the latest content being produced and maximise their return on investment. A series of reports that analyse the quality and effectiveness of thought leadership are published throughout the year.

About us

Source analyses the way in which economic, business, behavioural, and technology change drives how organizations use professional services, and the implications that has for professional services firms.

Since its inception in 2007, Source has invested in sophisticated, proprietary research techniques that not only provide unique insights on current and future trends in the market, but also provide a better and faster solution than you would be able to reach yourself.

Our analysis and recommendations are derived from data and experience, and we use our team's extensive knowledge of the industry to provide actionable and clear conclusions on the best course of action for you and your firm. Our insights have underpinned some of the biggest strategic investment decisions made by professional services firms around the world.

Source Information Services Ltd
20 Little Britain | London | EC1A 7DH
UK +44 (0)20 3478 1207
US +1 800 767 8058
info@sourceglobalresearch.com
www.sourceglobalresearch.com